

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

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Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
Forty-Second Legislature

Member	Constituency	Political Affiliation
ADAMS, Danielle	Thompson	NDP
ALTOMARE, Nello	Transcona	NDP
ASAGWARA, Uzoma	Union Station	NDP
BRAR, Diljeet	Burrows	NDP
BUSHIE, Ian	Keewatinook	NDP
CLARKE, Eileen, Hon.	Agassiz	PC
COX, Cathy, Hon.	Kildonan-River East	PC
CULLEN, Cliff, Hon.	Spruce Woods	PC
DRIEDGER, Myrna, Hon.	Roblin	PC
EICHLER, Ralph, Hon.	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FIELDING, Scott, Hon.	Kirkfield Park	PC
FONTAINE, Nahanni	St. Johns	NDP
FRIESEN, Cameron, Hon.	Morden-Winkler	PC
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin, Hon.	Steinbach	PC
GORDON, Audrey	Southdale	PC
GUENTER, Josh	Borderland	PC
GUILLEMARD, Sarah, Hon.	Fort Richmond	PC
HELWER, Reg, Hon.	Brandon West	PC
ISLEIFSON, Len	Brandon East	PC
JOHNSON, Derek	Interlake-Gimli	PC
JOHNSTON, Scott	Assiniboia	PC
KINEW, Wab	Fort Rouge	NDP
LAGASSÉ, Bob	Dawson Trail	PC
LAGIMODIERE, Alan	Selkirk	PC
LAMONT, Dougald	St. Boniface	Lib.
LAMOUREUX, Cindy	Tyndall Park	Lib.
LATHLIN, Amanda	The Pas-Kameesak	NDP
LINDSEY, Tom	Flin Flon	NDP
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Malaya	Notre Dame	NDP
MARTIN, Shannon	McPhillips	PC
MOSES, Jamie	St. Vital	NDP
MICHALESKI, Brad	Dauphin	PC
MICKLEFIELD, Andrew	Rossmere	PC
MORLEY-LECOMTE, Janice	Seine River	PC
NAYLOR, Lisa	Woleseley	NDP
NESBITT, Greg	Riding Mountain	PC
PALLISTER, Brian, Hon.	Fort Whyte	PC
PEDERSEN, Blaine, Hon.	Midland	PC
PIWNIUK, Doyle	Turtle Mountain	PC
REYES, Jon	Waverley	PC
SALA, Adrien	St. James	NDP
SANDHU, Mintu	The Maples	NDP
SCHULER, Ron, Hon.	Springfield-Ritchot	PC
SMITH, Andrew	Lagimodière	PC
SMITH, Bernadette	Point Douglas	NDP
SMOOK, Dennis	La Vérendrye	PC
SQUIRES, Rochelle, Hon.	Riel	PC
STEFANSON, Heather, Hon.	Tuxedo	PC
TEITSMA, James	Radisson	PC
WASYLIW, Mark	Fort Garry	NDP
WHARTON, Jeff, Hon.	Red River North	PC
WIEBE, Matt	Concordia	NDP
WISHART, Ian	Portage la Prairie	PC
WOWCHUK, Rick	Swan River	PC

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, December 4, 2019

The House met at 1:30 p.m.

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

Please be seated.

Good afternoon, everybody.

**ROUTINE PROCEEDINGS
INTRODUCTION OF BILLS**

**Bill 18—The Summary Budgeting Act
(Various Acts Amended and Public Sector
Executive Compensation Act Enacted)**

Hon. Scott Fielding (Minister of Finance): I move, seconded by the Minister of Health, that Bill 18, The Summary Budgeting Act (Various Acts Amended and Public Sector Executive Compensation Act Enacted), be now read a first time.

Motion presented.

Mr. Fielding: It gives me great pleasure to introduce Bill 18, The Summary Budgeting Act, various acts amendment and public sector executive compensation act.

The bill implements important amendments to support summary budgeting by broadening the scope for Treasury Board and government to oversee the financial budgeting capital and other financial matters for other reporting entities in a matter currently applied to departments and some, but not all, Crown corporations.

It also modernizes how departments can approve dispute settlements and enacts new enabling legislation respecting public sector executive compensation, Madam Speaker.

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

**Bill 205—The Restricting Mandatory
Overtime for Nurses Act
(Various Acts Amended)**

MLA Uzoma Asagwara (Union Station): I move, seconded by the member for Point Douglas (Mrs. Smith), that Bill 205, The Restricting Mandatory Overtime for Nurses Act, be now read a first time.

Madam Speaker: The honourable member for Union Station?

MLA Asagwara: I move, seconded by the member for Point Douglas (Mrs. Smith), that Bill 205, The Restricting Mandatory Overtime for Nurses Act (Various Acts Amended), be now read a first time.

Motion presented.

MLA Asagwara: I am proud to present to the House Bill 205, Restricting Mandatory Overtime for Nurses Act. Our health-care system continues to struggle because of the lack of capacity and the government's unwillingness to address nursing vacancies. Vacancies have led to employers relying on mandating overtime to fill gaps to levels that are putting both employee and the patients' safety at risk.

Bill 205 will end the practice of using mandatory overtime to fill vacancies and vacation, and allow nurses the right to refuse overtime and not be in breach of their duty of care.

Thank you.

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

Committee reports? Tabling of reports?

MINISTERIAL STATEMENTS

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

Would the honourable minister please proceed with her statement.

Adoption Options

Hon. Heather Stefanson (Minister of Families): Madam Speaker, it is my pleasure to rise in the House today to recognize the extraordinary contributions of

Adoption Options as they celebrate their 30th year of service to Manitoba families.

Madam Speaker, every child needs the support of a loving family and a feeling that they belong. In September 1989 Adoption Options was established to address that need. Upon proclamation of The Adoption Act in 1999, Adoption Options became Manitoba's first licensed adoption agency that facilitates domestic and international adoptions.

This agency helps birth parents and prospective adoptive families through every step of the adoption process, providing education, tools and strategies for successful transitions, as well as counseling services in a non-judgmental environment.

Madam Speaker, Adoption Options specializes in open adoption which allows infants to be placed with a family at their birth and provides the birth parents with the opportunity to choose the family they wish to adopt their child. For many adopted children, thinking about reconnecting and biological parents can be a lifelong consideration. Open adoption can help ensure that the child does not have to wonder who their birth parents are.

In all cases, the greatest consideration is given to the child's best interests. This includes the child's opportunity to become a permanent member of a family that meets the child's mental, physical, emotional and educational needs. No matter the age, everyone needs a family, people who—can rely on, make memories with and who can stand by you during life's ups and downs.

Since its inception in 1989, Adoption Options has successfully helped 500 families with a commitment to quality, caring and individualized service. As we can all appreciate, adoption can be an extensive and emotionally draining process. For 30 years Adoption Options has facilitated this delicate process and provided hope to children and to families.

I want to thank the executive director of Adoption Options, Dawn Warkentin, board members Janice Brisebois, Louise Dowhan-Bertouille, Dave Arthubut [*phonetic*] and staff members Andrea Phillips and Jessica Quiring for joining me today in the gallery.

Thank you for your dedication to breaking down barriers between waiting children and loving families, and thank you all for your tireless service to children and to families in Manitoba.

I ask that all of my colleagues rise and join me in congratulating Adoption Options on their 30th anniversary.

Ms. Amanda Lathlin (The Pas-Kameesak): Support, respect and dignity are all necessary components of dealing with struggling birth parents, children and their communities.

Agencies like Adoption Options provide essential services for parents who consent to giving their birth children to another family to raise. The agency provides services to prospective birth parents in a safe, nonjudgmental space that helps folks consider all of their options; and they provide counselling services and access to community resources that might be needed during or after a pregnancy.

* (13:40)

We know that support, respect and dignity for struggling families and their children are not always a guarantee in this province. In Manitoba we have staggering numbers of children who are in the care of CFS.

We know that many parents and their infants taken away at birth without consent and—often even without there being an appropriate dialogue between CFS and the struggling birth parents.

A lack of support and resources for families put children and communities at risk, whereas agencies like Adoption Options allow for families to have voices in how to proceed with caring for children. Many Manitobans are not given options about what happens to their little ones.

The recent Auditor General report on the state of CFS in this province is 'indictive' of a system in crisis. Our children are not properly protected and families are not getting support and the respect they deserve.

While I stand here today to congratulate Adoption Options on their 30th anniversary, I also want to encourage my colleagues to consider how we can do better for our children and for our Manitoba families.

Ekosi, Madam Speaker.

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

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

Mr. Gerrard: I rise to congratulate the Adoption Options for 30 successful years and for using a model

in which every effort is made to keep a connection between the birth parents and the child and in which the agency assists birth parents and foster families with support through every step of the adoption process. Education and counselling to birth parents, adoptive families, adoptees and the public is provided with both domestic and international adoptions.

It is noteworthy that Adoption Options gives families the option for an open adoption so that birth parents can be involved with choosing who the family of their child will be, as well as being a part of their child's life after birth.

Adoption Options can also help provide children with a safe place to go at a time when there is a lot of stress in the home as, for example, one mother who used Adoption Options at a time when she was in a violent domestic relationship.

Adoption Options are to be congratulated for using innovative approaches like their Donate a Car program and offering monthly workshops to provide those interested in exploring the possibility of adopting.

I thank Dawn Warkentin, the board and the staff, and all those who are involved with Adoption Options for the great care you take in bringing and keeping families together and in helping improve family stability in Manitoba.

Thank you. Merci. Miigwech.

MEMBERS' STATEMENTS

Moonlight Madness in Oakbank

Hon. Ron Schuler (Minister of Infrastructure): Madam Speaker, imagine yourself walking down Main Street on a Friday evening in a Manitoba town where snow is gently falling, Christmas lights illuminate the streets, bonfire smoke is in the air while families toast marshmallows to make s'mores, wandering musicians and choirs fill the air with Christmas music, children are riding in horse-drawn wagons and parents are busy buying Christmas gifts at the local businesses.

Well, Madam Speaker, doesn't that sound like a scene from a Hallmark Christmas movie? Actually, it's 'moodnight' madness in Oakbank, Manitoba, an annual event hosted by the Springfield Chamber of Commerce so that people can experience such a moment for themselves and create lasting family memories.

On November 29th, over 30 local businesses from the Municipality of Springfield participated in 2019's Moonlight Madness. There was a bouncy castle, a snow hill, healthy snacks and more for the children, free pet treats for pets, warm food and warm drinks for sale and, of course, photos with Santa, to name just a few of the evening's activities.

While the tree-lighting ceremony was a highlight for me, my favourite part of the night was the living nativity scene. There were live animals and, of course, a manger waiting for the baby Jesus. Local actors dressed in period costumes and entertained onlookers in role play that brought truth to the saying Jesus is the reason for the season.

Some members in this House know that I once owned a Christmas store, so the Christmas season is very near and dear to my heart, and Moonlight Madness brings together some of my favourite things: family, community, local business and Christmas.

My family's fondest memories are from the Christmas season, and on behalf of myself and my family, I want to wish a Merry Christmas to you, Madam Speaker, and to all of my colleagues and your loved ones.

Please join me in welcoming Springfield Chamber of Commerce president, Nicole Chabot, and the director of member relations, Courtney Di Vito, who have joined us in the gallery today.

Madam Speaker, merry Christmas to all.

Snow Clearing Operations in the North

Mr. Tom Lindsey (Flin Flon): The monster snowstorm in October left thousands without power, more than 60 cm of snow, highway closures and extensive damage throughout our province. Some roads remained closed for many days. Some should have remained closed but were not; rather, they were left in a state which allowed ambulances to get stuck in the snow in the middle of the highway, and I'll table a picture of that.

