

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

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The Honourable Myrna Driedger
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Forty-First Legislature

Member	Constituency	Political Affiliation
ALLUM, James	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
BINDLE, Kelly	Thompson	PC
CLARKE, Eileen, Hon.	Agassiz	PC
COX, Cathy, Hon.	River East	PC
CULLEN, Cliff, Hon.	Spruce Woods	PC
CURRY, Nic	Kildonan	PC
DRIEDGER, Myrna, Hon.	Charleswood	PC
EICHLER, Ralph, Hon.	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FIELDING, Scott, Hon.	Kirkfield Park	PC
FLETCHER, Steven, Hon.	Assiniboia	Man.
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	Ind.
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
LAMONT, Dougald	St. Boniface	Lib.
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, Hon.	St. Vital	PC
MICHALESKI, Brad	Dauphin	PC
MICKLEFIELD, Andrew	Rossmere	PC
MORLEY-LECOMTE, Janice	Seine River	PC
NESBITT, Greg	Riding Mountain	PC
PALLISTER, Brian, Hon.	Fort Whyte	PC
PEDERSEN, Blaine, Hon.	Midland	PC
PIWNIUK, Doyle	Arthur-Virden	PC
REYES, Jon	St. Norbert	PC
SARAN, Mohinder	The Maples	Ind.
SCHULER, Ron, Hon.	St. Paul	PC
SMITH, Andrew	Southdale	PC
SMITH, Bernadette	Point Douglas	NDP
SMOOK, Dennis	La Verendrye	PC
SQUIRES, Rochelle, Hon.	Riel	PC
STEFANSON, Heather, Hon.	Tuxedo	PC
SWAN, Andrew	Minto	NDP
TEITSMA, James	Radisson	PC
WHARTON, Jeff, Hon.	Gimli	PC
WIEBE, Matt	Concordia	NDP
WISHART, Ian	Portage la Prairie	PC
WOWCHUK, Rick	Swan River	PC
YAKIMOSKI, Blair	Transcona	PC

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 21, 2019

The House met at 1:30 p.m.

Madam Speaker: Good afternoon, everybody. Please be seated.

**ROUTINE PROCEEDINGS
INTRODUCTION OF BILLS**

**Bill 235—The Emergency Medical Response and
Stretcher Transportation Amendment Act**

Mr. Tom Lindsey (Flin Flon): I move, seconded by the member from Minto, that Bill 233–no–235, The Emergency Medical Response and Stretcher Transportation Amendment Act, be now read a first time.

Motion presented.

Mr. Lindsey: It's important that I bring this amendment in to the transportation medical response and stretcher transportation act. The Northern Patient Transportation Program provides an essential service to rural and northern Manitobans, and I'm honoured to stand here and bring forward Bill 235 which—for the House's consideration of this act.

Travelling out of your home community to seek the care you need can be difficult, particularly coming out of some of the northern communities.

This act would require that the financial assistance be provided for non-medical escorts. This includes any person who provides support and assistance to the person seeking care.

Thank you, Madam Speaker.

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

Committee reports?

TABLING OF REPORTS

Hon. Kelvin Goertzen (Minister of Education and Training): Good afternoon, Madam Speaker.

I wish to table the Manitoba Adult Literacy Strategy for 2017-18.

Madam Speaker: Ministerial statements?

MEMBERS' STATEMENTS

**Cathy-Jo Harrison Growing Minds
Reading Room**

Mr. Greg Nesbitt (Riding Mountain): The memory of an inquisitive, extremely articulate avid reader will continue to live on for students, teachers and citizens of Hamiota and area with the proposed rebuilding of the reading room at the elementary school.

Cathy-Jo Harrison died tragically on December 19, 1996, at the tender age of seven when her scarf became tangled in a tree while playing on a snow bank at her farm home at Isabella, where she lived with her parents Cal and Marcie, and her sister Sarah.

Madam Speaker, I know from first-hand experience that Cathy-Jo's spirit would light up a room. She was the type of person who, if you met her, you immediately fell in love with her intelligence and enthusiasm for life. It was only fitting that the community came together to build a sunroom attached to the school library in her memory.

The Cathy-Jo reading room was built over the 1997-98 school year. The sunlit room has been a favourite for students to listen to stories and read over the past two decades.

As a kid I remember having library class once or twice a week and my favourite part was listening to stories in the sunroom, said Chantelle Chappell, who is president of the Hamiota student council.

However, the structure is now showing its age and plans are under way to raise funds to build a more permanent building—one that is slightly larger, but still filled with natural light.

Madam Speaker, along with a new structure will come a new name, the Cathy-Jo Harrison Growing Minds Reading Room, which Cathy-Jo's mom, Marcie, says touches the hearts of her, Cal, and their daughters Sarah and Jenny: You have no idea how nice it is to know she's not forgotten and that the school has taken the initiative to breathe new life into the reading room.

We love the new name and think that Cathy-Jo would have loved it too.

Thank you, Madam Speaker.

Madam Speaker: Further member statements?

Lake Winnipeg Fishery Management

Ms. Judy Klassen (Kewatinook): This minister is, clearly, again not listening to the actual people her reckless decisions are impacting. It took this government three years to announce that they're finally going to throw a tiny lifeline to Lake Winnipeg to address the algae.

This government really hurt a lot of fishers by changing the mesh size last time. There was no mention of supports to enable the fishers to replace nets, a cost that will easily go over millions, and now they have to do it again.

Wasn't this government in opposition as equally long as the NDP were in power? How come the PCs have no clue as to how to address the many issues that our fishing industry and our lakes face?

Lake Winnipeg is only 375 miles long and an average of 50 miles wide. It's an easy fishery to study than any ocean. So why does the provincial government, past and present, continue to ignore management based on science? We know why. We know that it will ultimately end up pointing the finger at Manitoba Hydro, the farm industries and the untreated sewage that leaks, generated by the city.

When will the Province quit with all the phony co-management boards where there is no real teeth given for true positive impacts? When will they'll be a truly scientific-based management plan that has many scientists at the table as opposed to only one or two?

Fishing is our last standing industry and we will not see it and our lakes die. We will unite; no more divide-and-conquer tactics.

We want fishing to be a protected industry and to have all the supports in place as the agricultural industry does. Add our fisheries to Canada's ag act like the Atlantic provinces did. Invest in this industry. Quit maneuvering to kill it.

Megwetch.

Madam Speaker: Further members' statements?

Greenhouses in Seine River

Ms. Janice Morley-Lecomte (Seine River): Spring has sprung. The warmer weather ushers in a special season in the province, and no, I'm not talking about

construction season or mosquito season. I'm talking about gardening season. My long weekend marked the start to the gardening season. People are outdoors getting gardens, planters and lawns ready for the summer season.

Gardening is one of the many ways Manitobans enjoy the outdoors in the summer months; however, what may seem like a small hobby can have big benefits. Gardening has many health benefits, including improved heart health and dexterity, decreased stress levels and even higher self-esteem. Gardens can also contribute to sustainable households and provide families with fresh, healthy alternatives found right in their backyards.

Seine River is a home to an impressive number of greenhouses, hosting an array of beautiful flowers, plants, trees and seeds for all types of gardens. Greenhouses such as Lacoste Garden Centre, Sage Garden Greenhouses, St. Mary's Nursery and Garden Centre, Ron Paul greenhouse, Arbo floral flower shop and Red Valley have helped to serve the community's gardening needs for years. One just needs to visit the greenhouses to truly understand the positive impact gardening can have.

I would like to take this time to recognize the contributions made by the greenhouses in Seine River. Whether they are helping a family plant a small garden or providing the supplies for larger community projects, the importance and beauty of their work never goes unnoticed.

Thank you.

Madam Speaker: Further members' statements?

Health-Care Reform

Mrs. Bernadette Smith (Point Douglas): No one can trust what this Pallister government says about health care. The Premier (Mr. Pallister) said he wasn't going to cut front-line workers; then he issued letters to 500 nurses telling them that their positions were being deleted, while cutting lactation consultants and recreation therapists.

Instead of supporting nurses like the Premier and his government said they would, the Pallister government ran a ridiculous \$37,000 sexist ad campaign to try and recruit nurses by posting pictures of them getting facials. As if in the midst of all the chaos that this government has created—they have to deal with, they have time to go to the spa. Neither the Premier or the Health Minister has even apologized to nurses.

The Pallister government has continued to misrepresent nurses by reporting that there is absolute consensus—[*interjection*]

Madam Speaker: Order.

Mrs. Smith: —among health-care providers, including nurses, that the plan is right. This assertion could be farther from the truth.

* (13:40)

In fact, Darlene Johnson wrote a letter outlining the concerns of Manitoba nurses. Hundreds of nurses rallied outside on these very steps with one clear message: care not cuts. Since the beginning of the Pallister government's health-care overhaul, nurses have been telling this Premier and his minister that patient care is being compromised.

The Pallister government doesn't listen and they can't be trusted when it comes to health care.

Nurses across the province are understaffed and overworked and being forced to work mandatory overtime and compensate for the Pallister government's rushed and poorly planned health-care overhaul. They have been left to deal with drug-addicted patients and rising ER wait times in the middle of a meth crisis that this Pallister government is refusing to address.

Not mere weeks after this government announced—

Madam Speaker: The member's time has expired. [*interjection*] Order.

Morris Constituency

Mr. Shannon Martin (Morris): According to Elections Manitoba, the Morris constituency has been around a long time. Created in 1879, named after Alexander Morris, who served as LG from 1872 to 1877.

However, as Captain Picard once said, all good things must come to an end. The Manitoba Electoral Divisions Boundaries Commission has decided that, after 140 years, the Morris constituency will no longer be.

My start over five years ago will, thanks to what the Winnipeg Free Press editorial pages referred to as the passive-aggressive nature of the NDP, go down in the history books. First it was the longest electoral day—electoral delay in Manitoba history. It was the first time a writ period spanned two calendar

years and, just ask my friend for Arthur-Virden, it was the coldest election on record.

While I may be the final MLA for Morris, I look back at changes that have occurred within the communities I represent: new daycare facilities in St. François Xavier, La Salle and Niverville; new fire halls in Rosenort and Ste. Agathe; major bid—major bridge replacements in the RM of Cartier; a major highway replaced in the RM of Morris, going from gravel to paved; a new high school and community resource centre in Niverville and a multi-million-dollar expansion to LaSalle K to 8.

I recall when I first ran for nomination and noted that I wasn't out to change the world but simply wanted to make a difference. On June 17, 2017, I, along with my colleagues for Brandon East and West, attended the Brandon Pride parade. As we were queuing up for the start, a woman approached me. She asked if it was true that I was the MLA for Morris. I confirmed I was. You see, she grew up in Rosenort and never imagined a day when she would see her MLA at a Pride parade.

If nothing else of my career as MLA for Morris is recalled other than my having the ability to show a constituent that there are no rules as to who you are allowed to love, then I call it a worthwhile career.

So, to the constituents of Morris who have shown their faith in me as their representative, I say thank you. The honour, the privilege has been mine.

Introduction of Guests

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

Seated in the public gallery we have with us today the honourable Candice Bergen, who happens to be the MP for Portage-Lisgar and the House Leader of the Official Opposition in the House of Commons.

We welcome you to the Manitoba Legislature.

Joining her also is Debra Giblin, who is her assistant, and we welcome her here as well.

Madam Speaker: We have some pages working their last day in the Assembly today, and I would like all honourable members to join with me in wishing them success in their future endeavours.

Hannah Wiens is a grade 11 student at Springs Christian academy. She is working as a staff cadet in Cold Lake, Alberta, this summer. She has seven siblings, is a sound tech at her school, is going into grade 12 next year, and is a Level 5 F Sergeant at 176 Boeing Air Cadet Squadron.

The thing she likes most about working at the Legislature is watching how the MLAs interact with one another and how the democratic system works. Her life goal is to retire happily at the age of 50.

Our other page is Bianca Dubois, who graduated from University of Winnipeg Collegiate as a Student of Highest Distinction. Next year she will be attending McGill to study microbiology and immunology. She is a competitive curler, having attended the under-21 provincials. She volunteers teaching middle school students how to curl. She enjoyed learning about how our Manitoba government works and having the opportunity to watch the democratic process in action. She will be travelling to Europe this summer, and her goal is to get her doctorate in epidemiology, which is a study of diseases, and work for the World Health Organization.

On behalf of all honourable members, we wish both our pages much success.

ORAL QUESTIONS

Concordia and Seven Oaks Hospitals Request to Retain ER Services

Mr. Wab Kinew (Leader of the Official Opposition): Madam Speaker, I'd just like to take a second to thank our pages for all their wonderful work and to wish them a sincere and heartfelt all the best in the journey that is upcoming for you both.

For years the residents of northeast Winnipeg and northwest Winnipeg have been sending a clear message to this government, which is don't close the emergency rooms at Concordia and Seven Oaks hospitals.

We know that the Premier has not listened. Instead, the Premier went out and hired a consultant, again, for another \$100,000 and then told his Health Minister to try and, you know, sell a bill of goods at a hastily arranged press conference last week. And what did they announce at this press conference? Well, they're still going to close the emergency rooms at Concordia and Seven Oaks.

It's clear that this health-care plan is failing. It's the No. 1 priority of the people of the Manitoba province.

Would the Premier please reverse course and announce today that he will, in fact, keep the emergency rooms open at Concordia and Seven Oaks hospitals?

Hon. Brian Pallister (Premier): I'll just add to my colleague's sincere comments in offering all the best to our pages and thank them for their service here. It's a pleasure to benefit from their work and we thank them for that.

As far as retiring at 50, that, I should mention to Hannah, is not possible for me, but is possible for both of my worthy colleagues who lead the other parties.

Madam Speaker, as far as health-care reform is concerned, it takes courage. The previous government didn't have that. But we do, and we will fix what they broke.

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

Mr. Kinew: Well, Madam Speaker, we know that health care has gotten worse under this Premier and under this government. We know that the Minister of Health said just last week that mistakes were made. That's a direct quote, and we know that the consultant said—and this is another direct quote: Nobody sounds ready for the emergency room closures.

How did they respond to this admission and to this, you know, comment from the consultant? Well, they said, well, we're going to plow full speed ahead and continue to close the emergency rooms at Concordia and Seven Oaks hospitals.

Given what we've seen in the form of rising wait times in emergency rooms, rising wait times for surgeries and increased mandatory overtime for nurses, will the Premier please stand up today and announce that he will cancel his plans to close the emergency rooms at Seven Oaks and Concordia hospitals?

Mr. Pallister: Well, to start to change things for the better, Madam Speaker, it requires one to understand that there's a problem in the first place, and there was certainly a problem. That problem was the longest waits in Canada at Concordia, and, in fact, three other Winnipeg hospitals were in the top five as well.

So pursuing change, as we are, is predicated on the assumption that we can do better. We're working hard to do that. No one claimed that would be easy. If it were easy, the previous NDP government would have done it, I'm sure, but they did not, and, Madam Speaker, they simply stood back and watched while Manitobans waited longer than every other citizen of our country for health-care services.

Madam Speaker, that's just not acceptable to us, and so what they broke, we will fix.

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

Mr. Kinew: You know, I, like many Manitobans, take seriously the word of nurses. They are the ones who care for us at the bedside, and they are deeply committed to ensuring that our health-care system is strong in this province for generations to come.

* (13:50)

And yet what do they have to say about this Premier's time as a steward of the health-care system in Manitoba? Well, they put it in black and white just last week. They say that this is worse than it has ever been in Manitoba.

The Premier has been in such a rush to close emergency rooms and to cut services like physiotherapy that he's forgotten that he can actually make things worse, and yet that's exactly what has happened under his watch.

We know that they are now trying to correct course and, you know, shift the narrative here in advance of an early election, but nobody believes this government when it comes to health care.

Will the Premier simply abandon this plan to close the emergency rooms and tell us today that the ERs at Seven Oaks and Concordia hospitals are going to stay open?

Mr. Pallister: Madam Speaker, they were serving as waiting rooms under the NDP more than they were providing emergency care for citizens in need.

The member wishes to enter into election speculation or 'speculection,' Madam Speaker, on the basis of trust. I welcome that. The NDP promised that they would build a bipole line around the province without costing Manitobans a penny. They promised they wouldn't raise the PST. And they also said they'd solve the dilemma of hallway medicine.