When snowstorms like this occur, Manitobans deserve to have their roads cleared and deserve quality services to ensure their safety. What they do not need is more cuts or privatization of snowplowing operations. The reduction of services that this government is forcing on particularly northern Manitobans is unacceptable.

However, this government continues to place the services and safety of northern Manitobans at risk as it continues on its trek to privatize valuable resources

in the North. Some of these services may already be privatized or are in the works. This type of privatization results in disastrous conditions, prolonged clear-and unsafe roads. Take a look at what's happening in Ontario.

Cuts, cuts, cuts and more cuts. They have cut snowplowing operations on northern runways on the weekend. They are cutting 24-hour ferry services in South Indian Lake, which is the only route in or out for emergency services. Now they're talking about regional hubs for health care, but how do families, mothers and seniors access these hubs, which are closed, on unsafe roads?

We already seen fatalities related to privatization with Lifeflight. Will we now expect to see this same outcomes on roads?

The government needs to hire enough workers in the North to clear the roads. The VEMA report clearly shows the government has reduced the fleet of equipment available. They need to make this equipment they have in storage accessible so this work can be done immediately. There's absolutely no reason for it to take up to a week to plow the highway into Cross Lake.

More cuts and privatization are not the answer—

Madam Speaker: The member's time has expired.

Danika Hutlet

Mr. Bob Lagassé (Dawson Trail): Madam Speaker, I'm honoured today to introduce another Dawson Trail hero.

Eleven-year-old Danika Hutlet lives in the RM of Taché, near Lorette, Manitoba. She started to learn the fiddle at six years of age. Danika has competed at many fiddle contests throughout the province as well as international and inter-provincial competitions.

She is decorated with many awards, including seven gold, seven silver and three bronze medals. In 2017 and 2018 she won the Manitoba provincial championship titles in her age category held in Portage la Prairie. She has won two gold medals in the Metis fiddling category at the past two Brandon winter fairs. Being the oldest of a family of four children, Danika has influenced her sister Elise to start the fiddle at the age of five.

La famille bilingue a lancé un groupe familial appelé Hutlet 2.0. Ils jouent différents styles de musique de violon, y compris les traditionnels Red River, Métis et Irlandais. Ils se sont produits à divers

endroits au Manitoba, tels que le Morris Stampede, les journées de loisirs en famille Lorette et la Fête du Canada sur l'Esplanade Riel.

Danika est bénévole et chante dans un orchestre de jeunes de son église locale. Elle aime collectionner pour Winnipeg Harvest et a commencé à prendre des leçons de piano. Son premier album de violon a été publié, qui a été produit dans le studio d'enregistrement de son père.

Translation

The bilingual family launched a family band, Hutlet 2.0. They play different styles of violin music, including traditional Red River, Metis and Irish styles. They have performed in various places in Manitoba, such as the Morris Stampede, the Lorette Family Fun Days, and Canada Day on the Esplanade Riel.

Danika is also a volunteer and she sings in the youth band of her local church. She likes to collect donations for Winnipeg Harvest, and she has started piano lessons. She has released her first violin album, which was recorded in her father's recording studios.

English

Danika is here today in the gallery, along with her family. Please join me in recognizing the achievements and a bright future for this incredibly talented young lady.

* (13:50)

Opaskwayak Indian Days

Ms. Amanda Lathlin (The Pas-Kameesak): It is my honour to stand here today as the MLA for The Pas-Kameesak to commemorate the Opaskwayak Indian Days celebration. The celebration was awarded the Indigenous Tourism Award by Manitoba tourism in September 2019. This award recognizes outstanding contributions to the tourism industry.

OID was started in 1965 by the late Joe A. Ross and community members. The purpose of the long-of the week-long event held in August was to celebrate the end of summer with canoe races and traditional events. And, more importantly, the goal was to bring two communities together from both sides of the river.

Before reconciliation became part of this era, our celebration promoted and honoured the process of reconciliation by uniting our communities together.

Our celebration created a crew of dedicated volunteers, including myself. The key to the survival of our festival for 55 years is so—is the strong

organizational skills set up by our long-time volunteers of directors, volunteers such as Cecilia Ross, the wife of the late Joe A. Ross, and the Ross family, Edwin Jebb, Arnold Constant, Danny Young, Maria Moore and William J. Lathlin, other-known as Shorty.

On one of the—one of the highlights of the celebration of the OID Princess Pageant; the—on the 50th anniversary, it was beautiful how our past crowned princesses were honoured, by each receiving a beaded gown—a beaded crown with the year they were crowned as princess. That year, our OID parade had 50 floats to commemorate the 50th anniversary.

OID developed our community and set a standard for our celebrations. Throughout our community's success in economic development and political achievements, this parallel made our celebration even stronger. This was the vision of the founder, the late Joe A. Ross. And with that, our community honoured his leadership and named our first school after him.

Today I would ask my colleagues to rise and welcome my uncle, Don Lathlin, who is representing OCN to accept my member statement.

Ekosi.

Manitoba Curling Week

Mr. Wayne Ewasko (Lac du Bonnet): Madam Speaker, I rise today to speak about the great sport of curling and to promote Manitoba Curling Week, which will be take place this coming January 13th to 19th, 2020.

You see, Madam Speaker, when I was 13 years old, I got the curling bug. I was playing lead on a team which consisted of my late father, my recently deceased father-in-law, and my brother-in-law. We were curling in a three-sheet natural ice curling club in Tyndall, Manitoba, and we made it to the A-side final game for the league, Madam Speaker.

But due to the tricks Mother Nature plays on us here in Manitoba, we couldn't play our final game in Tyndall because the ice was melting. The final game was moved to an army base, two—a two-sheet curling club which had artificial ice, which is now known as Milner Ridge correctional facility.

We won the game Madam Speaker. I still have that A-side trophy and including now my father's as well.

Our family has been immersed in the game for quite some time. My wife Tracey and I, along with our

boys, Brayden and Jarvis, our siblings and our parents have been involved in the game for many, many years. This is no different than thousands of stories of families across this great province of ours who absolutely love the sport of curling.

My brother Greg has joined us today in the gallery. He has recently been named the Curling—Curling Canada's head ice technician and travels throughout Manitoba, Canada and throughout the world, installing curling ice.

Madam Speaker, curling in this—is an inclusive sport which is open to all ages and abilities and even adaptable to those with physical disabilities. Manitoba is the world leader in curling with nearly 100 clubs and more national wins than any other province,

Madam Speaker, we have many members in this House that have or do participate in the sport of curling; we—our very own Premier (Mr. Pallister), who has a provincial mixed championship to add to his extensive resume.

We are also joined by Mr. Craig Baker, who is the executive director of CurlManitoba, which hosts and facilitates 96-plus events each and every year in a six-month time period.

Madam Speaker, I was thrilled that the provincial government declared the third week of January every year—

Madam Speaker: The member's time has expired.

Some Honourable Members: Leave.

Madam Speaker: Is there leave to allow him to complete his statement? *[Agreed]*

Mr. Ewasko: Thanks, Madam Speaker—rookie mistake.

I was thrilled that the provincial government declared the third week of January every year as Manitoba Curling Week and continue to encourage all members of the Legislative Assembly to visit and support their local curling clubs.

Thank you, Madam Speaker.

Madam Speaker: The honourable member for Lac du Bonnet.

Mr. Ewasko: It's all-day Lac du Bonnet today, Madam Speaker.

I'm asking for leave, Madam Speaker, so that I can include the names of some additional guests that

I have, in Hansard, plus the board and the staff of CurlManitoba's names as well in Hansard.

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

CurlManitoba board members: Ray Baker, Scott Barenz, Grant Brown, Lynn Fallis-Kurz, Ian Fordyce, George Hacking, Keith Johnston, Jason Krieser, Darren Oryniak, Jill Proctor, Debbie Schween, Bradley Zander. CurlManitoba staff: Craig Baker, Tracey Ewasko, Rob Gordon, Bill Hargreaves, Krysten Karwacki, Connie Laliberte, Laurie Macdonell, Elaine Owen. Guests: Patti Ulrich, Ken Stevens, Greg Ewasko, Resby Coutts.

Introduction of Guests

Madam Speaker: Prior to oral questions, we do have some guests in the gallery.

We have with us—and they are the guests of the honourable member for Lac du Bonnet; he's already indicated two of them, but there are more: Mr. Craig Baker, the executor director of CurlManitoba; Mr. Greg Ewasko, the chief ice technician for Curling Canada; Mr. Resby Coutts, Curling Canada; and Patti Ulrich, and Ken Stevens, the president of the St. Vital Curling Club.

We welcome you to the Manitoba Legislature.

And we have as guests of the honourable Minister of Agriculture and Resource Development (Mr. Pedersen) three curlers currently participating in the New Zealand Curling Overseas Experience. We have Brett Sargon, Benjamin Frew, Garion Long, along with their trainers Lorne and Chris Hamblin.

We welcome you to the Manitoba Legislature.

We also have some students in the gallery. We have seated in the public gallery from Linden Christian School 22 grade 11 students under the direction of Mark Glor, and this group is located in the constituency of the honourable First Minister.

And we also have seated in the public gallery from Assiniboine Community College, Brandon campus, 25 Canadian government students under the direction of Valerie Frappe, and this group is located in the constituency of the honourable member for Brandon East (Mr. Isleifson).

We welcome all of you to the Manitoba Legislature as well.

ORAL QUESTIONS

Barriers to Education Performance Outcomes

Mr. Wab Kinew (Leader of the Official Opposition): Madam Speaker, students and teachers in Manitoba are working harder than ever, and yet as we've heard this week test scores are still going down.

Now, of course, I don't blame the students or the teachers. We know that it's because this government is forcing them to do more with less: less one-on-one time with the teacher, less support for students with exceptional needs and less support in helping students deal with the barriers that they face even before they get to the classroom.

Now, and I quote here, we can make excuses or we can achieve results. End quote.

I would ask: Is the Premier going to live up to his words? Will he stop making excuses and start to adequately fund K-to-12 education in Manitoba?

Hon. Brian Pallister (Premier): Well, if it was about throwing money at the problem, Madam Speaker, we wouldn't be last. We spend more than all but one other jurisdiction in the country on education and we're \$400 million higher than the NDP ever were.

It isn't about throwing money at the problem; it's about getting better results—as sports people know, curlers know, business people know and common sense people know all over the province.

So the fact remains that we have commissioned a K-to-12 education review to work on the problem the NDP ignored for 17 years.

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

Mr. Kinew: It's always about the money with this Premier.

But what about the—*[interjection]*

Madam Speaker: Order.

Mr. Kinew: —students? What about the students in the classroom who need more help dealing with exceptional needs? What about the students in the classroom who go to school hungry? What about the students who need more one-on-one time with their teacher?

We know that this Premier went door-to-door in the 2016 election—knock, knock, knocking—promising

that at the end of his first term educational scores would be the most improved in the entire country, and yet, of course, we've learned this week just the opposite has happened. Scores are going down and it's because this government is underfunding education.

Of course, it's not even enough to keep up with student enrollment, never mind the rate of inflation.

What we're asking—[*interjection*]

Madam Speaker: Order.

Mr. Kinew: —for is the adequate resources for students to help deal with the barriers that they face both inside and outside of the classroom.

When will the Premier begin to support our students in Manitoba?

* (14:00)

Mr. Pallister: Well, the member's preamble tells a lot about this being bad theatre when it comes to NDP questions, Madam Speaker, because he accuses us of saying it's all about the money and then asked two questions all about the money.

Madam Speaker, it's not all about the money, though we do invest more in education than virtually everybody across the country and, yes, we have increased the investments in education. It's about much more than that.

This is the problem for the NDP and their record, because in their record they ignored the problem as it worsened, and now they claim that there's a problem, which they ignored.

Madam Speaker, we're not prepared to ignore the problem. We know that none of us would be here—[*interjection*]

Madam Speaker: Order.

Mr. Pallister: Thank you, Madam Speaker. None of us would be here without the opportunities provided to us by great teachers and by an education system funded by the taxpayers of the province of Manitoba, and so we're going to strengthen that system where they allowed it to weaken.

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

Mr. Kinew: It's a little surprising that this Premier would face questions about nutritional programs, about one-on-one time in the classroom and about supports for children and then say: I only heard money, money, money in those questions.

Now, we know one of the particular issues that many students in this province—many, many students in every corner of Manitoba—face is going to school hungry, and, I think, regardless of partisan affiliation, regardless of whether you're on the left wing or on the right wing you agree that no child should go to school hungry. In fact, we hear time and time again from teachers that it's very, very challenging for a young person to learn when they show up not having had breakfast, not having had a healthy snack.

Will the Premier stand in this House today and commit to a Manitoba-wide nutrition program for all kids in our education system?

Mr. Pallister: Little late to the game, again, Madam Speaker: 17 years NDP government, no breakfast program comprehensively introduced in the system.

Madam Speaker, the NDP did, though, achieve one thing: they introduced the highest increase in taxes on low-income families in the country of Canada. They did. And you know what? They didn't even index the tax brackets so they could sneak even more money off the kitchen tables of hard-working Manitoba families in the low-income categories.

They did that, Madam Speaker, and then they promised they wouldn't raise taxes and then they did. They raised the PST. They raised the taxes on your benefits at work and on your home insurance or your contents of your apartment. They did all that to take money away from Manitoba families they now claim to support.

They have a false claim, Madam Speaker. We have a real claim. We'll keep fighting for Manitoba families.

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

Health-Care Reform Closure Inquiry

Mr. Wab Kinew (Leader of the Official Opposition): Just imagine if this Premier spent half the time talking about Manitoba students as he does talking about the NDP. Just imagine how much further we'd get in our education system.

We all—

Some Honourable Members: Oh, oh.

Mr. Kinew: Now, we also know that the health-care system has been thrown into chaos under this Premier's watch. Phase 1 saw the closure of many emergency rooms in Winnipeg and the attendant

chaos that was created, with nurses being forced to work mandatory overtime and patients being turned away from emergency departments like the one at St. Boniface.

Now, without having learned the lessons or even having stabilized that situation, this Premier now wants to launch phase 2 and to export that dysfunction across the rest of the province.

Will the Premier simply stand in his place today and tell us which other emergency departments around the rest of Manitoba does he plan to close?

Hon. Brian Pallister (Premier): I appreciate the member's preamble. Finally, he's using words that describe the NDP record accurately: chaos, dysfunction. The highest child poverty in Canada, right over there. Now we're fourth in the country and we're making progress and there's more to be made.

Madam Speaker, the longest wait times for health care in the country and the NDP didn't have a plan. They had so few—the only plan they had was to get together, stage a rebellion against their leader. That was it. So preoccupied—

Some Honourable Members: Oh, oh.

Madam Speaker: Order. Order.

Mr. Pallister: They were—while they were preoccupied with internal divisions and selfish pursuits, we've been focused on shortening wait times and getting better care sooner to the people of Manitoba, and that's what we'll stay focused on.

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

Mandatory Overtime for Nurses Request to Eliminate

Mr. Wab Kinew (Leader of the Official Opposition): The Premier may believe that he was elected to advance a partisan agenda, but on this side of the House we know that Manitobans sent us here to stand up for health care and education on behalf of all Manitobans.

So we've established that phase 1 of this government's health-care cuts led to chaos across the Winnipeg health region, and now we are seeing that even before stabilizing that situation, even before having paused to learn any of the lessons from phase 1, they are now rushing ahead with phase 2.

What we are seeing and hearing from the nurses who work in the aftermath of their phase 1 is that

nurses are being forced into mandatory overtime. Nurses can't go home of their own volition at the end of their shift, and they're now concerned about their patients' quality of life and health care.

Will the Premier commit to ending the practice of mandatory overtime as a stopgap HR solution in Manitoba today?

Hon. Brian Pallister (Premier): The member has it wrong.

Manitobans didn't send me and my party there because they stood up for health care. They sent them there because they didn't. They sent them there because they wouldn't. They sent them there because they didn't have the courage to focus on what mattered to Manitoba families. They sent them there because they wouldn't stand up for Manitoba's vulnerable children. They sent them there, and they will stay there as long as they continue to be absent any progressive ideas on how to make a system that they broke work.

Madam Speaker, we have those ideas. We're implementing them. What they broke, we'll fix.

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

Mr. Kinew: At this very moment, at this very second, on the desk of the Premier is a very progressive idea to fix health care, the chaos that he caused, brought forward by my wonderful colleague from Union Station.

This bill proposes to end the practice of involuntary mandatory overtime from being used with nurses in Manitoba. It's simply not healthy to force a nurse to work back-to-back shifts, not give them the opportunity to sleep, not even give them the opportunity to pick their kids up from child care, Madam Speaker. It results in a poorer quality of life for the nurse, yes; but it is the patients at the bedside who they are caring for that the nurses and all of us ought rightly to be concerned about. The care will not be as good as it should be when nurses work mandatory overtime.

Will the Premier stand today and commit to supporting the member from Union Station's bill to end mandatory overtime for nurses in Manitoba?

Mr. Pallister: Well, I appreciate the member raising the topic, because mandatory overtime is not new. It was there for 17 years and the NDP did nothing about it, and, in fact, the use of it is flat over the last six years, and that includes the time the NDP were in

government, when they had no inclination to change it in any way, shape or form.

But I would say to the—*[interjection]*

Madam Speaker: Order.

Mr. Pallister: —member for Point Douglas (Mrs. Smith), who chats from her seat, that she remains quiet about the fact that emergency waits are down 13 per cent, admitted lengths of stay are down 18 per cent, in-patient length of stay is down 10 per cent and alternate level of care has improved by 46 per cent.

Madam Speaker, what they broke, we're fixing.

**Restricting Mandatory Overtime for Nurses
Request for Government to Support Bill 205**

MLA Uzoma Asagwara (Union Station): Our front-line workers are telling us that their No. 1 concern is the crushing burden of mandatory overtime. After a long shift—and I know about working long shifts, Madam Speaker—being mandated to continue working for another shift is more than many nurses can bear. Mandatory overtime used to be a tool that was used sparingly and only under exceptional circumstances. That's no longer the case.

We have a solution: we will ban the practice of mandatory overtime.

Will the Pallister government support our bill?

Hon. Cameron Friesen (Minister of Health, Seniors and Active Living): Madam Speaker, we know that our health-care system was in dire need of modernization, that the changes that have gone on in Winnipeg over the last 18 months are designed to strengthen our system, to lower wait times.

We know that there has been, along the way, challenges adapting to new ways of doing things—ERs, urgent cares—but we know, as the Premier (Mr. Pallister) has said, that the results are increasingly showing that these changes are working.

* (14:10)

Madam Speaker, we are doing everything and focusing in order to stabilize workforce. I can tell you that the numbers are going in the right direction and that nurse vacancy numbers are returning to more normal levels.

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

MLA Asagwara: Madam Speaker, one of the things that the minister can do is start listening to front-line workers like nurses.

Nurses on the front lines of our health-care system have families. Many of them have children, Madam Speaker. Imagine going into work and being unsure when your—the next time will be that you'll see your children or how you'll arrange child care after being mandated to cover an additional eight-hour shift. It's simply not sustainable and it's a recipe—and a well-documented recipe—for burnout at work.

Our solution in concert with nurses—I want to thank folks from MMU from being here today—is simple: ban mandatory overtime. It means government will have to fill vacancies in a timely fashion—

Madam Speaker: The member's time has expired.

Mr. Friesen: Madam Speaker, we welcome Manitoba Nurses Union to the gallery today.

The member says work with nurses.

I can tell all members of this House I reached out to nurses in advance of the election in August, renewed my call to meet after the election. I was very pleased to have a meeting in my office only weeks ago with the president, Darlene Jackson. At that meeting I said, help us hire nurses, and we realized together that there is red tape, there are conditions in place in this province under the collective agreement—*[interjection]*

Madam Speaker: Order. Order.

Mr. Friesen: —that were bargained by the previous government that actually prevent the effective and efficient and quick hiring of nurses.

I was very pleased to have MNU provide real solutions to move forward. We're engaged in that work and, by the way, we've hired 200 nurses in just the last four months.

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

MLA Asagwara: I hear it must be difficult to figure out hire—how to hire nurses after you've fired nurses.

But, Madam Speaker, what I'm focusing on is the fact that nurses are telling us—*[interjection]*

Madam Speaker: Order.

MLA Asagwara: —that there is a heavy reliance on mandatory overtime in health care. Their concern is that vacancies in the health-care system caused by

their firing of nurses leave our hospitals inadequately prepared to handle the volume of patients that come through the door.

On any given day they can be mandated to work an additional shift. It leads to burnout and harms morale among the workforce.

We can do better; we should do better; we will do better.

Will the Pallister government support our legislation?

Mr. Friesen: Madam Speaker, we care about stabilizing workforce.

I can tell all members of the House there has been more than a 20 per cent reduction in overtime in just the last eight weeks in this province.

But let us be clear: the NDP party had 17 years, did nothing. Mandated overtime was a bargained provision undertaken by the NDP government when, let's see, Gary Doer was the prime—or, the premier of this province.

Madam Speaker, we are hiring nurses. Overtime is going on, and we invite Manitoba Nurses Union to be part of the solutions and continue to work with us to hire nurses.

Child-Care Facilities Operating Funds

Ms. Danielle Adams (Thompson): Madam Speaker, the Pallister government has spent tens of millions of dollars on consultants. Once again, they have hired KPMG. This time K-P-N-G has been hired to make cuts in early learning and child care. This is the wrong approach.

As we heard yesterday, we need investments in early learning that keeps up with the growing demand of the population. Unfortunately, operating funds for daycares have been frozen for three years.

Will the minister change course and lift the freeze on daycares?

Hon. Heather Stefanson (Minister of Families): The member opposite is just wrong in her preamble once again.

And I will say that I had the pleasure of meeting with many members of the early learning and childhood education field last night, the minister's consultation table last night, Madam Speaker, where we heard from Manitobans all across this great province of ours who work day in and day out in this

field, and we are consulting with them and other Manitobans towards a better child-care system for all Manitobans.

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

Ms. Adams: Madam Speaker, if the minister's so sure of her position, why has—the last year she's been hiding the current number of families that are on the wait-list for daycares?

The situation has gotten much worse, not better. I remind the minister that the last K-M-P-G review recommended gruesome cuts to our public service including disposing of social housing, cutting Rent Assist and privatizing core government services.

Will the minister change course and lift the freeze on operating funds for daycares today?

Mrs. Stefanson: Well, Madam Speaker, the member opposite talks about worse not better. Those were the days of the previous NDP government, when they doubled the wait-list for child care in our province.

I will tell you we take a different approach to this. We don't take an ideological approach like members opposite, who skyrocketed the waiting list for people waiting for child care in our province, Madam Speaker.

We will continue to work through the consultation table to ensure that we consult with Manitobans across this province to ensure that we have child care there for families who need it.