And they failed miserably. In fact, they failed more than everybody else in the country.

And so we inherited a mess from the NDP fiscally, in terms of social programming, in terms of the delivery of services and in terms of economic performance—a total mess, the worst mess that any government ever inherited.

And we welcome the challenge, Madam Speaker. We welcome the challenge on this side of the House because we have the courage to change things for the better.

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

Medically Assisted Detox Request for More Beds

Mr. Wab Kinew (Leader of the Official Opposition): Another area where the Premier's leadership has been missing in action—also related to health care—is in addictions, the ongoing and persistent addictions crisis that Manitoba has been facing for quite some time.

We know that it's been more than a year since the VIRGO report came out, and yet the government has still to come forward with a meaningful plan for implementing the recommendations of that report.

We know that many people in the community have been affected by this issue right across the province. In fact, we're joined by a few guests today from Overdose Awareness Manitoba. Many of them have been affected directly—in some cases, in their own homes. They've brought forward a petition with some 5,000 signatures calling on this government to take real, meaningful action, beginning with adding more spaces for medically assisted detox.

So I would ask the Premier a straight-up question: When will he add more spaces for medically assisted detox in Manitoba?

Hon. Brian Pallister (Premier): I can't imagine, Madam Speaker, the pain to a parent of losing a child. I can't imagine the suffering that families have had to undergo as a consequence of deaths due to overdose and deaths due to suicide. The death of a child is impossible to, I think, probably ever recover from.

But we are listening to the experts, and we are acting on their advice to the best of our ability, and we will continue to.

The member is right to highlight detoxification, and I think the petitioners are also right to highlight it. We think that that is an area that needs to be pursued, and we will continue to pursue other areas to do our very, very best to lessen the potential for such tragedies to occur in the future.

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

Mr. Kinew: Shortly before question period, I was asked by one of the mothers here—her name is Christine—to read a note from her son Adam Watson that he wrote shortly before he died from fentanyl poisoning. I'll table the letter so the Premier and the other leader can read it today.

And I'm quoting here directly: Hey, Mom and Dad, I'm so sorry I'm out of control. I want to be the son you want. And I've been crying all morning. I want to be better. I love you so, so much. I'm killing myself seeing what I do to you guys. You mean the world to me. I love you. I'm just trapped in a bad place. I'm not this person, and I know that this is it, the end of the line.

He goes on in heart-wrenching detail to add a bit to this, but he concludes: You're all I have. Love you so, so much. Don't give up on me, please. I'm scared.

I think this neatly illustrates the scale of the crisis.

Will the Premier commit today to more medically assisted detox beds in Manitoba?

Mr. Pallister: No one can help but be touched by those words, Madam Speaker, and we certainly understand that action is needed. That's why we commissioned the VIRGO report and the recommendations therein. That's why we're acting on them, and we'll continue to stay focused on addressing this issue and the many issues surrounding it because we believe in the importance of doing exactly that.

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

Mr. Kinew: Well, Madam Speaker, we've heard the words of a young person who is no longer with us. We have seen the actions of a community group that is committed to taking the addictions crisis seriously.

What we would like to hear in the House today is a firm commitment on behalf of the Premier

to add immediately more medically assisted detox beds in the province of Manitoba.

So I will put it to him again a third time: Will the Premier stand in the House today and commit to immediately adding medically assisted detox beds here in Winnipeg and across Manitoba?

Mr. Pallister: I appreciate the member taking the time today to not call for easier access for addicts to do drugs, but to point his emphasis in another direction, a more fruitful and important direction, I think.

We have opened five Rapid Access to Addictions Medicine clinics throughout the province. We've opened six mental-health beds at HSC, and we are making it easier for those who are suffering from alcohol addiction to access anti-craving medications. We've taken actions in many, many areas. We continue to. And we will continue to work co-operatively with all interested parties, including the petitioners that the member referenced earlier, to seek solutions to this very, very serious, very hurtful, serious problems and challenges that have plagued far too many Manitoba families.

Mental Health and Addiction Request for Government Plan

Ms. Nahanni Fontaine (St. Johns): Last year the Premier released the altered VIRGO report, a report the Premier promised would improve and strengthen mental health and addiction services in our province. One year later, we've seen no action or no plan by this Premier or his Health Minister to implement the report's recommendations.

The Premier also committed to introducing an implementation plan in January of 2019. It's now five months later and all we have heard is silence by this Premier and his minister.

Will the Premier stand up today and release an implementation plan immediately?

Hon. Brian Pallister (Premier): In her usual fashion, Madam Speaker, the member ignores the facts and goes to rhetoric. She knows full well that we have already implemented close to two dozen of the recommendations in the VIRGO report, and we plan to continue to proceed to intensify previous investments and to make further investments in this important area of public policy and care.

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

Ms. Fontaine: Destiny, a young 22-year-old woman who had a bright future ahead of her, lost her life to overdose. In the days leading up to her death, Destiny was released from a detox facility and was awaiting a treatment bed.

Sadly, wait times for residential addiction treatment beds in Winnipeg is 52 days for men and a staggering 206 days for women. This is simply unacceptable. Families are being forced to turn to private facilities and pay tens of thousands of dollars to access treatment.

Will the Premier release a mental health and addictions plan today?

Mr. Pallister: Well, in addition to the steps I outlined previously, we have joined forces with the Government of Canada's Emergency Treatment Fund. We have joined forces with our federal and provincial counterparts to develop a strategic task force to move forward in that. We're the first province in Canada to sanction the use of olanzapine by paramedics. We've introduced amendments to The Personal Health Information Act, The Mental Health Act, and many other initiatives have been taken.

Of course, Madam Speaker, I understand that more needs to be done and that is why we are addressing the issue as we are, because we recognize that more needs to be done.

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

* (14:00)

Ms. Fontaine: This past fall the Advocate for Children and Youth put out a three-page letter outlining their concerns about the Premier's lack of response on services and supports for children and youth dealing with mental health and addictions.

Sadly, Destiny's story and those within the children advocate's reports are not alone in their journeys and experiences. Why? Because this government is failing to do anything to support Manitobans with addictions and certainly doing anything to support children and youth.

Will the Premier stand up today, release an implementation plan on mental health and addictions so that no more children in Manitoba lose their lives and so that families do not have to go through this enormous trauma?

Mr. Pallister: It is, I agree with the member, an idyllic objective—is one that no other government in the country or in the world has ever achieved, and it is a sad reality that families do suffer tremendously as a consequence of addictions. That is not a new thing, but it is a heightened thing.

I would also mention, to be fair, that the children's advocate did complement the government on working ambitiously among various departments and with other agencies on the progress that had been made to date. I would not suggest in that comment, that that is enough, and I would most certainly agree with the general assertion of the leader of the opposition that more needs to be done, and that is why we're doing more, Madam Speaker.

Efficiency Manitoba Programs and Staffing

Mr. Tom Lindsey (Flin Flon): The Efficiency Manitoba Act was proclaimed 16 long months ago. Through the freedom of information we've learned that, as of earlier this year, at least, there were exactly no staff working there. That's zero staff working at Efficiency Manitoba.

Can the minister explain: Why is Efficiency Manitoba still just a shell 16 months after it was created?

Hon. Colleen Mayer (Minister of Crown Services): I can assure the member opposite that there is staff at that—with Efficiency Manitoba. They are working to build their understanding of the groundbreaking work that they are doing within their organization; they're building stronger. What they're going to do, Madam Speaker, is make sure they get the job done right.

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

Mr. Lindsey: This Pallister government went to all the trouble of creating a new Crown corporation. Sixteen months later, FIPPA documents say they still haven't hired any staff to do the work of the corporation. And, just as importantly, the Pallister government has cut important efficiency initiatives and public education campaign.

So how does the minister intend on meeting efficiency targets with less incentives and less public education?

Mrs. Mayer: It's ironic that the NDP are questioning us on this commitment, considering they never met their own greenhouse gas emissions

reduction targets at all. We've seen the environmental damage that has taken place under the NDP, Madam Speaker; we're committed to doing better. We are doing better. We're going to get it right.

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

Mr. Lindsey: We know the Pallister government doesn't see affordability as a priority for Manitobans. They've tried and failed multiple times to hike hydro rates through the roof. Now, energy efficiency won't be affordable either. They've cut the incentives and they've cut the public education. It's concerning that the minister is creating yet more chaos in our Crown corporations, and it's also a bad sign that this government just isn't serious about energy efficiency.

So why is the minister making it harder for Manitobans to make clean energy choices?

Mrs. Mayer: It's quite laughable that the members opposite talk about affordability. I—they can't speak that because they've never made themselves accountable for any of their actions or answerable to Manitobans.

Madam Speaker, we are setting a path—
[interjection]

Madam Speaker: Order.

Mrs. Mayer: Madam Speaker, we're setting a course forward. We're doing the right job by Manitobans. We're going to continue to do the right job. We'll take no lessons from members opposite when they talk about accountability because we're getting the job done.

Hydro Board and Metis Federation Contracts and Agreements

Mr. Dougald Lamont (Leader of the Second Opposition): In the news today, we hear that a \$453-million transmission line to sell hydro-electricity to Minnesota is in jeopardy because of the Premier's mismanagement. It's no wonder that Manitoba has a multi-billion-dollar infrastructure deficit when the Premier spends so much of his time burning bridges.

A year ago, when the board of Hydro quit, it was because the Premier refused to meet with them to discuss a looming financial crisis at Hydro. To create a diversion from that fiasco, the Premier picked a fight with the Metis Federation over

\$1.4 million a year, when Hydro's woes are because PC and NDP governments have been undermining Hydro by taking over \$400 million a year even as that corporation takes on billions of dollars in debt.

Can the Premier explain how he's managed to pack 17 years' worth of NDP mistakes on Hydro into just three years of PC government?

Hon. Brian Pallister (Premier): So let's get this straight, Madam Speaker.

The Leader of the Second Opposition has joined with the leader of the opposition to call on Ottawa to raise carbon taxes on Manitobans. They've said that Manitobans should pay for not being green enough, and yet they block a green project to export hydroelectricity to the United States, despite the fact it has gone through every hoop, despite the fact it has been approved by the Clean Environment Commission, despite the fact it has been approved by the National Energy Board.

They block it at the political level and claim to be a green government. Just run to the doors on that one, Madam Speaker, and see how far that takes you.
[interjection]

Madam Speaker: Order.

The honourable Leader of the Second Opposition, on a supplementary question.

Mr. Lamont: Manitoba Hydro is supposed to be independent from government. That is why it has a board or has had a board. They are liable for decisions of management.

But we keep hearing that this Premier, his staff and others have been bypassing boards and issuing directives directly to management at Crown corporations. It raises concerns about whether Hydro's actions are being directed by the Premier, especially when those actions include breaking deals to compensate communities for the cost and inconvenience of a power line being run over their land.

It's not just the MMF or First Nations, Madam Speaker; it's municipalities as well. This government is often directly announcing that deals have been cancelled.

Is it management and the board of Hydro that are calling the shots and tearing up deals, or is it the Premier?

Mr. Pallister: So, the federal Liberal government has said that the independent arm's-length processes of our province through the Clean Environment Commission and others, which were run to a gold standard, which gave opportunity after opportunity for all Manitobans to participate, many of which were excluded by the previous NDP government from the process entirely, that those processes aren't good enough and that the National Energy Board, which is under its own direction, is not the right place to get agreement on projects.

It's bad enough, Madam Speaker, that we can't get a pipeline built in this country, that we can't get flood protection built in this country. Now we can't even do green energy projects without a politician under the Liberal government in Ottawa telling us that we have to buy somebody off before we do.

That's the old way of doing things, Madam Speaker, but that's not the Manitoba way of doing things.

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

Mr. Lamont: What's truly amazing is the Premier doesn't just tear up contracts and agreements he inherited. He's willing to pass laws to cancel contracts he doesn't like and even tears up his own plans.

And there's a serious problem here. The members opposite like to talk about a good climate for business, but the absolute bedrock of business stability and certainty is that when government signs a contract, it will keep its word. That is something that business people and investors can literally take to the bank.

Does the Premier see that he's undermining credibility in the government, that this government can't be trusted to keep its word even if it's a signed contract?

Mr. Pallister: I'm not sure if the member's career—previous career, if there was one—as a consultant required him to do any basic legal training, but he must understand the nature of contracts versus the nature of discussions.

Madam Speaker, what he is advocating for is that we pay David Chartrand \$70 million so we can build a hydro line, and that is not going to happen with this government and should never happen with any government.

Madam Speaker, Manitoba's Metis people are Hydro owners. They are Hydro ratepayers. They will

be adversely impacted directly in their own homes, families and small businesses by any government that would choose to spend tens of millions of dollars clearing people out of the way so it could build projects.

That's not how this government will function. That's the way the NDP ran things, Madam Speaker, and we inherited the mess they created. We don't propose to create another one. We propose to clean their mess up.

* (14:10)

Introduction of Guests

Madam Speaker: Prior to continuing on with oral questions, we have some guests that have just joined us in the gallery.

Seated in the public gallery from Taking Charge! we have 13 visitors under the direction of Chelyne Badio, and this group is located in the constituency of the honourable member for Wolseley (Mr. Altemeyer).

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

Selkirk Laundry Closure Concerns

Mrs. Bernadette Smith (Point Douglas): Two weeks ago I stood up in this House and asked the Minister of Health of what his plan was for Selkirk laundry. Instead of being clear of his intentions with the community of Selkirk and the 43 employees who have been facing uncertainty over the future of their jobs, the minister chose to respond to my question by saying, and I quote, there will be jobs posted, end quote.

Will the minister have the decency to stand up today and clarify his intentions with Selkirk laundry and guarantee the 43 employees have jobs?

Hon. Rochelle Squires (Acting Minister of Health, Seniors and Active Living): Well, Madam Speaker, as members opposite know, we are committed—our government is committed to a plan to make sure that we've got a sustainable health-care system for the future and enhanced patient delivery care. That is what our government is focused on, is better health care sooner.

And in regards to the Selkirk laundry, the member opposite knows that a decision has not been made and that the situation is being reviewed.

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

Mrs. Smith: Nobody believes what this Pallister government says on health care.

The minister's comments over the last two weeks have only created more uncertainty for the 43 employees. One week the minister is saying no decision has been made for the future of Selkirk laundry. The next week the minister is saying that the 43 employees will be able to, and I quote, apply for consideration of the jobs that will be posted. End quote.

These are 43 people's livelihoods we are talking about.

Will the minister stand up today and commit to keeping Selkirk laundry open?

Ms. Squires: We only wish that the NDP was concerned with improving patient care and building a better health-care system when they were in government.

That is what our government is focused on, is getting results for Manitobans and building a better system that provides enhanced patient care—*[interjection]*

Madam Speaker: Order.

Ms. Squires: —better health care sooner for all Manitobans. That is what our government is committed to and that is what we're going to deliver.

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

Mrs. Smith: What this government is focused on is putting money over people and putting patient care at risk and the nurses have told them that. Are they listening? No.

In two weeks residents gathered over 200 signatures, which I'll table today, to keep Selkirk laundry open.

We know under this government consolidation means cuts.

Will the minister commit that all 43 employees will keep their jobs and that they'll keep Selkirk laundry open?

Ms. Squires: Again, I thank the member opposite for the question.

The member opposite knows full well that we're moving forward with a better health-care system for

all Manitobans. Where they failed to address some of the problems that faced Manitobans in the past, where they sat where they were dead last in the country with wait times, we're seeing marked improvements in our wait times—16 per cent better improved wait times for all people in emergency-care systems. That is what our—that's what we're committed to.

They want to go back to the way it was in the past when we were dead last in health-care delivery. We're moving forward into a—into the future with a—better health care sooner.

Contraband in Correctional Facilities New Body Scanning Technology

Mr. Len Isleifson (Brandon East): Our government is committed to making correctional facilities as safe as possible for the inmates and our front-line staff working in those facilities. Keeping our jails safe includes taking proactive measures to keep drugs and other contraband out of these facilities.

Recently, the Minister of Justice announced a new tool being deployed in correctional centres here in Manitoba.

I'd like to ask the minister if he could please share the details of this announcement with us in this House.

Thank you.

Hon. Cliff Cullen (Minister of Justice and Attorney General): I appreciate that question from the member for Brandon East.