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

Ms. Adams: Madam Speaker, K-P-N-G called for closing of schools across the province and moving to a voucher for—system for social housing. They called for a reduction in disability benefits. They recommend cutting tens of millions of dollars in supports for students and now the minister has tasked them with the future of our daycare system.

Will the minister change course and lift the freeze that she placed on operating funding for daycares?

Mrs. Stefanson: Well, surely the member opposite isn't asking us to reverse our decision to build 20 more schools in the province of Manitoba, Madam Speaker; and, certainly, with those schools come child-care spaces within those schools, more than 1,500 more child-care spaces. This is moving Manitoba forward.

We will continue to listen to Manitobans across this great province of ours so we have a child-care system that's there for families when they need it.

CFSIS Ransomware Attack Data Security and System Upgrades

Ms. Amanda Lathlin (The Pas-Kameesak): Nearly two weeks ago—nearly two weeks have passed since we learned of a ransomware attack on the child-welfare system. The majority of child-welfare records in the province are now inaccessible.

Can the minister update the House on what new steps she has taken to ensure data is recovered and the system is up and running quickly?

Hon. Heather Stefanson (Minister of Families): We have been giving regular updates through the department as well as the Southern First Nations Network of Care, who is in charge of this area. We saw the various updates over the past little while, and I will inform the member that, as I mentioned before in the House last week, the Department of Families continues to provide support to the Southern First Nations Network of Care to help resolve this issue.

The Province has been assured by the Southern First Nations Network of Care that ongoing services to children and families continue to be the top priority as they respond to this situation, and workers are using all means possible, including in-person visits, to ensure children are safe and supported in their homes.

Madam Speaker: The honourable member for The Pas-Kameesak, on a supplementary question.

Ms. Lathlin: Parents have come forward. They are very concerned that private records and deeply personal information could be breached during this incident. In one case it took over a week for a parent to learn that their data was put at risk.

What investigation has the minister conducted and what assurance can she provide this House that the private records of thousands of vulnerable Manitobans is not at risk?

Mrs. Stefanson: Well, as I mentioned before, Madam Speaker, we have provided help to the Southern First Nations Network of Care to—and—to ensure that those records are safe. The RCMP is currently conducting an investigation into this matter as well, so we'll see that through.

But this—the member opposite will know that, rightly so, this falls under the purview of the 'southin'

First Nations network of care, and they have been responding to it appropriately.

Madam Speaker: The honourable member for The Pas-Kameesak, on a final supplementary.

* (14:20)

Ms. Lathlin: The situation is clearly unacceptable.

We just received a report from the auditor that shows the inadequacy of child-welfare database, and now the majority of child-welfare records in the province are inaccessible.

The auditor called for new resources to better train and upgrade the use of the child-welfare database.

What resources is the minister putting forward to address this issue?

Ekosi.

Mrs. Stefanson: As I mentioned before, we continue—the Department of Families continues to work with the Southern First Nations Network of Care to ensure that the appropriate services are delivered to those children and families who need it in the communities.

I said again—before, Madam Speaker, that this falls under the purview of the Southern First Nations Network of Care. They are working diligently to overcome this issue and they have been reporting appropriately on a regular basis.

Manitoba Police Commission Report Stakeholder Consultation Concerns

Ms. Nahanni Fontaine (St. Johns): The Premier (Mr. Pallister) reduced community safety supports, cut restorative justice, cut court staff, cut sheriff officers, all the while also cutting municipal transfers that support policing in the province.

Now the Premier is floating the idea of involuntary detention and facial recognition that would disproportionately target the most marginalized in Manitoba. This is a dangerous and discriminatory approach, let us be clear, Madam Speaker.

Will the minister reconsider and start providing comprehensive supports that deal with the root causes of these current challenges?

Hon. Cliff Cullen (Minister of Justice and Attorney General): Well, first of all, Madam Speaker, I reject the premise of the question. We've done no such thing.

Madam Speaker, I do want to acknowledge some folks that are—been instrumental in creating the Downtown Safety Partnership. I look to Mark Chipman in True North; I look to the Downtown BIZ association; I also look to the partners there at the Winnipeg City and Winnipeg police, as well, for—through their partnership moving forward.

Certainly, we commissioned the—sorry—the Manitoba Police Commission to do a report. They presented a very comprehensive approach to dealing with downtown safety. We think there's a lot of positive things in that recommendation. We look forward to the work of the Downtown Safety Partnership and they will be making recommendations back to government.

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

Ms. Fontaine: Madam Speaker, it's weird that the minister is acknowledging the police when the police weren't even invited to participate in any of the report.

Not only were the police not invited, nor were any community members or community stakeholders or those that are on the front lines dealing with the current crisis. None of those folks were invited yesterday, nor were they a part of the report.

Madam Speaker, that 'encapulates' what the Premier (Mr. Pallister) does. We have health reports that are written by managers, not those on the front lines—[*interjection*]

Madam Speaker: Order.

Ms. Fontaine: —program reviews that are written by consultants and not those delivering the programs; and now we have a report on downtown safety—[*interjection*]

Madam Speaker: Order.

Ms. Fontaine: —utterly divorced from the community and those on the front line.

Why is the minister freezing out the very people that are on the front lines and have the expertise to deal with this issue?

Mr. Cullen: Well, Madam Speaker, the member is completely wrong.

We believe in public safety here in Manitoba. I don't know why the NDP are so angry on this particular situation. Maybe it's because we are taking positive, proactive action on the file and the NDP

chose to ignore public safety when it came to the time of the election.

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

Ms. Fontaine: On the one hand, you have the minister, who's pulling back public safety, and then on the other you've got a report that's floating the idea of involuntary detention and facial recognition; and, at the same time, you have a government who has not consulted with community, has not consulted with those on the front lines, has not consulted with Manitoba families who are dealing with these very issues as we speak.

We on this side of the House have been meeting and hosting community gatherings. We have been advocating for more supports for community agencies like Bear Clan, like Ma Mawi, like the North End—Point Douglas women's centre.

This government needs to start taking our lead and do what we're—

Madam Speaker: The member's time has expired.

Mr. Cullen: The member is just wrong.

The Manitoba Police Commission consulted with Manitobans. In fact, just the last couple of days we asked them to expand their consultations all across the province.

Madam Speaker, there's a comprehensive list of 'objectsis' put forward by the Manitoba Police Commission. We also have a Policing and Public Safety Strategy and, oddly enough, they align completely with the eight goals that we've laid out—and I'll ask my members to follow along.

What have we accomplished? Have we checked off the boxes in these recommendations? Are we improving policing effectiveness through better intelligent collaboration? Are we targeting communities with high rates of violence? Are we alleviating extraneous demands on police? Are we improving support to vulnerable people and victims of crime?

Yes. Mission accomplished. [*interjection*]

Madam Speaker: Order.

Addiction and Public Safety Rural and Urban Support

Mr. Dougald Lamont (St. Boniface): The mayor of Winnipeg and the chief of police have spoken about—earlier this summer about this government's serious

failings in dealing with violent crime—meth—especially in Winnipeg.

We've been calling on this government to act for two years. Everyone knows this is a 'crisince', yet the \$4-million addiction strategy that was announced earlier this week was for Portage la Prairie, Steinbach and Morden-Winkler. Now, I am sure this is because this is a province-wide crisis, that these communities are affected.

The question is why this government is neglecting many communities in profound need like Thompson or Winnipeg.

Is this government using this crisis as an opportunity to shower money on PC-held rural ridings while sidelining the City of Winnipeg and its police department? *[interjection]*

Madam Speaker: Order. Order.

Hon. Brian Pallister (Premier): We're taking a very serious and pressing situation very seriously. We're addressing it in a thoughtful and balanced and consultative way as a team, working with community teams and experts around the province. We are addressing issues that were neglected for many, many years previously that should have been addressed. We're addressing them now.

Madam Speaker, we'll continue to do that whether it's education and preventative investments, or policing, security—public security matters, of course—or it's treatment, but we'll take the situation seriously. I'd encourage the member to do the same.

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

Mr. Lamont: We have seen this as a pattern. When it came to community grants 80 per cent of the funding went to rural PC-held ridings. When offered a \$5-million grant for energy efficient upgrades, the Premier first denounced it as a hoax, but it was no hoax when that money was spent on schools around Steinbach.

Now, for years straight this government appears to be using a crisis in meth, additions, mental health, to shower rural communities with funds while starving the City of Winnipeg of much needed funds for police.

We know the Premier's had a rocky relationship with the mayor, and the chief of police—*[interjection]*

Madam Speaker: Order.

Mr. Lamont: —has been vocal in his criticism.

Is this government playing favourites and holding out on the City of Winnipeg when it comes to addictions and public safety?

Mr. Pallister: Well, I'd encourage the member to do a little homework, investigative work. He might find that there are no ridings in rural Manitoba represented by parties other than this one, and so it's difficult to do investments in those ridings without being accused of favouritism, I suppose.

But the fact remains that the Liberal Party has three members in this House; they used to have four, and part of the reason they have three now—which is lower than the four—is because they didn't speak up on behalf of anybody outside of their ridings in the last four years.

So we are investing heavily in the city of Winnipeg. We're investing in preventative measures. We're investing in over 100 initiatives since we came to government, but I would encourage the member—he's trying make something partisan, but he's failing to even succeed at that.

The Forks Market Vacancy Management

Hon. Jon Gerrard (River Heights): Madam Speaker, today The Forks Market has a lot of empty space, much of it empty for two or more years. The list of vacant space includes what was formerly Muddy Waters smokehouse, Beachcombers, Skinners, Dragon House, Aida Crystal, significant parts of Sydney's, Sushi Train, and several balcony businesses a lot—along with a lot of unused former administrative space.

* (14:30)

The minister overseeing municipal affairs is responsible for oversight of The Forks, a provincial treasure and major tourist destination.

Why is there so much empty space? What is she doing about it, and why was an eminent, historic, iconic establishment like Skinners given the boot when there is so much empty space?

Hon. Brian Pallister (Premier): I have to admit, Madam Speaker, I wasn't anticipating a Skinners question today. I want to say that I hope all of us would join together in defending that wonderful institution that is the Thompson family and their investment in the economy of the province through Skinners. It's a wonderful family business. It's thrived

and succeeded for many years. I know it will continue to do so.

As far as Forks retail space is concerned and economic growth in the province, Madam Speaker, I can only say for the last two years consecutively Manitoba has been the province that has led the country in attracting private sector capital investment. I don't expect The Forks to be any different in the months and years ahead. *[interjection]*

Madam Speaker: Order.

Bear Clan Patrol Group Expansion to Portage la Prairie

Mr. Ian Wishart (Portage la Prairie): Our government is proud to support the work of the Bear Clan Patrol. By promoting safety and offering support in the community—*[interjection]*

Madam Speaker: Order.

Mr. Wishart: —they help—*[interjection]*

Madam Speaker: Order.

Mr. Wishart: —keep our streets safe and reduce crime.

Over the last few years the Bear Clan has seen significant growth in Winnipeg, and we're happy to have supported them in this growth by providing funding for equipment and safety gear.

Now there's a new Bear Clan Patrol group setting up in Portage la Prairie and our government will be there for them from the beginning.

Can the Minister of Justice please update this House on our support for the Bear Clan Patrol Winnipeg and Portage la Prairie?

Hon. Cliff Cullen (Minister of Justice and Attorney General): I appreciate the member's question.

Certainly, we have been supportive of the Bear Clan and the great work they're doing in Winnipeg to the tune of almost \$200,000 over this past year. We're excited to see the expansion of the Bear Clan in Portage la Prairie.