Madam Speaker, our government has acquired new body scanning technology that will keep drugs, weapons and other contraband out of Manitoba jails. Three units are now operational at correction centres in Winnipeg, Brandon and The Pas.

Illicit drugs and other contraband present a significant risk to inmates and staff. This technology will help keep these substances out of our jails and act as a strong deterrent for potential smugglers.

Funding for these scanners is coming from the Idea Fund, which supports innovative solutions proposed directly by front-line workers.

Madam Speaker, we are delivering better outcomes for Manitobans, and this particular investment will be paid for in three years.

Madam Speaker, a—

Madam Speaker: The member's time has expired.

Commercial Fishery Fish Stock Concerns

Ms. Judy Klassen (Kewatinook): I am happy to bring forward fisher questions today.

Fly fish larva are crucial to the growth and survival of young pickerel. They are slow moving and easier to catch than small minnows. If we leave three to four million pounds of small pickerel in the lake we risk the crash of these larvae.

There is no mention of the feed for young pickerel in any PC plan for the lake. Whitefish in the south basin are already decimating larvae. It's been taking an extra year for young pickerel to get from three inch to three and a quarter. If these larvae are eliminated from the lake it may never recover.

What is the minister doing to address this?

Hon. Rochelle Squires (Minister of Sustainable Development): I'd like to thank the member opposite for the question about the sustainability of our fisheries and how our government is standing up to protect the fisheries now and well into the future.

In addition from moving to three-and-a-half-inch mesh nets on the south basin of Lake Winnipeg to ensure that the spawning walleye and sauger will pass through the nets with ease and be able to spawn another season, we're taking measures to bring the quota down to a sustainable level where we know that the fisheries can be enhanced and sustainable for years to come.

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

Ms. Klassen: I quote: If the anglers were so concerned about the stocks and that how commercial fishers are to blame for that, then why have the anglers started fishing one to three weeks before the stocks have spawned?

On the request of the commercial fishers, an 80 per cent spawn start plus two days was enacted so as to ensure the stock will be at 100 per cent spawned. That was the request of the fishers to ensure its survival. It is apparent who wants to protect the stocks.

Can the minister say why it's only the commercial fishers that have always actively acted to protect the stocks, and why not this government?

Ms. Squires: Our government is very pleased to be moving forward with a co-management system that

involves and includes all user groups at the lake, including anglers, because we know that anglers need to be part of the solution. And we also implemented slot sizes, something that the NDP failed to do. They never addressed slot sizes for anglers. They did not impose any restrictions on the anglers who were taking those small spawning fish. They refused to address sustainability on the fisheries as it pertains to anglers. That is something that our government is doing.

We're working hand in hand with all user groups—anglers, commercial fishers—to ensure that we get sustainability on our lake.

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

Quota Buyback Program

Ms. Klassen: This minister is actively destroying our last standing indigenous industry. The buyback program is simply another attempt to keep indigenous people out of the economy.

This Indian agent—I mean minister, brags about how she used the poisoned whisky—I mean buyback program, for a one-time spend of 5.5 on—million on retiring careers—I mean licences. This is actually an annual loss of over \$4 million to our fishers. This minister does not see that this program only means more people in the welfare line in my communities.

Can the minister explain why she is actively destroying our last standing—

Madam Speaker: The member's time has expired.

* (14:20)

Ms. Squires: Again, Madam Speaker, our government is committed to working with all user groups and protecting the sustainability of Lake Winnipeg.

And here we see we've got two Liberal members, two different positions on Lake Winnipeg. I wonder if the member has bothered to consult with her colleague from River Heights and, if not, I'll table some information, some words that he's put on the record about the sustainability of Lake Winnipeg.

The member for River Heights (Mr. Gerrard), among others, have been calling for sustainability measures to be put in place, whether that be reducing the quota that was unsustainably high or changing the net sizes to ensure that the spawning walleye could survive. That member from River Heights has been advocating for that for several years.

I only wish that the Liberals would get together and convene and come up with one position on Lake Winnipeg. But while they're dickering, we're getting action.

City of Winnipeg Review Independence of Review

Mr. Andrew Swan (Minto): The Premier's choice to turn an arm's-length review into a partisan exercise has raised yet more concerns about the Premier's inability to work with anybody he doesn't directly control to get things done.

And last week, the mayor declared a political review. He noted it's not independent; it's not transparent. It'll be overseen by the Finance Minister and eight members of the PC caucus, even though the Premier promised otherwise.

Why has the Premier broken his word and why can't he work collaboratively with the largest city in Manitoba?

Hon. Brian Pallister (Premier): Well, first of all, Madam Speaker, I appreciate any question from the member on working collaboratively with others. And I, again—as this is getting to be Groundhog Day around here—but I again wish him well in his pursuit of his future. And I know it would have been a difficult decision, this one as well. He was faced with a previous difficult decision. I can sympathize. I was in the same position, so I sincerely wish him well as he pursues his future and the best interests of himself and his family. And I hope we all in this House respect that fact. I certainly do.
[interjection]

Madam Speaker: Order.

The honourable member for Minto, on a supplementary question.

Mr. Swan: Yes, Madam Speaker, the Premier's choice of a political, partisan review shows Manitobans, yet again, the Premier can't work collaboratively with anyone. There's practical concerns, which we raised last week, about how the Province can conduct this investigation. The Premier couldn't, or wouldn't, answer that question.

So I'll ask him again: Does the Premier intend to pursue this review without the co-operation of the City of Winnipeg, and, if so, how is he going to compel that information and evidence to be provided?

Mr. Pallister: First of all, I reject the preamble and the presuppositions the member makes in his preamble. I would tell the member that you either agree that permitting and inspections is an important issue to address or you do not. The Treasury Board Secretariat has been asked to look at these issues in a broad-based way because we are the only legislative authority that can deal with these issues effectively, here at the provincial level.

We have had meetings—the secretariat has had meetings with City officials and with various officials that are involved in the permitting and inspection processes. And it would be that work which would lead to, I hope, an action plan and recommendations that we could pursue to better enhance job creation in the province of Manitoba, in the best interests of all of us, our children and grandchildren.

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

Mr. Swan: Well, Premier needs to understand we're not saying there isn't a valid issue. But the Premier can't answer the question of how he's going to conduct this review when he's at loggerheads with the very individuals and groups that are subject to the review. And that raises a real concern that this is all just a bad-faith effort to punish others through this partisan, political investigation. That's not coming from me. That's coming from the mayor of Winnipeg, that's now coming from the editorial board at the Winnipeg Free Press.

Some Honourable Members: Oh, oh.

Mr. Swan: In practical terms, a partisan, political review—

Madam Speaker: Order.

Mr. Swan: —will not work.

So will the Premier just admit he's wrong and go back to the drawing board and reconsider how this review is being conducted?

Mr. Pallister: Well, Madam Speaker, let it just be said that the editorial board at the Free Press can say what it wishes and has. In fact, just two weeks ago, it said that it should be taken away from the City and this review should be done in a more effective way. So, in that respect, the editorial board is both agreeing with the approach we're taking and disagreeing with it at the same time. Far be it for me to judge the editorial board's positions on these issues.

Our position is this is an important area of economic development opportunity that is yet to be explored. We are reviewing the Fire Commissioner's office. We are reviewing Manitoba Hydro. We are reviewing the City of Winnipeg as part of this, because when people need a permit or an inspection, they need it. And if it's blocking—if these processes can be made better, and I believe that we must undertake the work of finding out if they can, that we should make them better and that's what we'll do.

City of Thompson Wildfire Mitigation Plan

Mr. Kelly Bindle (Thompson): Thompson and other northern communities are truly special places to live. For those of us born there and those of us who call the North home, we're surrounded by the abundance of natural beauty included—including our boreal forests. But with that natural beauty come challenges, particularly, ever present threat of wildfires. My hometown of Thompson is a forward-thinking community and has been working hard to mitigate the threat of wildfire.

Can the Minister of Growth, Enterprise and Trade please tell the House how our government has worked with the City of Thompson to help protect our community from wildfires?

Hon. Blaine Pedersen (Minister of Growth, Enterprise and Trade): First of all, I want to thank the excellent member from Thompson for that good question.

The City of Thompson recently completed a two-part Community Wildfire Protection Plan with assistance from the Manitoba wildlife–Wildfire Program and the Office of the Fire Commissioner.
[interjection]

Madam Speaker: Order.

Mr. Pedersen: This is the first Manitoba community to complete a Canadian wildfire protection plan and Thompson's plan can now be used as a template for other communities who wish to do the same.

Our government is proud to work with Thompson and other communities to keep Manitobans safe every day of the year.

Madam Speaker: The time for oral questions has expired.

PETITIONS

Daylight Saving Time

Mr. Cliff Graydon (Emerson): I wish to present the following petition to the Legislative Assembly.

And the background to this petition is as follows:

(1) The loss of sleep associated with the beginning of daylight saving time has serious consequences for physical and mental health and has been linked to increases in traffic accidents and workplace injuries.

(2) According to a Manitoba Public Insurance news release, collision data collected in 2014 showed that there was a 20 per cent increase in collisions on Manitoba roadways following the spring daylight savings time change when compared to all other Mondays in 2014.

(3) Daylight saving time is associated with a decrease in productivity the day after the clocks are turned forward with no corresponding increase in productivity when the clocks are turned back.

(4) There is no conclusive evidence that daylight saving time is effective in reducing energy consumption.

When—we petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to amend The Official Time Act to abolish daylight saving time in Manitoba effective November 4, 2019, resulting in Manitoba remaining on Central Standard Time throughout the year and in perpetuity.

And this petition has been signed by Cheryl Dueck, Brian McKenny *[phonetic]*, Marilyn Hall–Marilyn Wall, and many, many more fine Manitobans.

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

Early Learning and Child-Care Programs

Ms. Cindy Lamoureux (Burrows): I wish to present the following petition to the Legislative Assembly—to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

(3) High-quality licensed child care has a lasting, positive impact on children's development, is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

* (14:30)

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

This petition is signed by many Manitobans.

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

And the background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

(3) High-quality licensed child care has a lasting, positive impact on children's development, is a

fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

And this petition is signed by Lisa Gilmour, Karen Beck, MaryAnn Oprea and many other fine Manitobans.

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

The background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

(3) High-quality licensed child care has a lasting, positive impact on children's development. It is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

And this petition, Madam Speaker, has been signed by Taylor Blash, Mike Strudel [*phonetic*] and Donna Thompson, along with many other Manitobans.

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

The background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

(3) High-quality licensed child care has a lasting, positive impact on children's development, is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early

learning and child care in Manitoba, which will also improve quality and stability in the workforce.

Signed by Julie Caron, Angela Carers and Meagan Armstrong, and many more Manitobans.

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

Background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

(3) High-quality licensed child care has a lasting, positive impact on children's development, is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

* (14:40)

And, Madam Speaker, this petition is signed by Althea [*phonetic*] Santa, Eric Balla, McConnell Ryann [*phonetic*], and many other Manitobans.

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

The background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

(3) High-quality licensed child care has lasting, positive impact on children's development, is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

Signed by many Manitobans.

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:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

(3) High-quality licensed child care has a lasting, positive impact on children's development, is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

This petition was signed by many, many Manitobans.

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

The background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has increased—has continued to increase annually.

(3) High-quality licensed child care has a lasting impact on children's development, is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

And this is signed by many Manitobans.

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

The background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

(3) High-quality licensed child care has a lasting, positive impact on children's development, is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, non-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

And Madam Speaker, this petition is signed by Jason Adam, Michelle Adam, Rhiannon Kliever and many other Manitobans.

Quality Health Care

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

And the background to this petition is as follows:

(1) The provincial government's program of cuts and restructuring in health care have had serious negative consequences, reduced both access to and quality of care for patients, increased wait times, exasperated nursing—the nursing shortage, and significantly increased workload and the reliance on overtime from nurses and other health-care professionals.

* (14:50)

(2) Further cuts and consolidation are opposed by a majority of Manitobans and will only further reduce access to health-care services.

(3) The provincial government has rushed through these cuts and changes, and failed to adequately consult nurses and health-care professionals who provide front-line patient care.

(4) Ongoing cuts and changes appear to be more about saving money than improving health care.

We petition the Legislative Assembly of Manitoba as follows:

(1) To urge the provincial government reverse cuts and closures that negatively impact patients' ability to access timely, quality health care.

And (2) to urge the provincial government to make real investments in Manitoba's public health-care system that will improve the timeliness and quality of care for patients by increasing the number of beds across the system and recruiting and retaining an adequate number of nurses and other health-care professionals to meet Manitoba's needs.

And this petition is signed by many Manitobans.

Early Learning and Child-Care Programs

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

The background to this petition is as follows:

(1) Early learning and child-care programs in Manitoba require increased funding to stabilize and support a system that is in jeopardy.

(2) Licensed, not-for-profit early learning and child-care programs have received no new operating funding in over three years, while the cost of living has continued to increase annually.

High-quality licensed child care has a lasting, positive impact on children—on children's development, is a fundamental need for Manitoba families and contributes to a strong economy.

(4) The financial viability of these programs is in jeopardy if they cannot meet the fiscal responsibility of achieving a balanced budget, as all operating expenses continue to increase.

(5) The workforce shortage of trained early childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately remunerated.

(6) Accessible, affordable and quality early learning and child-care programs must be available to all children and families in Manitoba.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to increase funding for licensed, not-for-profit child-care programs in recognition of the importance of early learning and child care in Manitoba, which will also improve quality and stability in the workforce.

Signed Lisa Grantham, Tracy Rowein, Natalie Verharghe [*phonetic*] and many, many others.

Madam Speaker: Grievances?

ORDERS OF THE DAY

(Continued)

GOVERNMENT BUSINESS

House Business

Hon. Kelvin Goertzen (Government House Leader): On House business, pursuant to rule 33(7), I'm announcing that the private member's resolution to be considered on the next Tuesday of private members' business will be the one put forward by the honourable member for St. Norbert (Mr. Reyes). The title of the resolution is Filipino Heritage Month.

Madam Speaker: It has been announced that pursuant to rule 33(7), the private member's resolution to be considered on the next Tuesday of private members' business will be one put

forward by the honourable member for St. Norbert. The title of the resolution is Filipino Heritage Month.

Mr. Goertzen: On further House business, I'd like to announce that the Standing Committee on Private Bills will meet on Wednesday, May 22nd, 2019 at 6 p.m. to consider the following: Bill 207, The Manitoba Conservation Officers Recognition Day Act; Bill 226, The Presumption of Death and Declaration of Absence Act and Amendments to the Insurance Act; Bill 228, The Sikh Heritage Month Act; and Bill 240, The Elections Amendment Act.

Madam Speaker: It has been announced that the Standing Committee on Private Bills will meet on Wednesday, May 22nd, 2019, at 6 p.m., to consider the following: Bill 207, The Manitoba Conservation Officers Recognition Day Act; Bill 226, The Presumption of Death and Declaration of Absence Act and Amendments to The Insurance Act; Bill 228, The Sikh Heritage Month Act; and Bill 240, The Elections Amendment Act.

Mr. Goertzen: Madam Speaker, could you please call for debate this afternoon, second readings of Bill 31, 32, 22, 24 and 25.

Madam Speaker: It has been announced that the House will consider second reading of Bill 31 this afternoon, followed by debate on second readings of bills 32, 22, 24 and 25.

SECOND READINGS

Bill 31—The Tobacco Tax Amendment Act

Madam Speaker: I will now call second reading of Bill 31, The Tobacco Tax Amendment Act.

Hon. Scott Fielding (Minister of Finance): I move, seconded by the Minister of Education, that Bill 31, The Tobacco Tax Amendment Act, now be read a second time and be referred to a committee of this House.

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

Madam Speaker: It has been moved by the honourable Minister of Finance, seconded by the honourable Minister of Education, that Bill 31, The Tobacco Tax Amendment Act, be now read a second time and be referred to a committee of this House.

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

Mr. Fielding: This legislation will ensure the total retail price of tobacco will remain the same level once the provincial sales tax decreases to 7 per cent on July 1st.

As a result of the PST reduction, we are making this amendment to maintain the current selling price of tobacco and any additional revenues associated with the adjustment will be directed towards investments in health care.

The proposed changes means the tax on each cigarette would be 30 cents, up from 29.5 cents. Fine-cut tobacco would be 45.5 cents per gram, up from 45 cents, and raw leaf tobacco products would be at 27.5 cents per gram, up from 27 cents.

We are pleased to follow through on the advice we received from the Canadian Cancer Society and its partner organizations to maintain the retail selling price of tobacco.

The proposed amendments to The Tobacco Tax Act will come into effect on July 1st if the bill receives Royal Assent before the Legislative Assembly rises on June 3rd or on November 15th, if it receives royal assent on or after July 1st.

Thank you, Madam Speaker.

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.

Mr. Andrew Swan (Minto): Well, Madam Speaker, I'm hoping the Minister of Finance and I can have a more productive time today than we did last day.

Mr. Doyle Piwniuk, Deputy Speaker, in the Chair

Actually, a pretty basic question: The letter that was sent to all members of the Assembly on April 23rd, 2019, estimated that an offsetting tobacco tax increase would raise about \$5.5 million per year in revenue. The minister's staff have said it would only raise about \$3 million annually.

Can the minister explain the discrepancy?

Hon. Scott Fielding (Minister of Finance): I do want to have a productive dialogue with the member today. Sometimes things get—you speak on sides of issues and you get passionate.

The numbers that we have in respect to the tobacco revenue we anticipate will be somewhere between 2 to 3 million dollars. There has been a drop over the years, some to do with smuggling, some to do with people—less people smoking, essentially, and vaping. So the amount of money we anticipate will be somewhere between 2 to 3 million dollars.

Mr. Swan: Yes. And, if the minister could just clarify, is that 2 to 3 million dollars annualized, or is that going to be 2 to 3 million dollars in the first fiscal year if this takes effect July 1st and carries through until March 31st of next year?

* (15:00)

Mr. Fielding: That would be on an annual basis. So, obviously, we're into the year; as the PST didn't cost as much on a full-year basis, it'd be 2 to 3 million dollars on a full-year basis.

Now, we don't know what patterns will change at all, but that's the—that's what our Treasury Board—or, rather, treasury and revenue officials are suggesting it be somewhere between 2 to 3 million dollars on an annual basis.

Mr. Swan: Yes, now we know the additional revenue raised will go directly into the general accounts of the Province. Can the minister commit to what will be done with the additional money that will be raised by this increase in the tobacco tax?

Mr. Fielding: We are committed to putting all the money into health-care funding. We haven't made announcements or decisions on what that revenues will go towards, but it will go towards services—what we referred in our statements was for health care.

Mr. Swan: I appreciate the minister's comments on that front.

Can the minister commit, then, that the revenue that is generated by this will actually go towards new programming spending in the Department of Health and not simply to backfill cuts that may still be coming from this government?

Mr. Fielding: I can commit to making investments in health care. The intent is to help services and supports. We haven't made decisions of how that will be funded. The costs of health care does go up on an

annual basis, as we know, but the commitments—we want to make sure that services and supports are there, and those go up on a yearly basis, but I think the intent would be more to look at services and supports for the health-care field.

Mr. Swan: So does the Minister of Finance (Mr. Fielding) now accept that the taxation on cigarettes can have an impact on smoking rates in a population?

Mr. Fielding: Well, we as a province have the highest tobacco tax rates in the country right now. So, if the question is, would a lower price impact people from starting, that really depends on individuals. I would say probably keeping a higher price for tobacco tax would be a disincentive for people to start smoking.

Mr. Swan: Well, I think the minister and I would agree on that, so that's quite healthy.

Can the minister tell us, have there been any additional measures that have been put in place over the past three years to deal with an issue that the minister raised in his comments, and that is the issue of illegal smuggling of cigarettes into Manitoba?

Mr. Fielding: Yes, we've expanded the tax possession offences to include a person that uses another or—to import tobacco. We've increased additional penalties for tax evasion to be triple the tax that is being evaded on the second and third revenues.

We've also in 2007 introduced an ability to suspend a person's driver's licence if they use a motor vehicle in the commission of a tobacco offence. The suspension is for at least six months. In 2018, we increased the tobacco tax rate for fine-cut tobacco from 28.5 cents to 45 cents per gram, and this was done as per advice from the Canadian Cancer Society. Those are just a few of the measures we've taken.

Mr. Swan: Thank you, and certainly, we do support efforts to crack down on the smuggling of cigarettes. I know the minister's been able to take advantage of some of the criminal property forfeiture money and we support the use of those funds to assist in those efforts.

Now, we know that smoking continues to be a huge challenge in the province and across the country. Can the minister point to any new initiatives this government has in place to prevent smoking, or is this something we can expect to see with the

additional revenue that will be raised from increasing the tobacco tax?

Mr. Fielding: Well, we think that smoking is still a big issue in the province, although I have to say that the rates have gone down from around 187,000 Manitobans that were smokers to about 153,000. That is a drop which is important, but if you have one smoker with health-related issues, that is probably one too many. And we would like to look at important health-related issues, although we haven't made decisions of what that money will be spent, but to address health-related issues. And, of course, we'll consult with stakeholders on that.

Mr. Deputy Speaker: Is there any further questions?

Mr. Dougald Lamont (Leader of the Second Opposition): I was wondering if the minister or if the government was contemplating using this money not just for health but for prevention—the prevention campaigns, public service campaigns, anti-tobacco campaigns.

Mr. Fielding: We have not made decisions on what the funding will go for. If you ask my personal opinion, I think looking at items like that to prevent people from smoking and other things that are addictive-related, I think would be important but the decisions haven't been made, but we have committed a hundred per cent of the funds will go to health-related expenditures.

Mr. Deputy Speaker: : Any further questions?

Debate

Mr. Deputy Speaker: Since there are no further questions, now, the debate is opened.

Any speakers?

Mr. Andrew Swan (Minto): It's a pleasure to get up and speak about Bill 31 this afternoon. You know, I guess in 15 years in this Legislature, I've seen a lot of things. I've had the chance to pass a lot of bills as a Cabinet minister. I've had the chance to pass at least one bill as a government backbencher, when we changed the Consumer Protection Act to deal with gift cards, to make sure they wouldn't expire.

With the co-operation of other parties, I was able to pass the Allied Healthcare Professionals Week Act as an opposition backbencher.

This may be the first time, though, Mr. Deputy Speaker, I've ever passed a bill from question period and I'm glad to hear that the minister has now

listened, has maybe convinced some other reticent members of his caucus and Cabinet to get on board. I want to make it very clear that as New Democrats, we support this proposal. It is a proposal, of course, that came forward from a number of different organizations that are committed to getting—providing better health, reducing smoking and providing services to those who still do smoke.

And, of course, what I'm talking about is a letter that we received. It was a letter dated April 23, 2019 from the Canadian Cancer Society from MANTRA, which is the Manitoba Tobacco Reduction Alliance Inc., from the Lung Association and also from Heart and Stroke and they wanted all members to be aware that the upcoming decrease in the PST from 8 per cent to 7 per cent on July 1st carries with it, unless this act is passed, the consequence of reducing the cost of tobacco in Manitoba.

And these organizations, as we do, believe that the price of tobacco is one piece in determining how many people actually choose to continue or, even worse, start a habit which is now widely accepted and widely known, and I hope, widely understood to be a major cause of health problems in our province, in our country and, indeed, around the world.

So what they had asked was that there be a tobacco tax increase to offset the 1 per cent PST reduction and as well as a corresponding tobacco tax increase for the other tobacco products.

And, after receiving that letter, which I expect every single member of this House, whatever party they may belong to, received this letter, we decided that given the long-standing partnerships, the long-standing nature of the organizations that had written this letter, that we thought this would be a good thing to ask the minister about in question period. Maybe we would have asked it in Estimates but, of course, we don't seem to be doing Estimates this spring. We know there's now been 18 sitting days, I believe it is, and Estimates have only been called once.

So we asked in question period and the question I asked was whether the government would consider exactly what was asked for by these organizations in their letter to each of us.

I was a little surprised and a little disappointed by not just the words but the tone of the government. The Minister of Finance (Mr. Fielding) stood in his place and said effectively that tobacco taxes were too high and that the government would not do anything about it. I put to him the letter. He gave me the same

answer on the second question and then in the third question, the Premier (Mr. Pallister) decided to rise in his place and again talk about how clearly, in his view, tobacco taxes were too high. The Premier got onto another one of his interesting Rube Goldberg theories of why things happen and the Premier believed that because we had listened to organizations like the Canadian Cancer Society and MANTRA and the Lung Association and Heart and Stroke of having high tobacco taxes, somehow this was causing the smoking rates in Manitoba to increase. And I'm not making this up. You just have to look at the Hansard to see the Premier's tortured logic in coming to this conclusion.

* (15:10)

So, after question period that day, the Minister of Health then went out into the Rotunda. It was nice to see a Cabinet minister actually talk to the media after a question period because we know that's becoming a very rare sighting, Mr. Deputy Speaker, as they all head back to their offices and get their staff to send out an email later on in the afternoon, which seems to be their level of responsibility.

The Minister of Finance went out and—or, rather, Minister of Health went out and kind of parroted the same line and said, well, you know, we think the tobacco taxes were very high; we don't know if that was such a good thing. And led it—led us to believe that we were not going to go there.

So I took it upon myself to write to the four individuals that had sent the letter to us to tell them that, indeed, I'd raised the matter in question period, that our NDP caucus certainly agreed with what they were suggesting, and I wanted them to know that because I thought they might, then, put some pressure on the government to perhaps get us to the day that we now find ourselves in.

And I received some very nice responses from the individuals. The only one I had a contact for was Neil Johnston of the Lung Association. I wrote to him and he said: Thanks, Mr. Swan; I've copied this to the team for their info; we appreciate the support and previous work on this file that you and your colleagues have given.

And Sarah Hawkins, who's with cancer, wrote to me—and I am reading from emails, so I can certainly—I'll be agreeable to tabling these if members wish, but I can promise you I am reading them verbatim.

Sarah Hawkins of the cancer society said: Thank you to the NDP leadership and to the rest of our team for helping to shed light on this issue yesterday. It is unfortunate that the Health Minister took the opportunity to try to discredit the tobacco tax policy decisions of the previous sitting NDP government.

Between 2008 and 2015, the Manitoba NDP government took an aggressive and commendable approach to tobacco taxation. Taxes increased from 17.5 cents to 29.5 cents per cigarette over that time frame. The smoking rate among both the 20-to-24 and 15-to-19 age groups dropped by 35 per cent from 2007 to 2015, which was a steeper decline than we saw on average throughout the country.

Average rate of smoking decline was 33 per cent for age 15 to 19 years old, and 28 per cent for age 20 to 24. Thanks in large part to tax increases, 31,000 fewer Manitobans smoked in 2015 compared to 2008. We hope it is a legacy you'll continue to feel proud of.

And I can tell you, Mr. Deputy Speaker, that is something that I'm proud of.

And then we heard from John McDonald, who is—who's the spokesperson for MANTRA. Again, that's the Manitoba Tobacco Reduction Alliance, Inc. And he said, indeed, thank you and the rest of the honourable members of the NDP caucus. The historic leadership shown regarding commercial tobacco by the previous NDP government set the standard in Canada for establishing a clear path to reducing smoking rates in our younger populations.

So, Mr. Deputy Speaker, I put this on the record, first of all, to make it very clear, if it wasn't already, that we support this bill, and we'll be hoping that it moves ahead to committee quickly and does become law before this House rises at the start of June.

But also to perhaps give some unsolicited advice to the Minister of Finance (Mr. Fielding), to the Minister of Health—I won't presume to give unsolicited advice to the Premier (Mr. Pallister) because I know that really won't go very far. There are different ways that a government can deal with good ideas that come forward, whether it's good ideas that come forward from the opposition, whether it's good ideas that come forward from organizations that have long-standing partnerships with governments. There are better ways to do things.

And it would have been entirely appropriate for the Minister of Finance, the Minister of Health, even

the Premier to say, well, thank you very much, member from Minto; we've received this letter; we're going to think it over and we're going to decide what to do. That's fair game, and I'm not sure, really, where you go if a promise to have a look at it.

But, of course, that's not what we heard, and the Minister of Finance, of course, had to follow, once again, the apparent marching orders that members of this government have which is whenever they're presented with a fact situation to always try to discredit and to blame the previous government.

And, you know, that's part of politics, but when there's a letter that I know that every member of this House had by that time from four organizations that have been tremendous partners at trying to reduce smoking, at trying to improve health outcomes, at trying to do better for people in Manitoba, well, I think that ministers of the Crown themselves need to do better.

And, unfortunately, the Premier went even further. And we've heard the Premier go down these roads a couple of times. The Premier, of course, will tell you that Manitoba's meth crisis is the result of cannabis being decriminalized. And he said that on—in the House a couple of times, he said that outside of the House a couple of times, and it really is not a very helpful addition to the debate in Manitoba, and it's another attempt to deflect blame from a very serious question that affects all communities in Manitoba, certainly my community, but I would think almost every other community as well.

And, unfortunately, we saw the Premier respond the same way when I raised the point on behalf of these tremendous organizations that we've been proud to partner with. And, again, what did the Premier say? He said, well, because the previous NDP government had listened to the Canadian Cancer Society, MANTRA, the Lung Association, heart and stroke, and had agreed to have high taxes on cigarettes, that somehow that was creating more smoking, particularly among young people.

And, unfortunately, for the Premier, when he puts things in Hansard, they are there forever. And when he misstates things, says things which are clearly not correct, he then has to suffer the slings and arrows of actually being corrected on the record.

And, again, I will highlight what Ms. Hawkins had to say, and that's that because of the previous government's work, which wasn't just taxation, it was also education, it was a number of different

things that happened; there was great success in reducing smoking especially among young people. And, again, the smoking rate among young people, those aged 15-24, dropped by a significant amount: 35 per cent. For every three young people that were smoking in 2007, only two of those young people were smoking by the time 2015 rolled around.

And we know there's been declines across the country, but here in Manitoba, we could be very proud of the fact that we experience much steeper declines than the rest of the country as a whole. And because of the stance that the NDP government took, there were 31,000 fewer Manitobans smoking in 2015 compared to in 2008.

So, of course, who has been the biggest beneficiaries of 31,000 fewer Manitobans smoking? Well, obviously, those individuals and their families who don't face the health consequences of smoking, but I would submit that the two individuals that are actually benefiting the most are the Minister of Health and the Minister of Finance (Mr. Fielding) because, as we know, cigarettes and tobacco products cause numerous health problems, chief among them cancer, sometimes that manifests itself late in people's lives.

Unfortunately, sometimes that manifests itself much earlier in Manitobans' lives. And even now, we know the government is actually able to have lower health-care costs and lower costs overall; because of that many fewer young people—who've chosen to take up the habit.

Now, in making the point, I believe that these organizations, who I respect greatly, have been very effective. They had a very simple solution for the government. They pointed out that when the federal Conservative government reduced the GST from 7 per cent to 5 per cent, the government made sure they were offsetting tobacco taxes that ensured the price of cigarettes and other tobacco products did not decrease. And we are glad that this bill would pretty much make that work.

It's not exact. We know that a carton of cigarettes in Manitoba, which consists of 200 cigarettes, is now slightly above \$130—close to \$140. We know that this bill would raise the cost of each cigarette by half a cent, so there's a little bit of slippage but not enough for us to challenge the bill.

We also know that these organizations believe that they would—that this would raise about

\$5.5 million per year in incremental revenue for the provincial government. The provincial government has done a slightly different calculation; maintained that it's about \$3 million. But someday in this legislature, when we are able to have Estimates again, we'll test that.

*(15:20)

And really the test won't be whether the government brings in \$2 million or \$3 million or \$4 million; the real test is whether the provincial government is going to do as the ministers put on the record today and actually invest that additional money in the health-care system.

Now, the best possible investment would be additional measures to try and encourage more Manitobans to stop smoking, to try and encourage more Manitobans from not taking up the habit in the first place. And if this government ever calls Estimates again, we'll have an opportunity to put this into place.

So, of course, we know that it's in the best interest of Manitobans that we all do whatever we can to keep smoking rates as low as possible, and, as I've already said, the number of young Manitobans who smoke has fallen. All Manitobans, indeed, are less likely, now, to take up the habit and to stay with the habit.