Just this past Friday we made a commitment of \$31,000 to the Bear Clan in Portage la Prairie. This will provide essential training—patrol members and certainly provide them operational equipment. As well, I want to—a big shout-out to the—*[interjection]*

Madam Speaker: Order.

Mr. Cullen: —community of Portage la Prairie. We know this \$31,000—they were able to leverage additional funding from the community for the operations of the Bear Clan.

We wish the Bear Clan continued success in Winnipeg and Portage la Prairie.

Spring Flooding Concerns Government Preparations

Mr. Matt Wiebe (Concordia): The Red River Floodway operated this fall for the first time ever in its history. We know that water levels were high, as were the ground moisture levels, which is a major concern. While we all hope and pray that these conditions aren't setting the conditions for a spring flood, we also know that we need good planning and preparation.

So I'd like to ask the minister: What additional steps is he taking to prepare the province for the potential of a spring flood.

Hon. Ron Schuler (Minister of Infrastructure): Well, Madam Speaker, I would like to thank the member for that question. It is a serious question, and I appreciated the opportunity to brief him and his staff member on the moisture conditions in the province of Manitoba.

We know that we've had unseasonably lot of moisture come to southern Manitoba and, in particular, south of the US border, which is part of our watershed. Our department is preparing the province for an inevitability of a lot of water coming our way—and, Madam Speaker, very proud of Manitoba Emergency Measures Organization and their preparedness.

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

Mr. Wiebe: We do understand that the department is making preparations and there are, certainly, some circumstances that we hope won't come to pass in terms of escalating the issue.

What we are concerned about, however, Madam Speaker, is that last year the Pallister government underspent the budget for water-related infrastructure by 54 per cent; and so we know that some of the work that could have been done leading up to this unprecedented fall scenario has not been done.

So I'd like to ask the minister: Why is the minister not using all the resources within the department to

ensure that we are as prepared as possible for a potential spring flood?

Mr. Schuler: I want to assure the member, all members of this House and all Manitobans, we're using all the resources of Manitoba Infrastructure to protect Manitobans come next spring.

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

Mr. Wiebe: While I don't doubt the hard work that's being done by the department, Madam Speaker, what we do know is at the budgetary level, at the level coming from the Premier's office, we know that this government has underspent its flood-mitigation and flood-preparedness budget by 54 per cent, and that is very concerning.

I do believe that the people that're on the ground are doing the best work they can, but when they're not feeling supported by the Premier and the ministers at the top, we are very concerned.

So I'd ask the minister once again: Why isn't he using all the resources at his disposal in order to prepare us for a potential spring flood?

Hon. Brian Pallister (Premier): I'd just encourage the member of—just last week at the AMM meeting we announced the redirection of funds that we'll not be able, unfortunately, to invest in protecting the people around the Lake Manitoba basin next year because of extensive delays in the environmental approval process, reallocating that to the very things he's asking about.

So I know that I'm going to get a letter of thanks, and so will the minister, from him for doing that, but, Madam Speaker, he should recognize that these are clearly high priorities for us.

I would also mention that the bulk of the high-water situation around rural Manitoba's being suffered by constituencies that our government members hold; and so we, of course, we're concerned from a partisan level, but we're also concerned for those riding and areas around the province where they are facing flood threats, for example, in the North as well and areas in the communities to the north.

We want to protect people all over the province from the potential of high water and from flooding and that's exactly why we're redirecting funds to invest in exactly those projects.

MPI Reserve Fund Regulation Public Utilities Board Ruling

Mr. Mintu Sandhu (The Maples): This government has shown that it has no problem meddling in affairs where they have no right to do so. They have intervened in—interfered, sorry—intervened in the delivery of online services, a plan which would have saved ratepayers millions of dollars. They admitted to interfering with MPI's reserve funds—but they got caught: a change that would have increased rates.

Will the minister admit that the approval of this regulation undermines the authority of the Public Utilities Board?

Hon. Jeff Wharton (Minister of Crown Services): Certainly, as I mentioned earlier on—and I know this question's been recycled a couple of times, but I'll answer it again for the member opposite, Madam Speaker—we're working, again, close with our board and our CEO at Manitoba Public Insurance to ensure that we are—keep MPI sustainable for rate payers going forward for generations to come.

And, again, I'm so proud of the work that our government is doing in collaboration with them in introducing Bill 17, just yesterday, Madam Speaker: the claim dispute tribunal aimed at streamlining and expediting the appeals process.

Where they failed MPI, Madam Speaker, we'll get it right.

Madam Speaker: The time for oral questions has expired.

PETITIONS

Early Learning and Child-Care Programs

Ms. Danielle Adams (Thompson): Madam Speaker, I wish to present the following petition to the Legislative Assembly.

The background of the petition is as follows:

Early learning and child-care programs in Manitoba require increased funding to stabilize and support the program that is in jeopardy.

Licensed, non-for-profit early learning child and early child-care programs have not received new operating funding in over three years, while the cost of living has continued to increase annually.

The high quality of licensed child care has lasting, positive impact on a child's development and its fundamental need for Manitoba families and contributes to a strong economy.

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.

* (14:40)

The workforce shortage of trained 'earlyhood' childhood educators has continued to increase; quality child care is dependent on a workforce that is skilled and adequately 'renuminated'.

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

We petition the Legislative Assembly as follows:

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

Glendor [*phonetic*] Trout, Trevor Leer, Ariel Linklater and many, many others have signed the petition.

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

Crown Land Leases

Mr. Diljeet Brar (Burrows): I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

Many farmers, specifically cattle ranchers, will be negatively impacted by the changes to leased Crown land announced by the provincial government on September 27, 2019.

Farmers previously had the ability to strategically plan out the way in which they utilized their leased Crown land.

The announcement reduced leaseholds by 35 years to 15 years, and these changes will create great uncertainty, having the potential to impact an entire farm's operation and even existence.

This uncertainty will take away the incentive for farmers to safely invest in their Crown land leases.

The potential of losing these leases without the afforded time to plan ahead will create additional stress for the current farming generation and the ones to follow.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Agriculture to reconsider the changes to Crown land leases and instead create an agreeable strategy that satisfies all parties, specifically ranchers;

To urge the Minister of Agriculture to recognize the value of agriculture in the province of Manitoba and the value Crown land holds to farmers in sustaining their livelihood;

To urge the Minister of Agriculture and all honourable members to understand the important role farmers play in the Manitoba economy, and to allow them to take part in discussions that directly impact their livelihood.

This has been signed by many Manitobans

Madam Speaker: Grievances?

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Kelvin Goertzen (Government House Leader): On House business.

I'd like to announce that the Standing Committee on Social and Economic Development will meet on Thursday, December 5th, 2019, at 6 p.m. to consider the following reports: the Annual Report of the Manitoba Poverty Reduction and Social Inclusion Strategy for the fiscal year ending March 31st, 2018; and the Annual Report of the Manitoba Poverty Reduction Strategy for the fiscal year ending March 31st, 2019.

Madam Speaker: It has been announced that the Standing Committee on Social and Economic Development will meet on Thursday, December 5th, 2019, at 6 p.m. to consider the following reports: Annual Report of the Manitoba Poverty Reduction and Social Inclusion Strategy for the fiscal year ending March 31st, 2018; and the Annual Report of the Manitoba Poverty Reduction Strategy for the fiscal year ending March 31st, 2019.

Mr. Goertzen: Madam Speaker, could you please call for debate and passage this afternoon of Bill 4, The Manitoba Hydro Amendment Act; Bill 5, The Liquor, Gaming and Cannabis Control Amendment Act; Bill 19, The Public Service Act; Bill 14, The Public Sector Construction Projects

(Tendering) Act; bill 5, The Minor Amendments and Corrections Act, 2019; Bill 12, The Workplace, Safety and Health Amendment Act.

And when those bills are passed, I'd be happy to provide the House with more bills for debate.

Madam Speaker: It has—[*interjection*]

The honourable Government House Leader, just on some clarity.

Mr. Goertzen: For clarity and to be more succinct, please call bills 4, 5, 19, 14, 11 and 12.

Madam Speaker: It has been announced that the House will consider second readings of bills 4, 5, 19, 14, 11 and 12 this afternoon.

SECOND READINGS

Bill 4—The Manitoba Hydro Amendment Act

Madam Speaker: I will now call the first one of those, Bill 4, The Manitoba Hydro Amendment Act.

Hon. Jeff Wharton (Minister of Crown Services): I move, seconded by the Minister of Finance (Mr. Fielding), that Bill 4, The Manitoba Hydro Amendment Act, be now read for a second time and referred to a committee of this House.

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

Madam Speaker: It has been moved by the honourable Minister of Crown Services, seconded by the honourable Minister of Finance, that Bill 4, The Manitoba Hydro 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 is tabled.

Mr. Wharton: This bill will increase Manitoba Hydro's short-term borrowing authority and bring Manitoba Hydro into greater alignment with other similar public utilities across Canada, Madam Speaker.

The amendment seeks to increase the short-term borrowing authority from \$500 million to \$1.5 billion which is established in 1992. This amendment to the short-term borrowing limit enables Manitoba Hydro to perform more efficient cash management, which will save Manitoba Hydro, Manitoba-based businesses and Manitobans approximately 8 to 15 million dollars, depending on financial markets and cash balances.

The amendment will allow Manitoba Hydro to mitigate potential risks due to unanticipated events, to perform favourably with credit-rating agencies and allow Manitoba Hydro to borrow more efficiently from financial institutions.

Madam Speaker, with—without this bill, Manitoba Hydro would continue losing approximately 8 to 15 million dollars more, every year, to borrow money. This initiative shows our government's priority and commitment to fixing our finances, to help save Manitobans by shopping smarter. By changing Manitoba Hydro's short-term borrowing limit, the cost ratepayers to service Manitoba Hydro's debt will be reduced.

Thank you very much, 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. Adrien Sala (St. James): I'd like to ask the minister, does—what other measures will this government put in place to ensure Manitoba Hydro is well prepared to handle emergency situations like the one we saw in October?

Hon. Jeff Wharton (Minister of Crown Services): Well, Madam Speaker, and I certainly thank the member from St. James for the question.

And, certainly, we had our bill briefing with the member from St. Boniface and the member from St. James and we're very pleased to understand that all parties in the House are looking forward to passing this bill, Madam Speaker, for the betterment of all Manitoba ratepayers. And, certainly, we'll continue working together to ensure that ratepayers are looked after right here in Manitoba.

Mr. Sala: I'll ask it a bit of a different way.

Does the minister believe that the layoffs that were enacted upon Manitoba Hydro and that the government directed resulted in more external help being needed from other provinces during the October snowfall and emergency that ensued?

Mr. Wharton: Well, I guess that's kind of a classic question from the NDP. You know, we're talking here about a bill that's going to positively affect Manitobans throughout this great province of ours and this member continues to put fear on the record, that, you know, there's cuts and cuts and more cuts.

Madam Speaker, this bill will save Manitobans anywhere from 8 to 15 million dollars annually. And, certainly, we know that credit rating agencies also love the fact that Manitobans are being protected, by not only this government, but by Manitoba Hydro as well.

* (14:50)

Mr. Sala: I can assure the minister that this isn't about promoting fear. This is about ensuring that Manitobans have clarity on the intentions of this government.

I'd like to ask a follow up question here. What is the status of the employee satisfaction survey that was due to be released by Manitoba Hydro in August that is, for some reason, yet to be revealed to the public?

Mr. Wharton: You know, my understanding is we're here today to talk about a second reading of the Province's Manitoba Hydro Amendment Act, Madam Speaker.