The percentage of Manitobans who smoke has fallen over time, with a survey conducted by the federal government finding that now only about 14.5 per cent—that's about one in seven Manitobans—were smoking in 2017, compared with a slightly higher rate in 2015.

And we know smoking is the leading cause of premature death in Canada, and while there's been a lot of progress in terms of reducing tobacco use, it continues to remain a very serious health problem.

And in fact, the reason why I put on the record that, in fact, the Minister of Health and the Minister of Finance are probably the biggest beneficiaries of our NDP government's policies, recent studies have estimated that 21 per cent of all deaths in Canada over the past decade are due in some part to smoking—one in five, which is almost shocking.

Lung cancer causes more deaths than any other type of cancer and most lung cancer patients, although not all, are current or former smokers. According to the Canadian Cancer Society, smoking puts a huge 'burjen'—burden on the Canadian health-

care system. A Conference Board of Canada study published in 2017 found that smoking causes more than 45,000 deaths per year, which was a number taken up the Canadian Cancer Society and published on October 16, 2017.

Smoking, they tell us, also causes about \$6.5 billion in direct health-care costs and approximately \$16.2 billion in total economic cost. And the recent study, funded by the Canadian Cancer Society, had researchers estimate future rates of 30 different types of cancer in the hopes the findings could help policy-makers introduce preventative programs to help Canadians avoid smoking.

Now, what else can governments do to deal with smoking? Well, you may be aware, Mr. Deputy Speaker, that in the United States, many states took legal action against the tobacco companies—big tobacco, if we can call it that.

And, starting in Mississippi, of all places, but continuing on in almost every state in the United States, there were lawsuits that were brought on behalf of citizens who began smoking, maybe because of the efforts that cigarette companies historically put into denying the dangers, trying to deflect, trying to take people away from what was very, very clear in evidence.

We also know that tobacco companies, over the years, have spent a lot of time on keeping smokers within—smokers, and we know sometimes that involved the things they added to cigarettes, sometimes it'd be the advertising, sometimes that would be other things that cigarette companies have done over the past 100, 150 years to make sure that they have as large of a demographic as possible.

And those states were actually, ultimately, able to settle with tobacco companies. The major tobacco companies actually provided a huge amount of money—not so huge when you consider the total cost of smoking—but an amount of money they handed over to states to provide for their own health-care systems.

Similar legislation has been started by Canadian provinces. I was actually very proud to be the attorney general at the time, that on World No Tobacco Day we commenced a lawsuit against big tobacco companies carrying on business in Canada, as did many other provinces. And, of course, the challenge, when you're a Canadian province, as opposed to an American state, is that because of our medicare system, the cost of a population smoking

are so much deeper and so much more difficult for provincial treasuries, something which I know the Minister of Finance (Mr. Fielding) and the Minister of Health should understand.

And that lawsuit was begun and there was a lot of work done for what's called documentary discovery. Mr. Deputy Speaker, when there's a lawsuit, it's not good enough simply to put forward what you think happened. The defendants—in this case, the big tobacco companies—are entitled to see what documents the Province is relying on, which, as you can guess, is a rather major undertaking.

So I did ask the then-minister of Justice, now the Minister of Families (Mrs. Stefanson) for a progress report in Estimates when we still used to have Estimates in this building, and she told me that she couldn't comment on that because it was ongoing legal case, which, I thought, was rather disingenuous.

We do know the status of the case right now, and that's that it's on hold. Quebec actually jumped the gun on many other provinces, and in Quebec there's actually a class action lawsuit which has been successful. And it was not settled; it was actually a court decision, which we expect is going to go to a higher court. But, in the meantime, the big tobacco companies in Canada—you may not know this; in fact, very few people know this—have actually gone to the courts to seek protection from the courts so that the people who've successfully sued the big tobacco companies will be thwarted, at least for the time being, in trying to collect.

One of the bigger questions and, frankly, one of the most chilling questions people asked was, well, how are these cigarette companies now able to cut this deal with the American states? How are they able to finance this amount?

And the sad fact is that cigarette companies are running what is really a very large pyramid scheme, and the money which is now being used to pay these lawsuits in America, of course, comes from Americans who continue to smoke, Canadians who continue to smoke, but for the big tobacco companies a huge growth area in Asia and Africa.

And, if you look at smoking rates in Asian and African countries, as more people have more disposable income, as cigarette companies have now realized, there is a potential market there and they found governments may be less concerned about health-care costs and health-care outcomes, that is

actually where the money is coming to pay Americans who've now got cancer or who have died because of tobacco smoking.

So right now that means that Manitoba's lawsuit, like the other lawsuits across the country, are now on hold. If we do get to Estimates, I do plan to ask the Minister of Finance (Mr. Fielding) the exact status of that case beyond what I've been able to put on the record. I'm hoping that one of—the Minister of Justice (Mr. Cullen) or the Minister of Finance or the Minister of Health will be able to answer that question.

My expectation is all three of them will try to pass the buck to someone else, but I'll be interested maybe tomorrow—maybe tomorrow the sun will rise again and, lo and behold, with it will come a day of Estimates, and we can actually ask these important questions of the government.

So let me be very clear that as New Democrats we favour measures to reduce smoking, both for those who've already taken up the habit, but also getting better outcomes by preventing young people from smoking in the first place.

And we are very proud of the efforts that we made as a government to reduce the number of smokers, and, again, as we've heard, there were 31,000 fewer Manitobans smoking over the course of about eight years because of things that we did. I'm very proud of that. That's 31,000 less people now who will be at high risk for cancer and for other negative health outcomes, and that is a good thing.

I do want to finally, with my time, talk a little bit about an effort that was actually made co-operatively, and that was the tobacco task force which comprised members of all three political parties represented in the Legislature that actually toured the province and heard what people had to say about smoking to begin with, because at that point the question of whether or not smoking was allowed in a particular sports facility or bar or restaurant was left up to the municipalities.

And a lot of municipalities had made decisions one way or another, and others hadn't, which made a patchwork. You could show up at a curling club or show up at a restaurant, or show up at a bar in a different community and find the law there was very different from your home community, and the question was whether there should be a provincial approach to it.

* (15:30)

And there was, actually, a very co-operative effort by all three parties to try to get to a place everyone could live with. I know at the time there was a lot of anger from some organizations. The restaurant association and the hotel association were both very opposed to restrictions on smoking in their facilities, and I know there were some individuals, primarily from rural Manitoba, who were very vocal about what they thought would happen if they were not—if they could not let people smoke in their facilities.

And when the law finally did pass by agreement of all parties—and here, I want to particularly point out Denis Rocan, who, even though he was in opposition, had some very strong views on this and was very, very vocal and very useful and very helpful in allowing government as a whole to get the message out.

And I know that when it was first made illegal to smoke inside a restaurant or smoke inside a bar, there was a small drop in revenue for those facilities, which actually was almost entirely made up over time as more people realized that now they could go down to their local restaurant or their local bar or their local curling club, their local hockey rink and not actually have tobacco smoke hanging on their clothes and in their hair when they left. And so now, many years after the fact, it's difficult to believe, actually, that we allowed smoking in bars and in restaurants and places like curling clubs.

The decision was not easy, and for a short time, there was some pain, but I think over time, people realized that was the correct way to go, and it was an example of members of this Legislature working co-operatively and working together to try to get something done for the benefit of all people.

And I have to tell you, Mr. Deputy Speaker, if you ever want to rile up a group of kids when you're visiting them for I Love to Read Month, or sometimes when I go to talk to grade 9s about issues—if you ever want to get them fired up, I will tell them that I am old enough to remember teachers being able to smoke in the staff room, and when I say that, there is always a collective gasp. And I know—I think the member for St. Boniface (Mr. Lamont), who's around the same vintage, can probably remember the same thing. Students just cannot believe that their teachers were allowed to smoke in the staff room.

And I ask the students, well, how do you think that changed? And the students sometimes say,

well, the teachers must have just realized it wasn't a good thing. Well, lots of teachers realized it wasn't a good thing, but what about the ones that didn't? It was necessary for governments, over time, and school divisions and others to start making those rules, passing those laws, in order to change the way that people act.

And tax on cigarettes is only one piece of what can happen. You can limit where people smoke. You can limit how people smoke. We as a government were very, very strict about trying to ensure that people under the legal age did not have access to tobacco. That's never perfect, but those efforts were made to try to stop young people from smoking, because we know that if they never take up smoking tobacco, they are going to have a much healthier and most likely a much longer life.

So, for all those reasons, Mr. Deputy Speaker, I'm very proud our NDP caucus can support this bill. We can support it because it's the right thing to do. We can support it because it's the exact thing that we were asked to do by this tremendous coalition of fine organizations, and we can certainly support it because it's exactly what we asked the government to do in question period just a couple of weeks ago.

So I look forward to what other members of this House might have to say on this bill. I pledge to the Minister of Finance (Mr. Fielding) and to the House leader that our caucus will allow this matter to pass on quickly to committee, and that when it returns for third reading, we'll be very pleased to give it quick passage in this House to make sure that as of—or July 1st, 2019, the price of tobacco does not go down because we think that's the right thing.

Thank you very much.

Introduction of Guests

Mr. Deputy Speaker: Order.

Before I identify the next speaker, I just—in the public gallery, I want to acknowledge a group of students we have seated in the public gallery from Connect Charter School in Calgary—18 grade 8 and 9 students under the direction of Jamie Groeller.

Welcome to the Manitoba Legislature and to the province of Manitoba.

* * *

Mr. Dougald Lamont (Leader of the Second Opposition): I—we are glad that—in the Liberal

caucus that the government has reversed itself over its initial objections to increase this tax. Initially, when they were asked about this, there was a bit of 'blowblack' and resistance.

Tobacco and nicotine are truly insidious addictions. That's something else that was presented to us by the Lung Association and the cancer association—the cancer society.

To make it very clear just how addictive nicotine and tobacco are, that the initial levels of addiction, although sometimes it's seen as not—it can be seen as not as dangerous from the point of view as being intoxicating as other addictive substances are. The level of dependence caused by nicotine use is something that's—that is almost unparalleled. And, of course, that there are many unsafe alternatives to tobacco, as well.

As I—as a—just looking at Hansard when this was raised in the House, there was a response from the government that—saying our government wants to make life more affordable. There's going to be more of a focus on making cigarettes affordable rather than—so, again, we're glad that this is being reversed and statements that Manitoba has some of the highest tobacco taxes in the nation and, of course, the Premier (Mr. Pallister) with his characteristic hyperbole of—stating that the NDP was a partner in encouraging black market sales of cigarettes, raising taxes on cigarettes to the highest level in the country and acting like they should be getting credit for that, while encouraging the private sector and the black market, illegal market, to develop marketing systems to make cigarettes available more readily and at lower cost to Manitobans.

Now I don't know that this is accurate in any way and also saying the NDP pushed the rates of smoking upward to some of the highest in the country, again, I think the statistics show that the amount of smoke—the number of smokers has been generally on the decline until just recently. This is one of the concerns that there has been a reversal; that for the first time in a very long time, the number of people have been—who are smoking have been—has been on the rise. And part of this is linked to other types of nicotine consumption, both vaping or through hookahs. Both of these things are a concern.

Again, as this group presented to us because, though I am leery of the use of the word, the gateway drug or a gateway device, essentially vaping and other ways of consuming nicotine are being used to encourage addiction or being presented as a safer

alternative than smoking, to encourage addiction to nicotine which then leads to Manitobans choosing cigarettes anyway and shifting to tobacco because often tobacco and cigarettes are more readily available than the other forms of nicotine.

And, again, so that the Premier (Mr. Pallister), at the time, said that the opposition were on the wrong side of the issue and may need to own up to it. I don't think that's actually—that's not the case. That we all—we're all in agreement about how important this is and that one of the single most important factors in whether people smoke, whether people start purchasing cigarettes or the drives—whether people choose to quit or not—is price.

I would add that one of the many of—these statements about the fact that we have the highest prices in Canada and that it's driving a black market, or it's failing to make an adequate dent in the black market also apply to this government's policies on cannabis where we have—I know that the Premier often says that people are smart shoppers and the statistics show that when it comes to the purchasing of cannabis, that it's actually older—an older demographic that are purchasing cannabis and younger people are not purchasing cannabis legally, apparently.

So there's a question there of whether we are really succeeding in tackling the black market as far as cannabis is concerned. With—and that's—and I just would hope that that's something the government would take a look at, if they can recognize the issues with tobacco and with high prices and doing what we can to have a legal alternative and make sure that the black market can't thrive. That's something that should also be happening, especially when it comes to cannabis.

Now, one of the issues here is that I think part of the reason this happened; I think it may have been oversight on the government's part that in their rush to bring in tax changes, they didn't fully consider what the impact would be, as far as tobacco and other nicotine products are concerned.

* (15:40)

The cancer society and the Lung Association emphasized that there are broader things we should be doing; that it would be very positive if this applied to nicotine products, generally, although perhaps not smoking cessation products, but to nicotine products so that we would be—also have the

same taxes applying to vaping and to hookahs, as well as, through—for cigarettes.

But one of the challenges of that, I think, is that it's been driven by the fact that we have as many tax changes have been, over the last may years is that they're not driven by a holistic approach, or a general approach, to say—to ask questions about whether this government—sorry—whether this particular tax is regressive or progressive; whether it'll make the rich richer, or the poor poorer, or help level the playing field, or whether it's good for the economy generally; that we tend to focus on boutique or targeted tax cuts that are very much focused for political reasons.

They're about—either about getting a party that's not in power elected, or getting party that's in power re-elected. And it's really about looking—making short-term, or, kind of drive short-term decisions on the part of voters, sometimes at the expense of long-term costs. And that's certainly what would've happened had this bill not been introduced.

And in the bigger picture of taxes that we—one of the things that we've called for is an overall tax review, so that we're not simply announcing boutique tax credits that are designed to appeal to a particular constituency, but that we're making sure that we have a tax system that's fair to everyone; and that everybody's paying their fair share.

And this is something that was called for by the Winnipeg Chamber of Commerce. It's been called for by the Manitoba Chamber of Commerce. I've also spoken to people who work at the CRA who basically say that Manitoba's tax credits are so complicated, nobody actually knows how to do them, and as a result, that they're not particularly effective.

So—and there are two parts about this. One is about the overall effectiveness and fairness of our tax system that really needs to be considered. Because one of things we've often heard from the Premier and the members of the government, that Manitoba fundamentally has a spending problem. And a deficit, by definition, is just a difference between—is that spending exceeds revenue, or revenue is less than spending. It doesn't actually tell you which of these two things is driving the deficit.

The assumption that is always spending is a very one-sided assumption. It means you're essentially only ever looking at one side of a ledger, which you do not want to be doing in accounting, or in economics, or in government. And this is one of the challenges is because we are—we do face an ongoing

deficit. There's a—the government has planned to have a deficit of over \$300 million this year. And there are also a lot of myths about taxes and the way taxes are run, that have justified certain types of taxes over others; that there's a preference for consumption taxes over income taxes.

And we—and one of the bigger challenges is that there are ways in which we could be balancing the budget without raising taxes, just by making sure that the taxes that are charged—or that the taxes that are levied are actually being paid. I mean, one of the—recently, there have been a number of exposed, or—revelations based on the international centre for investigative journalism. You're looking at the Mossack Fonseca and the Panama Papers.

And how arguments—plus some of these also, about how arguments about tax evasion work, because if we look back in the 1960s, the UK, Canada and the US all had a top marginal income tax rate over 80 per cent, largely in order to pay off colossal debts from the Second World War.

But, when the Beatles sang the song Taxman from the point of the collector, they said there's one for you and nineteen for me. And so George Harrison, at the time, was literally complaining about the fact that he and the other Beatles had to pay an income tax of 95 per cent.

However, the argument, even then, was that nobody actually paid these rates because people who had means also had the means to avoid paying these taxes. And, as a result, especially in the UK, that many—that movie stars and rock stars moved to tax havens in Caribbean or Switzerland to avoid paying taxes, which were referred to as confiscatory.

And, in fact, the US and Canada both sharply dropped income tax rates around 1970. It's interesting when we—so much of our discussion and our perceptions of Canadian economic history, or Canadian political history are often driven as much by political slogans as—or more, even by political slogans and partisan perceptions than what actually happened, because it was almost never mentioned as part of the legacy of Pierre Trudeau—he, acting on the advice of an independent commission of experts, overhauled Canada's tax system, cut the top level from about 80 per cent to about 45 per cent and revamped the rest of the income tax system to make it simpler, which also included, at the time, eliminating the inheritance tax, which is an ongoing debate in the United States, and replacing it with a capital gains tax.