And certainly, I know the member had plenty of time in Estimates to talk about Hydro and other Crown corporations. And, again, I'll remind the member that we were more than happy to, if we couldn't answer the question, we would certainly endeavour to get the answers to the member.

So, you know, we—certainly pleased to talk about this exciting bill today, Madam Speaker, for the betterment of all Manitobans and ratepayers across the province.

Mr. Sala: I'd like to follow up with another question to the minister regarding job security for many, many Power Smart employees who are currently lacking clarity on their future, lacking clarity on what will be happening for their vacations, for their seniority, and that are currently in limbo and don't have any sense at all about the future of their jobs.

Will the minister help to offer some clarity to those Power Smart employees who are currently wondering what is the status of their jobs and their future employment?

Mr. Wharton: I appreciate the question from the member and, again, this gives me an opportunity to

talk about the bill today and also, you know, put on the record that this bill is designed to save Manitobans money, Madam Speaker, certainly money that would, in otherwise be gone. And now this money can be invested how Hydro feels best fitted and suited to invest in the corporation and into Manitobans.

So, you know, this is a good-news bill for Manitoba and, you know, I'm a little disappointed that the member isn't talking about the bill today and ensuring that, you know, we pass this as a House. And I know that he was fully in support when we had our bill briefing, so certainly I welcome any questions on this wonderful piece of legislation, Madam Speaker.

Madam Speaker: Prior to recognizing the member, I would just indicate that when questions are being asked, they do need to be relevant to the bill that is before the House. So I would ask members to zero in specifically on—with their questions on this specific bill.

Mr. Sala: I ask these questions just in relation to overall approach to management with the Crown corporation and believe that some of these questions are pertinent, just as it relates to what this government is seeking to achieve. And I believe this helps to inform our understanding of their overall strategic approach.

I'd offer the minister an opportunity to maybe help us understand how this bill came to be assembled and some of its origins.

Mr. Wharton: I thank the member for asking a question regarding The Manitoba Hydro Amendment Act.

The—of course, Madam Speaker, and the member does know it—but I'll just put it on the record for him again. The original \$500-million loan limit was established 27 years ago in 1992. And since then, and the member also is aware that Manitoba Hydro's assets have grown substantially with major capital projects such as Bipole III transmission line and Keeyask Generating Station and, of course, now the Manitoba-Minnesota Transmission Project.

Certainly, Madam Speaker, the capital assets of Manitoba Hydro have increased probably three times what they were in 19—in—27 years ago. So, again, this request for the bill today to move to \$1.5 billion—

Madam Speaker: The member's time has expired.

Mr. Sala: Okay. I appreciate the response from the minister on the background of the bill.

I'd like to ask, Madam Speaker, about the 50-year licences that are coming up for expiry, specifically those tied to Jenpeg and Lake Winnipeg, and whether or not this government intends on doing anything to rectify the long-standing concerns relating to those licences and that approach to licensing which has been something of a rubber stamp affair.

And I'd like the minister to maybe expand a bit on what this government intends on doing, relative to those licences which will be coming up again for renewal in the next two years.

Mr. Wharton: Well, again, I remind the member that I think we're a little off topic here, Madam Speaker, and certainly the member had a ample opportunity in Estimates to talk about licensing and water rights.

But, you know, again, I would certainly want to try to turn our focus back to the matter at hand, which is this bill that we're discussing today, Madam Speaker. And, you know, certainly we know that Manitobans will benefit from this. I—you know, I believe that members opposite also agree that Manitobans will benefit.

When—any time you can save your corporation 8 to 15 million dollars annually, simply by moving a long-term debt to short-term debt, it makes perfect sense. You're going from a large interest rate to a smaller interest rate, so certainly I welcome the member to ask a question on the bill.

Madam Speaker: Prior to proceeding with the member asking another question, I would just like to reinforce my earlier comments that when speaking to the bill, when asking questions about the bill, it—the questions do need to be relevant to the amendment that is being put forward.

And, with this particular bill, the amendment is specifically about increasing the borrowing authority granted to Manitoba Hydro, and I know that it probably does not allow for a great amount of latitude, but I would ask the member to focus specifically on what is actually in the bill when asking his questions.

Mr. Sala: Thank you, Madam Speaker, and I appreciate the clarification.

I'd like to ask the minister about the specific types of borrowing we might expect and the purpose of that borrowing we may expect, relative to this new-found expansion or increase in the amount of borrowing capacity for Manitoba Hydro.

Mr. Wharton: And I'll thank the member from St. James for the question, and certainly the program

fund was designed to fund the utility's operating cash requirements, Madam Speaker. And I know we had a really good discussion during the bill briefing supporting this.

I know the member has a banking background and certainly understands the effects of long-term and short-term borrowing, and absolutely I know that the member agrees that this is the right thing to do for Manitoba ratepayers, and certainly, we know that members on the other side agree with us.

So, Madam Speaker, we're looking forward to moving this to a third reading and to bringing it back for royal assent so all Manitobans can enjoy the savings benefit from this bill.

Mr. Sala: And thank the minister for the response.

I'd like to ask the minister if he could expand at all on whether or not the passing of this bill will permit Manitoba Hydro to make purchasing or procurement decisions which currently they're not capable of making, due to that increase in short-term borrowing capacity.

Mr. Wharton: Well, I know we had discussions again at the bill briefing, but I'll remind the member what we did talk about was with the current and upcoming levels of debt financing, Madam Speaker, the corporation's liquidity risk remains elevated.

So, essentially, Madam Speaker, by moving long-term debt to short-term debt, it clears up liquidity for the corporation to ensure that they have enough operating capital to operate in the case of a catastrophic event like the one we witnessed in October where the corporation was faced with several power outages—as a matter of fact, historic power outages throughout the province and the city of Winnipeg.

This is the right thing to do, Madam Speaker. I know the member agrees with me. I know the member from St. Boniface agrees, as well. So we're looking forward to having this pass.

* (15:00)

Mr. Jamie Moses (St. Vital): I wanted to ask the minister, in regards to the change from short-term via long-term and the debt with Hydro, that it would free up, as the minister mentions, some liquidity for Manitoba Hydro for operating. Now, is there a thought about moving that liquidity for operating into more jobs for Manitoba Hydro employees?

And I ask this because I want to know how that money is being used, if they have plans for additional funds, as part of this bill, whether it'll be used for employment. I know they have a plan for additional jobs in the province, and I want to know if this will go to actually increase the employment capacity and work that can be done at Manitoba Hydro.

Mr. Wharton: I thank the member from St. Vital for that question. And I guess a part of the question is about the bill; a part of it, probably not. But you know, certainly, we're—government is certainly not going to be influencing, as the NDP did in the past, our Crown corporations

We'll work in collaboration with our corporations, Madam Speaker, the CEOs, the boards, the board chairs and the front-line staff to ensure that we're having a collaborative and transparent relationship going forward. Far be it for me to dictate to how Manitoba Hydro is going to be ensuring that they have the opportunity to ensure that they have the liquidity available for the corporation to continue to operate.

Mr. Moses: The minister just mentioned that, you know, he doesn't want to take the position of dictating over Manitoba Hydro.

So I want to clarify: did the origin of this bill come directly from the board? Was this requested by the board of Manitoba Hydro? Or was this a top-down from the Premier's (Mr. Pallister) office bill that was implemented—was going to be implemented on Manitoba Hydro?

Mr. Wharton: I'm a principled person and I can tell you that I'll take credit when I deserve it, but, certainly, Manitoba Hydro is a well-run, oiled machine, Madam Speaker. And they certainly have the ability and the talent to ensure that they make the right decisions to protect ratepayers right across this great province and the city of Winnipeg, Madam Speaker.

So, again, I'll reiterate to the member from St. Vital that we're working in collaboration with our stakeholders and, of course, with the team at Manitoba Hydro and certainly, we have several discussions on many occasions to ensure that we, of course, are protecting ratepayers right across Manitoba.

Mr. Moses: I also want to ask, in relation to Bill 4: the minister mentioned about the benefits of this and that it would have a positive benefit on ratepayers. I want to clarify what that specifically meant for the public and the ratepayers of Manitoba.

Does this mean that there is going to be a lowering of rates from Manitoba Hydro? Can people expect lower Hydro bills? What is that really going to mean for ratepayers in the province, and how is it going to impact the citizens who are affected—the many, many citizens in our province affected by Manitoba Hydro?

Mr. Wharton: I know the member will—knows this, but I will remind the member that, again, each and every Manitoban is the owner of Manitoba Hydro, Madam Speaker. And, quite frankly, anything that we can do in collaboration with Manitoba Hydro to save money for the corporation, is saving money for Manitobans. Again, we are the owners of Manitoba Hydro.

So, in response to the member's question: certainly, we're looking forward to doing exactly that with this bill. And I know, again, Madam Speaker that we have the members opposite in complete support of this bill and I can't wait to get it to committee, hopefully this week, so we can save Manitobans up to \$40,000 a day, 8 to 15 million dollars annually.

Madam Speaker: The time for this question period has ended.

Debate

Madam Speaker: The floor is now open for debate.

Mr. Adrien Sala (St. James): Happy to have an opportunity to talk a bit about Bill 4 here, The Manitoba Hydro Amendment Act. We know that this bill amends the Hydro act to increase the borrowing limits for Hydro to \$1.5 billion and that it applies to temporary borrowing such as in emergency events.

Manitobans want a government that manages the public's institutions with integrity and with impartiality, and that's why it's so important that we're here today talking about not only Bill 4, but also this government's record and approach to date, as it relates to managing Manitoba Hydro.

It does seem, however, that the Pallister government is bent on pushing its own agenda in the management of Manitoba Hydro, and I think it's important here in this Chamber, Madam Deputy—or, Madam Speaker, that we recognize that Manitobans are deeply concerned about this government's management, their history of management, their approach, some of the decisions that we've seen from this government. And that's why it's important that we question the content of Bill 4 and we examine its purpose very carefully.

Manitobans are worried about many of the decisions of this government as it relates to Manitoba Hydro. They're particularly concerned as of late with what we've seen with the appointment of the new commissioner of review for—as a replacement of Gordon—for Gordon Campbell, who himself came from a—

Madam Speaker: Order, please. Order.

I'm going to have to take a moment to provide some information to all members about relevance in debate.

With many new members speaking in debate in recent weeks, I have allowed some latitude with relevance, but I feel the need now to make members aware of some of our rules and practices in this regard.

The most basic concept here is that remarks should be kept relevant to the matter before the House. Our rule 41 states that, and I quote: Speeches shall be directed to the question under consideration. End quote.

Further, Bosc and Gagnon note on page 625 of the House of Commons Procedure and Practice, that the—and I quote: "The requirement that speeches remain relevant to question before the House flows from the latter's right to reach decisions without undue obstruction and to exclude from debate any discussion not conducive to that end." End of quote.

In accordance with long-standing Manitoba practice, Speakers do allow members to briefly relate matters outside of the specific topic under debate as long as such tangents are brief and as long as the member can draw a direct connection between the tangent and the matter under debate. So some flexibility is allowed, but there is a limit to that, and it is my duty as Speaker to ensure that all members adhere to these rules and practices.

So for the member, the matter under consideration right now is second reading of the—of Bill 4, and I would ask the member to attempt to keep his remarks relevant to the bill. I know it can be difficult when the bills are very short and specific, but those are the rules of the House, and I would ask for all members' consideration.

The honourable member for St. Vital (Mr. Moses)—oh, the honourable Government—Opposition House Leader?

Point of Order

Ms. Nahanni Fontaine (Official Opposition House Leader): Miigwech, Madam Speaker. Just in respect of the matter that was just brought up, I would like to suggest that the member is speaking about Manitoba Hydro.

This is a bill in respect of Manitoba Hydro's ability to borrow more money which, as I'm sure, Madam Speaker, you would agree, encompasses a lot of different areas in which this will impact not only on Manitobans directly but on the operations of Manitoba Hydro, on the employees of Manitoba Hydro, on the rates that Manitoba Hydro is able to charge customers.

So, Madam Speaker, I know that the members have been attempting to discuss Manitoba Hydro in its totality. I think that any time there is a bill that comes to the House in respect of any aspect of Manitoba Hydro, it is fair to say that any of the comments brought forward in debate that are specifically about Manitoba Hydro and its operations and its impacts on all of Manitobans is providing the context in which this bill is situated.

So, Madam Speaker, I would like to suggest that the member is complying with the rules of debate in this House in respect of this specific bill.

Madam Speaker: The honourable member for—oh, the honourable acting House leader, on that same—can I just clarify, was that a point of order?

* (15:10)

Ms. Fontaine: Yes, Madam Speaker, it was a point of order in respect of what was being discussed just now in respect to this Bill 4.

Madam Speaker: The honourable acting Government House Leader, on that same point of order.

Hon. Ron Schuler (Acting Government House Leader): Yes, thank you very much, Madam Speaker, and we thank you for your advice. From time to time, it's necessary for us to be reminded and we thank you for that.

Madam Speaker: I would indicate to the House that the member does not have a point of order, but I would like to also indicate that it is very important—the rule is pretty clear that speeches remain relevant to the question before the House and that while I have been allowing some latitude, especially with new members, I still have to ask new members to attempt to pull the debate back to the exact matter at hand.

And now, there will be opportunities to certainly talk about various issues with Hydro. And if the member can pull it together in his comments, as long as the comments are going to reflect on Hydro's borrowing authority and the changes being made to the borrowing authority.

And I know that, as I indicated earlier, it is sometimes very difficult to make comments, you know, specific to a very small bill, but those are the rules of the House, and the rule is fairly clear that the speeches remain relevant to the question before the House.

And so I would caution the member. You know, we do allow a certain amount of flexibility, but there is a limit that we can allow. And it is certainly up to the Speaker, presiding officer, to ensure that all members are adhering to the rules and practices of the House.

So that is a long-standing rule and I would indicate that the member does not have a point of order.

* * *

Ms. Fontaine: On another point of order.

Point of Order

Madam Speaker: On a further point of order.

Ms. Fontaine: On a further point of order. Miigwech, Madam Speaker.

Again, I do just want to stress to the House, Madam Speaker, that when we talk about the borrowing limits for Manitoba Hydro, and in this case in respect of Bill 4, up to \$1.5 billion, that has a fundamental impact and potentialities on every aspect of Manitoba Hydro.

It has potentialities on what projects Manitoba Hydro may or may not consider to engage in or pursue. The borrowing of up to \$1.5 billion has the potentialities to impact on Manitoba Hydro staff and employees. The borrowing of up to \$1.5 billion has the potentialities to impact on ratepayers, Madam Speaker. The borrowing of up to \$1.5 billion has the potentialities of impacting on people's locations—

Madam Speaker: Order, please. Order, please.

Points of order are not to be used for debate in the House, and I would indicate that it is not a point of order that is being raised by the member.

But I would ask for any members in debate, if they can draw, as the member for St. Johns

(Ms. Fontaine) has indicated, if they are able to draw those lines between the borrowing and some of the other comments, then that might be relevant to the bill that's before the House. So, if the members can make those connections in their debate, then they might find there is more latitude in what they're saying.

* * *

Madam Speaker: The honourable member for St. James (Mr. Sala), to continue with his debate.

Mr. Sala: I will certainly do my best to ensure that we reference this question of borrowing and I tie the comments back to the—Bill 4, Manitoba Hydro amendment act.

I would suggest, however, just as was shared by my colleague from St. Johns, that all of these comments that I'm hoping to share do bear relevance on the broader question on whether or not it's wise to offer this government support in increasing the borrowing capacity of Manitoba Hydro.

Prior to having stopped my comments earlier, I was referencing the question of having hired the commissioner of review, Brad Wall as a replacement for Gordon Campbell. Again, I connect this to concerns about the wisdom of this government in managing Manitoba Hydro and whether or not there is any reasonable argument to be made that we should be supporting this bill.

If we look at their decision here, relative to hiring an incredibly partisan individual to lead this review, former premier of Saskatchewan, I think we have reason to be seriously concerned about the decision-making of this government and their decision to advance bills like Bill 4, The Manitoba Hydro Amendment Act.

Madam Speaker, if we look at premier—the ex-premier of Saskatchewan, premier—ex-Premier Wall, we know he was a Conservative; heavily partisan background. And we have strong reason to believe that—[interjection]—we have—[interjection]—okay, we have strong reason—[interjection]—I apologize, I thought it was coming—we have strong reason to believe that he won't be conducting this review of Manitoba Hydro projects—the Keeyask Generation Project, the Bipole III transmission project and the converter station project—with impartiality.

Mr. Greg Nesbitt, Acting Speaker, in the Chair

So again, if we're thinking about the kinds of decisions that this government's been making, their approach to overseeing governance and Hydro, hiring

on highly partisan individuals to lead reviews, I think we have strong reason to feel concerned about other decisions that this government is making—for example, advancing bills like Bill 4—and it's important that we ask these broader questions.

If we look at some of the decisions that we saw made by ex-Premier Wall, this was an individual who has been brought here to help us assess supposed financial mismanagement in terms of decisions that were made relative to advancing the Keeyask project, the Bipole III project and the Minnesota tie line.

So, while he's been brought here to help us examine, again, this supposed mismanagement, I think it's important that we ask ourselves about the merits of this particular individual and his capacity to assess these questions given his own background and his own role. And so we have to examine this and consider this in light of the lack of wisdom in hiring an individual like this, and we have to understand what the meaning of that decisions is.

If we look at some of the things that we saw happen under ex-Premier Wall's record, we have, for example, the Regina Bypass project that itself was supposed to be a \$400-million construction project—infrastructure project, and instead ran over, to the tune of \$1.8 billion.

Mr. Deputy Speaker, I would argue that that in itself is an excellent example of this ex-premier we've hired; his own inability to govern effectively and to manage the finances of his own province effectively. And we need to consider whether or not that should not be a major flag or a major concern, when we've hired him to come here and help us to disentangle our own supposed financial mismanagement.

* (15:20)

If we look at what took place relative to the \$1.5-billion Boundary Dam Carbon Capture Project in Saskatchewan, that project missed targets; cost Saskatchewan taxpayers \$20 million. Mr. Wall's government was also responsible for bringing forward a lean Saskatchewan health-care project. That project has been well-publicized to have cost Saskatchewan taxpayers \$1,500 for every single dollar that they supposedly saved through that project.

Again, Mr. Deputy Speaker, relative to Bill 4, The Manitoba Hydro Amendment Act, we want to be ensuring that if we're going to be advancing this kind of bill, that we are doing this on the basis that this government has the best interests of Hydro in mind. And yet we are, on the flip side, bringing in

these highly partisan commissioners for a review to examine supposed financial mismanagement when, clearly, this ex-Conservative premier—the second ex-Conservative-premier to lead one of these commissions—has a vested interest in a particular line of argumentation.

Moving forward to yet another concern with the wisdom of hiring on Mr. Wall for this role: again, looking at some of his own past decisions, we can see that he was involved in what's called the GTH land scandal.

This land scandal involved members—or, sorry, supporters and donors to his own party having benefited to the tune of about \$5 million from a questionable land sale which the Auditor General of Saskatchewan themselves had suggested was highly concerning.

We had the Canadian Taxpayers Federation themselves, again, in Saskatchewan, suggesting that there were a number of questions that needed to be asked relative to that deal.

And so here we are with this government, who has advanced this bill, this bill for the Manitoba Hydro Amendment Act, which purports to save money for Manitobans. However, on the flip side, we're bringing in, again, as a commissioner to review our own affairs, our own Crown corporation, an individual who, himself, has a record of losing money for the citizens of Saskatchewan.

So I would suggest that that's highly concerning, that we have an individual who is going to be playing this role in assessing, again, the supposed financial mismanagement, when he, himself, is arguably responsible for a significant and hugely concerning set of financial bumbles in his own province while he was the premier of Saskatchewan.

Also highly concerning, relative to the—this question about Bill 4, The Manitoba Hydro Amendment Act, is the bringing in of an individual like Mr. Wall, who brought—tried to introduce legislation that would've allowed for the privatization of up to 49 per cent of Crown corporations in Saskatchewan, which, fortunately, didn't pass because the good people of Saskatchewan had the wisdom to reject that particular proposal.

But we have to ask ourselves these important questions, again, as it relates to the wisdom of this government in bringing in an individual such as Mr. Wall, and the wisdom of trying to pass bills like Bill 4, The Manitoba Hydro Amendment Act, again,

which we are, at this point, not totally clear on all of the implications of.

You know, we—broadening the conversation here, we're looking at the question of cuts from this government that Mr.—our Premier (Mr. Pallister) has made to Hydro and other Crown corporations. We know that they've sliced work forces by 15 per cent, effectively cutting 900 jobs within Hydro.

These cuts are consistent across all areas of that Crown corporation, and the results and the impacts of those cuts are clear. And we know from hearing from individuals who are employed with Hydro that these cuts have caused significant concerns, in terms of the wellbeing of individuals working within that Crown corporation.

Now, again, we have a government that's purportedly interested in assisting this Crown corporation or crown jewel through the passage of bills such as Bill 4, The Manitoba Hydro Amendment Act. However, at the same time, this Premier and this government is willing to make drastic cuts that we know are damaging, frankly, to that Crown jewel and are hindering their ability to provide services to Manitobans.

Clearly, we know that this Premier continues to—intends to continue with these cuts. A CTV news article cites that—the government's agenda to implement more cuts. When asked if Manitoba Hydro needs to shed more managers, Pallister said yes on September—or, sorry; the Premier—

The Acting Speaker (Greg Nesbitt): Order. I just wish to remind the member that we refer to members of the House by their constituency or their position. Thank you.

Mr. Sala: I thank the Deputy Speaker, and I apologize for that. I will ensure to do so.

So, as I was saying, within the CTV news article we saw that when the Premier was asked whether Manitoba Hydro needs to shed more managers, our Premier clearly said yes and did respond yes. And that was on September 30th, 2019.

This government refused to proceed with Manitoba Hydro's planned payment of \$67 million to the Metis Federation, effectively cancelling plans for hydro-electric development in the future.

And it's critical that we ask the question of the wisdom of this government in making those types of decisions that are going to have a significant impact on future governments here in Manitoba, of our

Crown corporation—of our Crown jewel, Manitoba Hydro, to be able to make and partner and collaborate with indigenous communities. That failure to honour that agreement seriously threatens our ability to move forward in the best interests of Manitobans.

And so, again, Mr. Deputy Speaker, I'd connect this back to Bill 4. I'd connect this back to our discussion today to suggest when we have a government that is seeking to increase borrowing costs and change some of these fundamental rules around how our Crown corporation operates—purportedly in the best interests of the Crown—we have to ask ourselves how can the same government be willing to sacrifice future capacity of our Crown corporation to partner with indigenous groups to ensure that we can continue to have this Crown corporation flourish and service the interests of Manitobans, ensure a steady, clean supply of affordable green electricity.