Now, one argument, including by the economist Arthur Laffer, famously, is that governments could, could actually collect more revenue if only they lowered taxes. And this is an—actually, there's historically the strange historic example of a theory that was actually developed literally on the back of a napkin in a bar, but the idea is that governments could collect more revenue if only they lowered taxes in part because it would generate more economic activity or people might be willing to actually pay their taxes or stop avoiding them.

Unfortunately, in many cases where this has been tried, it has not worked. It's contributed to a collapse in public services along with soaring public debt in—specifically when employed in Kansas, it was referred to as junk economics, and there's usually a moral frame around the story of tax avoidance. Tax evasion is illegal; tax avoidance is legal, let's be clear about that, and there's something of it in the story of Robin Hood, which can be seen in a couple of ways. One is this sort of idea of Robin Hood as a socialist. On the one hand he's a hero fighting against the powerful and rich and giving to the poor. He's egalitarian, fighting for a more fair share distribution of wealth. But there's also a sort of story of Robin Hood as anti-tax activist, that he's not just stealing from the rich, he's stealing from the cruel tax bill collectors and Prince John, who are taking more than their fair share.

So the real life Prince John, ironically, who Robin Hood was fighting against, was the same John who signed the Magna Carta 800 years ago, and when it comes to fights about taxes, military intervention in the Middle East, civil liberties and the relationship of Western civilization to the rest of the world, there are probably more similarities between now and then than we might expect.

So one of the frames of tax avoidance and tax exiles has been that successful people are trying to avoid being unfairly treated by governments, and I know that's a frame that the Premier (Mr. Pallister) himself has put up. He's referred to it as—referred to tax as a kind of punishment on success.

And so one idea is that if governments were to treat those individuals more fairly and lower taxes, they would not stash their money away in tax havens, and so the same idea is true of the idea of having competitive tax rates for businesses and for corporations, but the reality is that even as various kind of tax cuts have been implemented—personal

and business tax cuts, sales tax cuts—is that tax avoidance often has only grown worse.

So, since the 1960s, the top personal federal tax rate in Canada has been reduced by more than 50 per cent, from over 80 per cent to 33 per cent. Tax rates from other personal income brackets in the lower middle have, generally, been lowered. The basic personal exemption has risen from \$6,456 in 1998 to \$11,138, although this is in 2014.

In 1998, the lowest bracket was 17 per cent for people making zero to \$29,590—today, just 15 per cent for people making zero to \$45,000. In 98–1998, the middle bracket was 26 per cent for people making \$29,590 to \$59,180. Today, it is 20.5 per cent, and in 1998, the top bracket—the top bracket was 29 per cent over \$59,180. There is now a bracket of 29 per cent for \$140,000 to \$200,000, although these are slightly out of date, and a new bracket of 33 per cent for people making over \$200,000.

The other is that the tax rate for corporations has also been reduced. At the federal level, it was 28 per cent in 2000 to 15 per cent today. The tax rate for small businesses, privately owned Canadian corporations with fewer than 500 employees, has also been lowered, and there is an exemption on the first, in Manitoba, \$500,000 of income, and that tax rate was actually lowered from 9 per cent to zero under the NDP government.

So the question is: Has this had an effect on government revenues? And the answer is, of course. As a percentage of GDP in 2013–2014, Canada's federal government is smaller than it has been at any point since the 1930s, and those lower revenues mean we're more likely to have a deficit, which we do, and there have been a mix of both increases and decreases at the provincial level in Canada.

* (15:50)

However, this is not just a question of the cost of government going up. Major new programs were introduced, including expanded funding for post-secondary education, public pension plans, public health insurance. But Ontario, Alberta and other jurisdictions all reduced taxes while holding the line on some kinds of spending, most notably social programs and especially anti-poverty efforts.

And though—there's a sort of—it runs counter to the conventional wisdom that between 1999 and, I say, 2015, the government in power at Manitoba actually reduced taxes and government revenue by

roughly \$1 billion a year, or so they said in their press releases. When the federal Conservatives decided to cut the GST from 7 per cent to 5 per cent, it had the effect of reducing federal revenues by about \$14 billion, and it's—I don't think it's a coincidence that Manitoba now—or—that as of 2016, Manitoba had a deficit of about \$1 billion and Canada has what appears to be a structural deficit of \$14 billion or did at the end of the time in 2015.

The important thing about this is that whether these are—when we look at the numbers and we look at the history, these are not questions of whether it's good or whether it's bad that taxes were cut, or whether they were raised, or whether spending was cut, or whether a deficit was being run, or whether a balanced budget is being run, these are the actual numbers. These are the things that different governments actually did.

And then one of the ideas here, of course, is that Canada is a particularly high tax jurisdiction, which is the narrative but it is not borne out by fact. So one of the issues, if you make—obviously, is that if you make—if there's a small reduction in taxes, it makes a huge difference depending on income. If you make \$200—or \$20,000 a year, a 2 per cent tax cut will save you \$400. A pay increase of 50 cents an hour would, for someone making—working 40 hours a week, 24 weeks a year, would be \$480. So you can actually see—you'll see greater improvements in a relatively small increase in the minimum wage right here, or in wages, than you would from a tax cut.

When those tax cuts are applied across the board, when we have huge differences in income, if you're making \$200,000 a year, a 2 per cent tax cut will save about \$4,000. So it's a—as I've said, the tax cuts are like pizza coupons; you still have to have money to take advantage of them, and the fact is that tax cuts usually have much bigger benefits for people who make more money.

The other challenge, of course, is that many people's before-tax wages have generally been stagnating, so they're not necessarily going to be feeling tax relief. So one of these ideas is that, again, the tax cuts will stimulate the economy by freeing up cash, either for consumers to buy things or for businesses to hire more people or raise employees' wages or make investments in the economy, but that has often not happened and—because as we've seen, we've seen successive levels of tax cuts that have happened, but they've tended to—what's happened is

that growth hasn't necessarily hugely increased. In fact, in many ways, we're seeing, you know, concerns about slowdowns in part because there are other factors at work.

In—but, even more important, or one of the things that's happened is there've been greater—actually greater attempts to avoid taxes even as taxes have been going down. And, when it comes to—this is why issues like tax avoidance and tax evasion are both incredibly important.

There are calculations that the losses that the federal government in lost revenue from—especially from corporations, but also individuals, seeking to place their money in what are known as tax havens, maybe over \$20 billion a year, which is in excess of current federal deficit.

And—but the other aspect of it is that that's—those are just the level of taxes that are not being paid. It also means that there's investment that's not taking place in Manitoba—or, sorry, in Manitoba or in Canada, actually, for that matter.

And, as some commenters have even put it, you know, which—it's a very unfortunate approach or statement which I—it's a—but it's sad that the idea that only—that the only people who are paying taxes are people who are suckers. And that's a terrible state that anybody would say that.

Of course, there is more to it than that, and it's that—is that those who—people who are using tax savings and corporations that are using tax havens are not just avoiding paying taxes that will go to government; they're not reinvesting their personal and business funds in the private sector of the economy where they earned it, where it would go to creating jobs and new businesses.

And there's been a huge shift in this. As Canadians for Tax Fairness reported, in 1987, only 10 per cent of Canadian direct investment overseas went to the top 12 tax havens. And then, by 2011, it was 24 per cent.

And the tax havens of Barbados, Cayman Islands, Ireland, Luxembourg and Bermuda were five of the top eight national destinations of total Canadian investment abroad. Canadian investments in these tax havens alone totalled \$130 billion in 2011 alone, and what's really remarkable about that—there's lots remarkable about it—but the fact is that, after China, the most popular place for Canadian companies to invest is Barbados, where the average amount of investment per employee is \$1 billion

per individual employee. So, in Barbados, it was \$53.3 billion; in the Cayman Islands, it was \$25.8 billion; Ireland, at \$23.5 billion; Luxembourg, \$13.8 billion and Bermuda, \$13.2 billion.

And this is only the top five tax havens. Increase in Canadian so-called investments in British Virgin Islands between 2002-2011 has been nearly 900 per cent, and banking and financial services—the banking and financial services sector now accounts for 51 per cent of Canada's total direct investment offshore—more than double its share from 1987. And the percentage of all Canadian foreign investments directed into tax havens is 24 per cent.

And so the amount of Canadian direct investments in tax havens is huge, and it's not going to build anything. Those funds end up, essentially, being dead money, sitting in a back account, and that is only what are considered tax havens. There are plenty of ways for people to avoid taxes without ever having to set up a company outside of Canada.

One is by using corporate status to convert money that would be considered earned income into corporate income, which can be taxed at 15 per cent or less. It may be a family-owned business, but no one is actually paid an income which would be taxable; instead, everyone is a shareholder. They're all paid with dividends, which are also taxed at a lower rate than income.

And this came to the fore in the 2015 election campaign in an argument about what are called Canadian—the Canadian private corporations—that these taxes have been used for legal tax avoidance at a cost of about \$800 million a year to the public treasury, but regular corporations have also saved—served the same purpose. One study pointed out that some individuals, who were able to sort of re-classify themselves as corporations, were able to cut their bills by—their tax bills by 50 per cent through incorporation—that a member of their family could be paid \$40,000 a year, tax-free.

And, aside from that, Canada itself has created a number of programs that make it attractive as a tax haven to wealthy international individuals. The program was a subject of a story in Maclean's, and the idea behind temporary tax advantages was originally set up for executives who came to Canada from the US to work for Canadian subsidiaries in the 1980s.

In 2010, quote, nearly 12,000 people moved here under the federal government's Immigrant Investor Program up from 4,950—sorry, not dollars—a decade ago, according to Citizenship and Immigration Canada. The figure includes spouses and dependants. To qualify, immigrants must have the minimum net worth of at least \$1.6 million and are required to invest \$800,000 with the government, which is returned after five years.

However, Canada's tax laws also contain so-called gems that would appeal particularly to people who are extremely wealthy, then high-net worth immigrants can benefit from a five-year tax holiday under the Immigrant Investor program if they store their investment assets in a trust outside Canada.

In fact, the government of Canada cancelled that program in 2014, writing in the budget report, there is little evidence that immigrant investors as a class are maintaining ties to Canada. So that was one of the challenges, is that Canada was essentially turning itself into a tax haven, which is something that is also being treated by this House, in terms of other legislation, beneficial ownership legislation, which is a condition of Canada starting to fulfill its international obligations.

And that's an issue that Canada itself is a tax haven, which is—which creates its own problems. There's little reason to think that some of the individuals who are investing in Canada have any greater attachment to us, or as Canadian companies and individuals do, to economic development of Barbados—is that Canada may end up being not much more than an opportunity for a five-year tax vacation.

*(16:00)

And it is a serious problem because it's about much more than people not wanting to pay taxes. The amount of taxes being avoided is much smaller than the total amount of money that is removed from the Canadian economy, which is nearly 200—or was \$200 billion; it's now considerably more than that. Some of it—what has happened is the result of deliberate lobbying. Some is the result of unexpected consequences of companies and individuals pushing the limits of loopholes in new and unexpected ways.

But, when it comes to tax avoidance, it's a variation on the Biblical saying that, quote, it is easier for a camel to pass through the eye of the needle than for a rich man to pass through the gates

of heaven, end quote. Given a loophole the size of a needle, a rich man will expand it until he can drive a camel through it.

And dealing with all of it will take work. I don't think that there's been any adequate commitment to this. There have been some positive steps made by the federal government, but we need the full participation of governments across Canada to actually make it work.

How I—but—just, again, to talk about the issue of taxes. Again, we need to be—I know that it's a very hot topic, people become extremely upset about it for all sorts of good reasons, but we still need to be able to—at least we should be departing or we should at least be able to have an agreement no matter where we sit on the political spectrum, whether in opposition or whether in government, on what the facts are when it comes to these discussions.

And there's an example at the Macdonald-Laurier Institute wrote an op-ed about what they call the danger of increasing taxes on Canadians who make the most money, arguing that there are limits to redistribution.

However, again, it's important to understand what the facts are, whether we're—whether people are in favour of raising taxes, lowering taxes, still we have to have—be grounded in facts so that—they can have their own opinions, but they can't have their own facts.

But it's important to challenge, again, some of those, I think, misleading—or it was an argument that I don't think was completely fair on the part of the Macdonald-Laurier Institute, because of the way they presented figures. And one is that they made it sound like income taxes have increased over the years when, in fact, generally they have dropped, although there have been challenges of bracket creep. And, in fact, as I mentioned before, the federal government in particular is the smallest it's been in decades.

And one of the issues, as often people say, well, is that higher income Canadians are paying a greater share of taxes and this is true. But the reason this is true is that—not that their taxes had increased, this is actually from before 2015, but, in fact, because they were taking home a greater share of the national income.

And, beyond that, it actually suggests that there is significant redistribution when there is not always. Yes, and it's worth recalling that we have 30-plus years of growing inequality and ever-increasing

personal debt that has been accompanied by 30 years of personal and corporate tax cuts and, to some degree, income and wage stagnation. So, again, this is—from the MLI's argument is that—saying the portrait painted by this new evidence shows today's high income Canadians are paying a higher share of income taxes than during Pierre Trudeau's flowering progressivism—progressivism. And again, this is a highly deceptive sentence. The reason higher income Canadians are paying more is not because tax rates have gone up, because the 1970s—a very substantial portion of all economic growth in Canada has gone to the top 10 per cent. At the same time, there have been tax cuts at all income levels as I mentioned before.

And we're calling another argument they made—they make. They say recall that his prime ministership is marked in large part by his vision of a just society. It was a powerful message about how greater wealth redistribution would ensure that all Canadians fully shared in the country's affluence, higher taxes and government spending in the name of social progress and opportunity were his government's touchstones, end quote.

But, again, on taxes, this is not accurate. If—in 1971, the introduction of substantial reforms to the tax code completely changed that, and it was actually nearly a full decade before Conservatives in the UK and Republicans in the US reduced tax rates for income earners.

But it doesn't—in a sense, it's—it does not fit in with the partisan imagination in the same way that the NDP here in Manitoba reduce taxes. It's not seen as part of the brand, so it ends up being pushed aside or missed in the same way that, frankly, some progressive accomplishments by PCs may be overlooked, because it's not seen as—it isn't seen somehow as fitting in with people's—some stereotype or a brand of what it means to be.

But it's worth recalling that the economic time—the economic problems facing the 1970s were global in nature; that two—at the time, two of the most significant events were completely beyond the control of the Canadian government: the global energy crisis and massive—the US Fed hiking interest rates to 15 to 20 per cent. And as it says, consider that when Pierre Trudeau left office, the top 1 per cent of income earners paid but, one of eight—every—one of every eight dollars collected income taxes in Canada, and then it started to climb,

reaching just over \$1 in every \$5 in 2014. And that's more than a one third increase in 30 years.

And again, this is a very misleading statement for what it leaves out. One is that the share of tax dollars paid by the 1 per cent has been increasing, but again, as that's been happening, the size of government has been shrinking. It's actually much smaller than it used to be. The size of the federal government, in particular, as a percentage of the economy has been shrinking from a peak of 25 per cent in 1984 to about 15 per cent of GDP, which—that followed 20 per cent interest rates in a global recession that crushed manufacturing, and then the price of oil, which had been supporting the Canadian economy and revenues, started to drop.

It's also worth noting that at this time, in the 1980s, Canada's late-'80s recovery was driven in part by dropping oil prices, lower interest rates and a major monetary—fiscal—and fiscal stimulus under Ronald Reagan, who would raise taxes—raise taxes—after cutting them too deep in the early 1980s.

So what does this mean? That the 1 per cent were making a larger percentage contribution to a shrinking government while their incomes have been rising and their taxes were generally being cut.

And again, the reason they're paying more is that as inequality has grown, and as wages and incomes have stagnated for most Canadians, the growth that has taken place has gone overwhelmingly to the top. Edmonton's chief economist found that, adjusted for inflation, wages in Edmonton had stagnated for 99 per cent of the population since 1982, and this is in 2012. And in Calgary they had actually declined.

And this is incredibly important because this underpins our entire sense of what's happening and what has changed in our economy. And it's not a—the thing that was different about the economy prior to the 1970s was not that it was an egalitarian paradise where everybody got paid the same amount no matter what, but, in fact, one of the fundamental things was that growth was better. And when that growth happened it was better shared, so that—it's—is that people at the top made more money; people at the bottom made more money.

It was simply that the economy at that time was doing a better job of what one would call pre-distribution. It wasn't even that the tax system had to go in and redistribute everything—is that people who—people had full-time jobs that they could support a family on, on 30 hours—30 or more hours a week.

And that's one of the things that's really important and different about the 1970s, compared to today.

And one of the challenges around this is just an understanding of the concentration of wealth and income in Canada. There's often an assumption that it's a bell curve, that there's—that we have a large middle and then a small number of people who are poor and a small number of people who are having a very hard time, and then another very small number of people who are doing extremely well.

But when we actually look at income distribution and wealth distribution in Canada, it's actually difficult to even visualize the degree to how concentrated that is—is that fundamentally, the 0.1 per cent of the population may own 40 per cent of the wealth, and 0.64—the next 0.64 per cent of sort of—well, not quite the remaining—remainder of the top 1 per cent will own another 11 per cent. And then 3.2 per cent will own 13 per cent of all property, assets and so on.

And this means that more than 60 per cent of all wealth will tend to be owned by the top 5 per cent. This is—there was a law that was discovered by an Italian economist named Vilfredo Pareto, and the difficulty in even imagining this is that when we—you get to extreme concentrations of wealth and income at the top, it climbs so fast the higher you go, that there's far greater difference in income and wealth within the top 1 per cent than there is even in the rest of the remaining 99 per cent of the population in Canada.

Madam Speaker in the Chair

So, within Canada's 1 per cent, the—within the bottom of Canada's 1 per cent is about \$200,000, so that's—and the poorest person in Canada, obviously, makes zero, which is a difference of \$200,000. We don't know exactly what the richest individual in Canada pulls in for income, but, with some bonuses, some CEOs may make \$10 million. So from—in the zero to 99 per cent of all Canadians, there's a difference from zero to \$200,000, but, within the 1 per cent, there's a difference of millions.

* (16:10)

And this is—there's also a critical distinction between income and wealth that we all—that we should all understand, especially anyone in this Chamber, is that when they—when—especially when the MacDonald-Laurier Institute talk about the government redistributing wealth, that the first tax on income is obviously tax on income; it's not tax on

wealth. And most of what government spends its money on is on what you'd call social insurance programs. Some of these are direct payments to individuals, but a huge amount of it is paying people to deliver services in health or education, policing, construction, and people are actually being paid to do work.

So it isn't just a question of redistributing wealth or handing it out for free. Some of them are paid well; some of those individuals are in the top per cent when, of course, they will end up paying taxes.

But the challenge is if we are actually talking about a redistribution of wealth, which I know that lots of people have issues with, between 1999 and 2012 the net worth of the bottom 20 per cent of Canadians actually dropped from an average of \$1,300 per person to \$1,100 per person, and they actually—the entire bottom 20 per cent of Canadians are 6.7—between 1999 and 2012 are \$6.7 billion worse off. They actually owed money, whereas the top 20 per cent of Canadians increased their—increased how much their assets and their net worth by \$2.9 trillion, so that's from \$2.9 trillion to \$5.44 trillion.

And the question is, you know, if—one of the questions is if income tax cuts or other tax cuts are a boon for the economy, why don't they have miraculous effects? Is in—part of it is that there are many other factors. One of the single most important factors in economic growth tax—taxes, of course, are a factor, but one of the single most important factors is interest rates and how much banks are lending in order to drive the housing economy especially.

And there's lots of, you know, empirical evidence that austerity doesn't work, that government contributes positively to economic growth and innovation, but also that inequality and high private debt both lead to economic stagnation, and this is one of the most—the large challenges that we're facing in terms of taxation and where we're going, that in September World Bank economist Paul Romer—he's been mentioned many times in the debate about carbon taxes—described the current state of macroeconomics as a pseudoscience.

Steve Kane, who's an economist, said the defence of—who's compared the defence of some current economic ideas to faith, and that many of their models have failed in prediction as well as in application. And that's one of the challenges is that we need to be appealing to facts and not just theories.

We have a lot of economic theories that have really stumbled in the last 10 years and they've really failed of their promise. What we've expected to see from people—or we've also been told that there's sort of—that there's a recipe of things that governments can do that'll spur the economy, which—have had—but they haven't really been working for the vast majority of Manitobans or Canadians, which is a great amount of frustration.

And, in the special context of Manitoba, Manitoba does have a poverty problem among both children and seniors, that Manitoba's demographics is we have a relatively high growth of youth and seniors with a higher dependency ratio than almost all other provinces. And that's one of the fundamental challenges for Manitoba—and is that we need to be realistic about these policies.

And one of these frustrations—my frustration is with not just that we're not able to ask questions or ask questions about—in Estimates or push for explanations or models or some of the justifications, is that often when we do ask for these things, it's just taken for granted that this is going to work. We—they haven't—nobody's actually run the numbers on what an impact—what the impact is going to be of a given tax measure.

And we've seen there's been a lot of pressure for—to raise regressive taxes while lowering progressive ones over the years, because progressive taxes are seen as somehow inefficient. Regressive taxes are seen as being efficient, but it's really more about the fact that it's—when it comes to regressive taxes, they're easier to collect because it's much harder for people to hide from them. And that's been one of the ongoing challenges when it comes to what we're trying to achieve about being—not just in terms of taxation and saying well, we need to be—we need to make sure that taxes on a particular item that we want to discourage the use of, but also in terms of what its effects are in—for growth, what its effects are in terms of economic impact, what its effects are in individuals and communities.

So, I mean, there are many other issues we could discuss, but, I mean, this is—we are—as the Liberal caucus is happy to be supporting this measure. Again, I think it was brought forward in essentially—in a way because it was in the haste—their haste to bring in changes to the PST with the hope that it would—with the expectation that we'll have an election about it, that people made—essentially there were some holes left over, gaps especially when it

comes to the issue of tax—of the tobacco tax. So we're happy to see this through to committee, and I thank you, Madam Speaker.

Mrs. Bernadette Smith (Point Douglas): It gives me some great pleasure to get up and support this bill, of course, and, hopefully, that it gets passed by June before we rise. As a former smoker myself, you know, I smoked for 15 and a half years. When I became pregnant with my son, 28 years ago, I quit smoking and I've never picked up a cigarette since. However, I did marry a smoker, and he smoked over a pack a day by the time he quit, so he's quit for about just over a year now, but it's been a constant struggle for him to quit. He's been on Champix; he's been on some other kind of medication to help him; he's tried cold turkey; he's tried a number of different avenues to quit.

And a couple of reasons he quit, he was coughing all the time and our daughter was quite concerned. You know, he was up at night coughing. Every time he'd cough he'd go and light a cigarette and, of course, we didn't allow cigarettes in our house and smoking in our house, so he would go outside all the time to smoke, even if it was winter. That's how, you know, how much he loved his cigarettes. It could be minus 40 outside and he would still be outside smoking.

So he's quit for about a year and a half, and that saved our family probably about \$400 to \$500 a month, and my husband's actually been off work for about a year now with a back injury so that's really helped with our financial situation. But it's made our daughter pretty happy and pretty proud of her dad that he's been able to quit now for over a year after trying for about two years.

And, you know, to see the rate of cigarettes and the amount of cigarettes that our young people are smoking, as an educator that worked in a school that would often see kids on their break, I would often go outside to look for kids to get to class and, you know, there would be, I don't know, upwards of let's say 100 kids outside Maples Collegiate high school all smoking. And, you know, talking with many of them, they come from a family of smokers. And I really tried to model for my daughter that smoking isn't, you know, a good thing, that it's not healthy and now my husband's also, you know, modelling that as well—that—and hopefully she never picks up a cigarette.

Our son, when he was about 16 in high school, decided that it was cool to smoke and he actually

started smoking. He smoked 'til he was, guess about 19 and he's now 26, so he's been quit—he quit smoking for about seven years now, which has been great. And, you know, for him, it's not only financial, but it's about—he's got two little ones. One of his daughters is five and the other one is seven and, again, it's about modelling for the next generation that this isn't a healthy thing, that, you know, it's something that has lasting impact on your health.

*(16:20)

I remember as a young girl, we had—he wasn't a biological uncle but he was someone we called uncle because he was very close to our family, to my grandma, and he had a hole in his throat, so he had throat cancer at some point in his life, and he used to talk with his instrument.

And it was hard to understand him as well, because, you know, the vibration of it was what would speak, but he had talked to us, of course, about not choosing to smoke and staying away from, you know, tobacco products, and that there's chemicals in there that, you know, could hurt your health and that, you know, potentially you could end up with throat cancer and that, you know, you don't want to end up with one of these speak machines or have a hole in your throat.

And I remember he didn't live—I think he was in his fifties when he passed away, and part of it, I think, was from his smoking, you know, of course, because he did struggle with his health due to that. And cleaning that—I remember watching him clean this hole in his throat and it wasn't, you know, it was quite gross, but it was something that had to be done and my Aunt Rita was the one that would, you know, help him clean—again, wasn't a blood relative but was someone who we called auntie and uncle.

And cleaning this and, you know—it didn't really deter me from smoking later on in life because I'd forgot about that and never really thought about it, but when I think about, you know, our kids today and our kids tomorrow, especially my grandkids and my daughter who is 16, you know—very impressionable when you're in high school. Like I said, my son ended up smoking because of peer pressure; he smoked for about three years and he hasn't smoked now for about seven years.

But I certainly don't want my daughter to, you know, pick up that habit, although she's, you know, wanting a car and she wants to spend her money and, you know, saving to get her first vehicle. It's very

exciting for her but very scary for us because, as you know, having a 16-year-old drive a car—and she's a good driver but I still—when I'm in the car with her and she's driving, I'm a little, you know, I'm a little fearful because, maybe not by her from her driving, but other drivers, you just never know, and so yes, I hope she never picks that habit up and that she continues to save for a car so that she can, you know, drive on her own and then maybe doesn't have to borrow our car and we don't have to drive her around anymore, which would be nice because my husband drives her every day to school and picks her up from school every day, and he calls himself daddy chauffeur, so maybe someday he won't have to do that.

But she talks about how proud she is of her dad that he's put that cigarette down and, like I said, over a pack and a half a day—that was a lot of smoking and you can imagine, like, his, you know, his teeth would be discoloured as well and, you know, he'd always be coughing and throat-like spitting out phlegm and, you know, it just wasn't good. The coughing has lessened and, you know, he's got checked for cancers that are attributed to smoking.

And keeping, you know, smokes at a higher cost for youth is a good idea. Actually, for all Manitobans, because, you know, our party, we raised it from 17 cents a cigarette to almost 30 cents a cigarette, and a lot of people have put cigarettes down due to financial reasons but also health reasons. We see cancer in Manitoba rising and I don't think there's anyone in this House that can say that they don't know someone that has had cancer and that, you know, is dealing with cancer.

I think about a good friend of mine that I worked with at Marymount for many years, April Lahn. Right now she's, you know, battling with cancer. She's gone through chemo three times and, you know, she just became a grandmother. She's—I think she's maybe 50 if that, you know, and she wants to see her grandbaby grow as well and, you know, you know how special it is when you have your first grandchild. She's in a wheelchair right now, a motorized one, because of her health and she'll send me videos of her driving around with her little grandson, and it's quite cute to see that on social media so she shares it. But she's also shared her journey throughout, you know, going through her battle with cancer. And I remember working with her in the early '90s, and she had ovarian cancer and, you know, that was almost 30 years ago, you know, and

she's still battling for her life, so I think about, you know, people and the detriment on your health.

My brother and sister—well, my sister has never smoked. You know, she's—how old is she? Thirty-eight. She's actually just moved from health care into education, so she's going to school to be a teacher—big shift, you know, for her after being a home-care worker for, I don't know, 15 years—12, 15 years she was a home-care worker, and just decided for her family, because she has a daughter that's 21, a son that's 19, another daughter that's—or another son that's 17. And then she recently had a baby that's two years old. So you can imagine, like, there's a 15-year difference.

And her having to work shift work was difficult with having, you know, a young one. Her other ones are almost out of the house. One of them has moved out and has her own daughter. So she decided to get into education. And she's never smoked. And, you know, we watched our mom smoke growing up. I remember these little, thin Avanti cigarettes she used to smoke. And I remember sneaking a cigarette here and there, when I was younger. And being in junior high at Isaac Newton, they had these stairs in the back that were for emergency exits. We would go smoke on the back there, a whole bunch of us.

And, you know, just thinking back about, you know, my life as a smoker, and then I go to high school and I see all these kids. You know, it's like smoking and—I'm always saying, you know, it's a bad habit. It's expensive. And it will weigh on your health, so, you know, thinking about long-term. But of course, our young people don't see, you know, the long term. They just see the here and now, right? So it's like how to—how do you convince kids that are in high school to make better choices for themselves. Sometimes it isn't the easiest.

So I guess, going back again to my daughter and her seeing how much her dad struggled with, you know, coughing and how much it was draining on him too. Like, he was a welder, so that was his excuse all the time. He's like, well, you know, I'm welding. I'm ingesting fumes all the time. And when he, you know, was off because of his back, that was a prime time for us to say, hey, it's time to quit smoking. You know? It's for your health, but it's also to be a role model for your daughter; to let her know that smoking isn't a good thing.

So, it was a bit of a fight, you know. He says, that was my niche. I like to smoke. And, you know, I was kind of forced into it. It wasn't a choice. But it

was a choice—or it was something that my daughter—well, even my son had been asking him for a number of years, because, again, you know, we didn't smoke in our house. He was always going outside and welding was always his excuse. And when he wasn't welding anymore, it was like, well, now's it's time—your time to quit. You're not ingesting those fumes anymore. You know, you can get rid of ingesting fumes altogether, including cigarettes. So, like I said, about a year now, which has been great.

So as a result of the NDP raising the amount that were charged for cigarettes from 17 to 29 cents, it actually had a result. The smoking rates dropped significantly from 35 per cent in 2007 to 2015. And there was an even deeper decline than the average throughout the country. So you can see the correlation between keeping cigarettes high, because people are going to choose, you know, to have a meal to feed their family, you know, to maybe have an entertainment night out to take your family to the movies over buying a carton of cigarettes.

And I don't know how much cigarettes are now. I think they're almost \$20 a pack. So it's pretty expensive to buy a pack of cigarettes. I remember my husband used to buy, like, a carton. He'd buy a carton for the week and there was eight packs in a carton. And it was, I don't know, \$150 or \$160 a week. And he would budget that. He would have like, his allowance, or whatever. So, it's like, if you choose to spend your money on that, then that's your prerogative. But it wasn't something that we supported or condoned, you know. In fact, we would say, like, that money's better spent on something else.

And my daughter says, you can contribute to my car now. So—which he's agreed to do. He says, if you raise, you know—if you save \$3,000 and you can find a car for \$6,000, we'll match that \$3,000 and you can buy a car for \$6,000. So he's able to do that now, only because, you know, he's saving upwards for \$500 a month. You know, that's over—that's \$6,000 a year that he's saving. You know, that's a good car payment, as my daughter says.

* (16:30)

But, of course, he's—first car—we bought our son his first car when he was 16, and he actually got into an accident two weeks into getting his car. And we were like, really? Two weeks into getting your car? So, you know, we don't want to make the same mistake with her because we—he got a new car. She's not getting a new car. She'll get a used car because—

but, like we said, we'll match whatever she puts in, just because, you know, she's putting in the effort to get it.

In 2000—oh, that steep decline—so there was 33 per cent of people between the ages of 15 and 19, and 28 per cent for people 20 to 24, so you can see how that number's, you know, decreased from 35 per cent down to 33 per cent, and it just keeps going down to 28 per cent. And, you know, when our government really looked at this, we took a hard stance, and part of it is because of the long-term effects of health, right, so if you're smoking and you get, you know, lung cancer because of smoking, then you go to the health-care system and it does attribute to the high cost of health care, right, and it does have an effect on how many people are in the system.

So, because of this hard-line stance the NDP took, 31,000 fewer Manitobans were smoking in 2015 compared to in 2008. So I quit in 1991—actually 1990, I quit. That's a long time ago and I think about, you know, that choice, and part of it was I was pregnant, you know, so I didn't want to have any effects on my child, but then when my child was born I thought, you know, I need to support my child. I can't afford cigarettes. I'm going to choose to put that money towards, you know, taking care of my son, and I just never went back to it, and it wasn't something that I was really addicted to. Like, I could have a smoke socially. You know, I'd go to school, I'd smoke there, I'd come home, I wouldn't smoke. You know, I'd take a smoke from my mom, take it to school and smoke it there. I wasn't smoking at home.

And my parents, or my mom never really condoned cigarettes either, so she wasn't someone who would say yes, here, have a cigarette. Even if we asked her for one, it wouldn't be something that she would have given us.

So there was actually a coalition on anti-smoking organizations including the cancer—Canadian Cancer Society, the Heart and Stroke Foundation, the Manitoba reduction alliance, and they wrote, actually, every member of this Legislative Assembly asking the government to make these changes to make sure that, you know, cigarettes didn't get cheaper this summer—that, you know, they maintained what they were at because, like I said, \$20—are you going to choose \$20 to buy a pack of cigarettes that you're maybe going to smoke in one day, or maybe you can go to a movie? You

know, movies are getting quite expensive as well. It's probably, like, \$15 now for a movie, so, you know, you can choose from those two.

They also pointed out that when the federal Conservative government reduced the GST from 7 per cent to 5 per cent, that there were offsetting tobacco taxes that ensured that the cost or the price of tobacco and cigarette products did not decrease, so they maintain the same level.

When I think about, you know, the money that's going to be saved because we're not reducing the amount of cigarettes, and, you know, the Finance Minister talked earlier about those funds going into health care. We'd also certainly like to see them going into an education campaign as well. You know, like I said, when I would go out at break to, you know, round up students to get to their classes during break, there'd be upwards of 100 kids out there smoking and, you know, you try to talk to them about smoking, making better choices and, you know, that it's a long term, it's for your health.

So we certainly hope that, you know, the Finance Minister sticks to that and that he does put the extra revenue into, you know, health care as well as in education campaigns so that our young people know the effects of smoking—not just our high school kids, because we do see kids that are, you know, middle school smoking as well, choosing to do that.

And because the risk of tobacco use in Manitoba would begin to rise again this summer due to the reduction in the PST, the NDP took the opportunity during question period to ask, based on that letter that we all received, to ask the government to commit to maintaining the price of cigarettes. So we stood with the CancerCare society and the Heart and Stroke Foundation in saying that we need to ensure that smokers stay at a higher cost, that that isn't reduced in the PST reduction and, you know, we certainly hope that this goes to committee and that it gets passed before we rise in June so that we're not seeing more smokers in the summer and that people are choosing not to smoke because it's more expensive and that they'll look at their health concerns.

When the Minister of Finance (Mr. Fielding) was asked, he, you know, in response to our concerns about—for the health of Manitobans, the Minister of Finance actually evaded the question but said it was in the opinion of both opposition parties to tax people to the max. And that's in Hansard on April 24th. You know, we need to ensure

that, you know, our most vulnerable aren't picking up cigarettes; that they are, you know, higher cost and they stay there.

Just to fight being asked three times to ensure the public that the PST reduction—there would be corresponding increase in tax on tobacco so that cigarettes and other tobacco products do not become more accessible to young Manitobans. The Finance Minister and the government actually refused to answer that question. It was a straight question. They received the same question over the same letter that we also did, and we were just standing up and standing with these organizations to say that, you know, we need to ensure that the hands of cigarettes aren't getting into those that don't need them and keeping cigarettes, you know, out of the hands and lungs of Manitobans, especially young Manitobans.

We thought that that was an easy decision, that, you know, the health—or—yes, the Health Minister, the Finance Minister, that they could have made that a part of our committees the other night that we had a couple of weeks ago, but we're certainly looking forward to this going to committee. We're hoping, I guess, like I said, that it passes in June; that we're not, you know, coming back to this after the PST decrease and that tobacco has gone down as well.

While we're happy that they finally agreed not to lower the prices of tobacco, we wish that this had been an easier decision to—for them, of course, to make. Although it was previously unclear as to whether or not this government would put measures in place to keep the price of cigarettes and other tobacco products steady despite the upcoming PST, we're happy that they've chosen to do so.

Smoking is a killer and we need to make sure that we are not incentivizing the consumption of cigarettes for all, or at all. Because the PST will be lowered in July, it only makes sense that a higher levy be placed on tobacco products and, you know, it's too dangerous to be encouraging people to pick up cigarettes because of a lower price.

So what are the dangers of smoking? We know that it causes cancer, we know that there's also second-hand smoking that could also cause cancer. We've seen—I remember as a kid growing up and going to bingo with my family and like, you could hardly see and my eyes burning, and even my throat burning because it was so smoky in there, that, you know, people could smoke right in the bingo halls. And I was just, I don't know, I wasn't even a teenager then, I was really young.

And, you know, I remember even going to, you know, a restaurant and people could smoke in there in the public and, you know, you didn't really have a choice, you were going out to eat, every public place you were allowed to smoke. So you were basically, you know, ingesting other people's second-hand smoke. And we now know that that's a correlation to cancer. People who have never smoked in their life but that have had exposure to second-hand smoke actually have developed, you know, cancer related to cigarettes.

So, you know, we see that that's been—you're not allowed to smoke on patios anymore, but you still do see—I go, you know, I'm walking down the street and I do see people smoking on the street still, and you're still passing people, or I'm going into a restaurant and although they're not allowed to smoke on the patio, they're still going out on the sidewalk to smoke, right, so we're not—it's not outlawed, but keeping it out of the hands and, you know, helping people make better decisions based on price is the better way to go.

Luckily, the percentage of Manitobans who smoke is gradually fallen. Over the time of the survey that was conducted by the federal government—found that 14.5 per cent of Manitobans were smoking in 2017 compared to 14.8 per cent in 2015, and that's actually according to CBC, May 14, 2019. That wasn't that long ago.

*(16:40)

We also know that smoking is a leading cause of premature death in Canada, and I spoke about, you know, my Aunt Rita's husband that had throat cancer that had to have a hole in his throat, and he spoke with a, you know, an instrument to help you understand what he was saying. He didn't live past his 50s. He passed away from cancer due to smoking. And he was always someone that championed, especially with the younger ones, not to smoke. He'd always say, don't be like me. You know, you don't want a hole in your throat.

And I remember as a young girl thinking, no, I don't want that. But, you know, sometimes you forget, just like when you have a child, sometimes you forget that pain and you have another child, right. So it's—I ended up becoming a smoker. Had I, you know, remembered that and I probably wouldn't have—but, again, it was at school where I started smoking, because there were others around school. And, you know, everyone was doing it and it was a cool thing.

We now see a rise in e-cigarettes. Like, they put this vape in—vaporizers. You know, and I remember my daughter talking to me about this vaporizer and she's saying: There's no tobacco in there; it's just something all the kids are doing. It's cool. But, you know, they don't know the effects of that yet, and you know, they haven't studied it enough to know if, you know, that could cause cancer as well.

And there certainly is vapes with certain amounts of nicotine in there, because I've—I also know people who quit smoking through a vaporizer. So they've, you know, started, with, like, say, 18 per cent nicotine and then went down to—I think one of our friends is at, like, 4 per cent nicotine now. And we still say to him, that's still smoking, although you've decreased it. Let's get down to, like, no vaporizer at all. Because, again, if you—you know, it produces smoke and, if you're out chatting with him, you know, you're a part of that.

So that's kind of the new fandango thing in schools is—you see kids smoking, but it's more of the vapes now that they're smoking. And you can get different flavours, which is, you know, something that lures kids. So I could get butterscotch flavour or I could get blueberry. And I know Manitoba no longer sells flavoured cigars, which was good, because that was another lure for young people. I remember seeing some kid smoking, you know, blueberry cigars and I'm going, what is that? It smelt nice, but, you know, at the same time, it's not healthy for you. So, you know, we need to also think about, you know, vaporizers and the vapes that they smoke and making those less accessible to young people. You can't buy one until you're 18, but, you know, somehow they're getting into the hands of kids; just like cigarettes, you can't buy until you're 18, but they're still choosing to do it.

So we, certainly, will be supporting this bill. We want to see it go through before we, you know, rise in June. So miigwech.

Madam Speaker: Are there any further members wishing to speak on debate?

Hon. Jon Gerrard (River Heights): Madam Speaker, I want to talk a little bit about this bill. I'm pleased that the government has seen the error of its initial ways and decided that they wanted to make a change and respond to concerns which were raised by the Canadian Cancer Society and others, that their initial budget would decrease the cost of smoking and, at this point, we need to keep the pressure on and to keep the activity strong to make sure that

people are fully aware of the health effects of smoking and that we do what we can to help people be healthy and to stop smoking if they are already started, and to help people not start if they've never started.

The history of the association between cigarettes and cigarette smoking and lung cancer and other conditions really goes back to the 1950s when there was a lot of evidence which accumulated, showing a link between cigarette smoking and the development of lung cancer. And this led to a major report—I think there was a major report in the United Kingdom, and then there was a major report of the US Surgeon General and those reports then emphasized this link between cigarette smoking and lung cancer.

And they pointed out that this link was so strong that cigarette smoking really was a cause of lung cancer, and the conclusion, then, was that if we're going to decrease lung cancer and keep people healthier, then it was very important to get the message out and to let people know that smoking cigarettes was associated with the development of lung cancer and that people should be aware of that and aware of the impact on their health.

It was, however, a long time before this was fully appreciated, and part of the reason that there was a big delay was that the tobacco companies, we now know, made a major effort to continue to promote smoking and to try and cover up or silence the evidence that cigarette smoking was associated with and a cause of cancer.

I remember when I was in medical school in the late '60s, and we were looking at autopsies and we were looking at histological sections of lungs, and it was amazing the difference between somebody who was a smoker and their lungs would be black and somebody who was not a smoker and their lungs would be whiter and white, and you could see this, not only by looking at the lung itself in its entirety, but you could also see this on microscopic slides, which clearly showed the accumulation of the smoke and the black particles in the lungs. It was a pretty clear signal that the cigarette smoking was associated with lungs which didn't look good, which turned black and was—were awful.

But, in spite of all this evidence, there was continued efforts to promote smoking. There was efforts by the companies who sold cigarettes to make sure that people in movies were seen as smokers and that people in movies who looked cool were seen as smokers, and it propagated the vision that smoking

was cool, and increasingly there were more and more people who continued to start smoking, and, of course, once people have started, it is quite addictive and it's not easy to stop, and so we had increasing numbers of people smoking.

And, finally, into the 1990s, people realized that there needed to be dramatic ads to show people the impact of smoking—causing death, causing cancer, not just lung cancer but causing esophageal cancer and contributing to a variety of other cancers to the point where smoking is one of the most significant impacts of any environmental activity on lifespan and on the health and well-being of people.

In the early 2000s, in this Legislature, Denis Rocan brought in a bill and that bill was to end smoking in indoor public places, and rather than supporting the bill, the NDP government, under Gary Doer, decided that there should be a task force, and so a task force was set up.

I'm not sure if the Speaker was on that task force—apparently not, but I remember going around the province and we had people like Greg Dewar, who was with the NDP, and we had John Loewen with the Conservatives and we had several other MLAs who appeared regularly on the task force, and we listened to people from all over the province, and some of the most passionate voices were people who were in the health-care system—physicians who had recognized by that point that smoking was not just associated with cancer, but it was a major contributing factor to heart disease and heart attacks, that it was a significant contributing factor to the development of diabetes, that it was a significant cause of babies who were born what's called small for gestational age; that is, that they were babies born smaller than normal for—when they were born. And that was a result of the impact of smoking on the vessels going into the placenta so that the blood supply to the infants was decreased, and it was having a major impact on the size and the well-being of babies.

* (16:50)

The result of the task force was the recommendation that there be a bill brought forward to end smoking or to ban smoking in indoor public places. That bill was indeed brought forward as a result of the recommendations of the task force, and it was passed in this legislature—[*interjection*]

Madam Speaker: Order, please. Order.

There's quite a bit of noise here in the Chamber. I'm having difficulty hearing the member in debate. So with everybody's co-operation, please.

Mr. Gerrard: Yes, thank you, Madam Speaker.

There was important step forward and following this ban of smoking in indoor public places in Manitoba, there were similar bans enacted in other provinces across Canada. I believe we were the first, although there were jurisdictions elsewhere in the world and certain states in the United States which had come before us.

It was an important moment because you can see the change in the slope of the number of people who were smoking. It started to decrease more and more. We started finally to see, in men first, a decrease in the number of people getting lung cancer and, of course, there was a time when there were a lot more women who were starting to smoke and the number of women who were getting lung cancer was still going up.

But, in all this fight to have better health for people in Manitoba, it has been important to have an increased cost on the cigarettes, and that increased cost has been done as a result of putting taxes on cigarettes when they're sold. Now there is a limit to how high you can put the tax, because if you put it too high, you get a lot of smuggling and contraband cigarettes and that's no good. Yes, in fact, in the 1990s, this was such a big problem in Quebec and Ontario that, for a little while, there had to be back off of the tax so that we could stop the smuggling of cigarettes which was undermining all the other efforts to decrease smoking.

As we know, when the government, the Pallister government brought in its budget this year, they decreased the PST, but they also decreased the PST on cigarettes. The decrease in the PST on cigarettes was an error, and, fortunately, the government has realized that was an error. And, after being persuaded by many people, including those from the Canadian Cancer Society, we are having this bill brought forward and it is going to—we'll get to this bill and we'll make sure that it gets voted on and passed because we're supporting it.

I just want to wind-up with one additional story, and that is the story of George Myer, which I brought to light, and he developed lung cancer. There were delays in the cancer being picked up and delays in the diagnosis, and that resulted in delays in the treatment for the cancer and he had been identified

on X-ray as having cancer in last September of 2018. And yet, by January of 2019, of this year, there had been virtually no progress and he still hadn't got a diagnosis that was final. He had an X-ray but he didn't have a final diagnosis.

And so I raised this issue publicly and, fortunately, he was able to get a diagnosis and start on treatment, but, unfortunately, it was too late at that point, and George Myer who contributed—he contributed to the development of information technology, which is central to promoting and improving health in Manitoba—and he was—interestingly enough, we're talking about taxes—some of the software that he developed was important to the roll-out of the PST, way back when—I think it was in the 1960s under Roblin. So that Roblin was the one who got Manitoba started—a Conservative—on the PST. Yes. Not too many people realize that the Conservatives, in the past, have sometimes been very good at raising taxes.

Anyway, the—that is the story of George Myer, and, unfortunately, he passed away quite recently. I was at his funeral, and—recently, and there were a lot of tributes to George and many friends and family who were there. It was quite a moving occasion., and that was something to be remembered: that not only do we have to make sure that the cost of the PST and the cost of cigarettes is significant, but we also have to make sure that we're treating lung cancer really well and quickly.

So with—Madam Speaker, with those concluding words, I will sit down now and—

An Honourable Member: One more minute.

Mr. Gerrard: Have we? We've got—I guess we only need one minute to pass it. Yes, that's probably true.

Okay, Madam Speaker, I will sit down now and let us call the question on this legislation.

Madam Speaker: Is the House ready for the question?

Some Honourable Members: Question.

Madam Speaker: The question before the House is second reading of Bill 31, The Tobacco Tax Amendment Act.

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

House Business

Hon. Blaine Pedersen (Deputy Government House Leader): Madam Speaker, on House business, I would like to announce that the Standing Committee on Social and Economic Development will meet on Thursday, May 23rd, 2019, at 6 p.m., to consider Bill 31, The Tobacco Tax Amendment Act.

Madam Speaker: It has been announced that the Standing Committee on Social and Economic Development will meet on Thursday, May 23rd, 2019 at 6 p.m. to consider Bill 31, The Tobacco Tax Amendment Act.

* * *

Hon. Jon Gerrard (Second Opposition House Leader): I wonder if it would be leave to see it 5 o'clock, Madam Speaker.

Madam Speaker: Is there leave to call it 5 o'clock? *[Agreed]*

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 21, 2019

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<http://www.manitoba.ca/legislature/hansard/hansard.html>