So it's really critical that this government stops that interference with Manitoba Hydro and other Crown corporations. And that's because Manitobans want the integrity of inquiries into Hydro projects to be preserved.

So we have to ask ourselves when we're proceeding with the types of inquiries, as I referenced earlier, that's being led by this ex-premier, what's the impact of that and what is the ability of Manitobans to get an honest result from that type of inquiry when we're hiring on, again, highly partisan operators to lead that type of a project.

We know that, flipping back to this question about this government's failure to honour that agreement with the MMF, with the Manitoba Metis Federation, that they called it simply a proposal, that our Premier calls it—called it a proposal and that it wasn't an agreement.

And we know that they further called this agreement a form of persuasion money, accusing the previous NDP government of wrongful intent when it was, in fact, co-operating with the organization towards development of various Hydro projects.

The Court of Queen's Bench, a government lawyer, stated—one of this government's lawyers stated: With all due respect, Manitoba has the authority to intervene in the management of Crown corporations. That was reported in the CBC in September of 2019.

So I would argue, Mr. Deputy Speaker, we—the government intervention in Crown corporations

should not result in putting Manitobans and the development of the economy at further risk, and simply cancelling a payment has many repercussions, including the possibility of disrupting reconciliation processes with indigenous peoples here in Manitoba.

Imagine the damage that this decision will have in the future of Manitoba Hydro, a Crown jewel which, again, this government is purporting to try to help through the advancement of Bill 4, The Manitoba Hydro Amendment Act, when, at the same time, we are cancelling agreements with key partners in this province, specifically indigenous groups like the MMF, and ultimately telling them and future prospective partners that we will not honour agreements that have been put in place, and we are willing to violate those agreements without concern for the impact.

* (15:30)

And so, again, Mr. Deputy Speaker, we need to be worried about what we've seen in terms of this failure to honour those types of agreements. Manitoba and organizations like the MMF want to know that they can trust in the government and have faith in the solidarity of agreements that they make, and they want to keep good relations with this government and they want to ensure that these circumstances that could disrupt the economic contributions of many of our Manitoba organizations and of Manitoba Hydro are kept to a minimum.

So, again, we need to ensure that bills like Bill 4, The Manitoba Hydro Amendment Act, are in the best interests of Manitobans, and we have to be extremely cautious on this side of the House in looking at that—those bills that we'll support, especially given this kind of willingness from this government to make decisions that are fundamentally not in the best interests not only of Manitoba Hydro but ultimately of all Manitobans and ensuring that we can continue to get the incredibly low rates and the incredible value that that Crown corporation provides.

Another key concern that I want to raise here, in relation to questions we should be asking about the interests of this government in passing and seeking to pass Bill 4, looking at another question about the behaviour and the decisions of this government, we should look at the cancellation of the 2014 Turning Page agreement, which was a \$20-million deal between the Province, the MMF and Manitoba Hydro.

And this was reported September of 2019, and that agreement outlaid the terms for payments to the

MMF amounting to \$20 million within a 20-year period. This agreement was intended to facilitate support for Manitoba Hydro development activities, which included the two projects which are currently under review.

Quoting Mr. Pallister—or, sorry, quoting our Premier (Mr. Pallister), apologies—quoting our—

The Acting Speaker (Greg Nesbitt): Order.

Once again, I'd like to remind the member that we do not use the member's names in here, we use their constituency or their position. I'd appreciate his co-operation.

Mr. Sala: I'm sorry about that again, Mr. Deputy Speaker. I appreciate the reminder.

So, quoting our Premier, and these were his words: The Metis Federation and all Metis Manitobans have the right to participate in processes. They fought hard for those rights and we respect that enough to make sure we won't make payments to stop them from exercising those rights now or in the future.

So, a very concerning statement from our Premier about his position in terms of supporting and honouring agreements and partnerships with indigenous groups in this province. And so it's clear that this government wants to look like they cancelled these payments in the best interests of the Metis rights, but instead they've cancelled these payments to further their own agenda for cuts.

And so, again, we ask if we balance out these types of decisions, which are detrimental, ultimately, to the future of Manitoba Hydro or detrimental to the ability of Hydro to make the kinds of agreements with those types of partners who are required to advance the interests of Hydro in increasing their ability to service Manitobans, we have to ask ourselves, in relation to Bill 4, we have to ask very important questions about what this government is seeking to achieve in the advancement of bills like this, especially given their ability and willingness to do harm and do damage to our Crown corporation.

Switching over to this concern around this government's willingness to jack our hydro rates. We look at hydro rates. They're up by over 9 per cent, and this Premier advocated a proposal to increase Manitoba Hydro rates by 60 per cent over a short period of time.

And so, if this goes through, it will indeed have an incredibly negative impact on the average

Manitoban, and this government, which claims it wants to put more money on the quote-unquote kitchen tables of Manitoba families—it seems they're more interested in taking money from their pockets.

And if we just look at—we saw the request for a 7.9 per cent rate increase only two years ago, Mr. Deputy Speaker. We know that that rate increase—which was, of course, rejected by the Public Utilities Board, with their expert knowledge about what was actually required in order to ensure the financial health and the long-term sustainability of that Crown corporation—that that type of outrageous rate increase is completely unnecessary in the—in this context.

And we know that if we look back to the hearings that were conducted by the Public Utilities Board in 2014, the NFAT hearings, the needs-for and alternatives-to hearings, that during those hearings we heard from a number of experts from across Canada, and not just from Manitoba, who very clearly stood—as we know, the PUB came out in support of the recommendation to advance and move forward with Keeyask project, with the Bipole III project, with the Minnesota tie line project.

And in those discussions and in those presentations, it was clear that the types of rate increases that would be required to ensure a long-term sustainable debt-to-equity ratio and to get us back to the target debt-equity ratio, which is 25-75, was something that could be achieved by 2030 with a period of low but sustained increases.

And when I am speaking of these increases, I'm speaking of increases that are far more modest than, again, the outrageous 7.9 per cent rate increase that was requested by this government that, again, with the advancement of Bill 4, is purportedly seeking to work in support of Manitobans to ensure that that Crown corporation can perform as it is needed. But we have to ask these important questions.

When we look at what we've seen from this government in terms of decision making, it's very concerning that under this government, individuals responsible for chairing major Crown corporations have been fired, Mr. Deputy Speaker.

We look at this government's failure to address previous issues in Manitoba Hydro that resulted in the exodus of nine appointed Manitoba Hydro board members in 2018, and we know that that board resigned as a result of being unable to resolve a number of critical issues related to the finances and

governance of Manitoba Hydro, including matters related to Hydro's efforts to further develop its relationships with indigenous people, as was reported by the CBC in 2018.

Mr. Deputy Speaker, if we look at what took place with the exodus of this board—I mean, frankly, the chair of this board, Mr. Sandy Riley, one of Manitoban—Manitoba's most well-known and respected business people—again, our own Premier (Mr. Pallister), with his inability to get along and play nice, was unfortunately unable to maintain that relationship.

And that resulted in the exodus of, again, an entire board, all based on his 'unwillingness' to meet with that group and to honour those agreements that we referenced here, that were ultimately violated in respect to our partnerships with groups like the MMF.

So, again, Mr. Deputy Speaker, significant concerns about this government's interest in Manitoba Hydro, their decision making and their overall approach to governing that organization. And we have to really ask ourselves in advancing bills like Bill 4, this Manitoba Hydro Amendment Act, ultimately what are the goals of that bill, especially given their behaviour broadly as it relates to governing and leading and managing on the Manitoba Hydro file.

Lots of serious reasons why we should be concerned and why we should be asking a lot of questions about what this government seeks to do with Hydro. We look at their role in suppressing an employee satisfaction survey, which we know was due to be released in August of 2019; was put on hold, likely for the reasons that it was due to be released shortly before our last election, Mr. Deputy Speaker.

And I think a lot of Manitobans have reason to be concerned. And I can certainly say that I know from having spoken to members of the IBW union and the MGEU union and CUPE, that they themselves are very interested in the content of that employee satisfaction survey, and for good reason, Mr. Deputy Speaker: the 900 or so employees that were slashed from our Crown jewel and the impacts of those cuts were felt deeply throughout that Crown corporation.

And there's strong reason to believe that the employee satisfaction survey will speak to those concerns and will speak to an organization that is currently reeling, is suffering from the impacts of this government's approach to management, which is all about the bottom-line paradigm.

* (15:40)

And, ultimately, they have behaved in a way and made decisions that could have potential long-term impacts on the ability of our civil servants, of those individuals who serve within Manitoba Hydro.

And so, major questions to be asked: Why are we withholding this? What's hidden there? What is this government preventing us from understanding, in terms of what is happening in that Crown corporation, again, which we're purporting to support with the advancement of Bill 4, The Manitoba Hydro Amendment Act.

Looking at other questions, again, something I mentioned earlier in my questions: we have serious concerns about Power Smart employees, who, at this point in time, have absolutely no clarity on their future, whether or not they are going to be able to maintain the seniority that they accrued during their time as an employee with Power Smart, whether or not they'll retain those jobs and be able to transfer in to the new Crown corporation which this government has created, in Efficiency Manitoba.

And again, major concerns around this government's approach to ensuring that our civil servants, that the individuals who are supporting this Crown corporation are able to do the work that they're there to do, and that they understand that they're supported by this government, who is attempting to put forward a bill which is, again, purportedly in place to try to support the interests of this Crown corporation to make better decisions.

So I think it's important we ask these questions; we examine very closely this government's decision-making and we consider whether or not they have the best interests of Manitoba Hydro at heart in the advancement of bills like Bill 4.

If we look at other decisions that we've seen from this Premier (Mr. Pallister) and this government, we know that in terms of privatization at Hydro, 12 IT help desk jobs have gone and been privatized, which were previously performed by civil servants. Help desk jobs that used to be good-paying jobs with all the great benefits that come with the benefits of being a Manitoba government employee or a civil servant, those are no longer there, Mr. Deputy Speaker. And those have now been passed off to the private market.

And, again, we know that there are other IT functions that have been put on to MERX, which is the—another further attempt to privatize more important roles within that Crown corporation. So, again, more disrespect of our Crown employees; more

disrespect for the individuals who are seeking to service this province, to work to the benefit of Manitobans.

And, again, we need to examine these types of decisions. We need to ask ourselves: Is this government truly working in the best interests of our crown jewel? Is it truly working in the best interests of Manitoba Hydro? And I would argue, Mr. Deputy Speaker, that the answer to that is a very hard no.

I'd like to close, just by thanking the room for hearing me out and listening to my thoughts here on Bill 4. And I'm grateful for the opportunity to speak on this bill. Thank you very much.

The Acting Speaker (Greg Nesbitt): Are there any further speakers?

Mr. Jamie Moses (St. Vital): Thank you, Mr. Deputy Speaker, much appreciated, and I think—for—I'm looking forward to the opportunity to speak on Bill 4.

This is a—The Manitoba Hydro Amendment Act, and it's important that we discuss this because it really does affect all of us in Manitoba who are ratepayers of Manitoba Hydro. And, more specifically, Bill 4's impact on the borrowing limits—Bill 4's impact on the borrowing limits of Manitoba Hydro is going to affect the financial position of the company. The financial position, therefore, impacts such things as its ability for it to control rates, for the ratepayers in our province.

The financial implications are, as well, its ability to hire people in our province. As we know, Manitoba Hydro is one of the largest employers in our province, and we want to make sure that it's in a good financial position. And so it's important that we ask some of these questions and dive into some of the details of Bill 4—thank you.

Bill 4, you know, it talks about the borrowing limits and it talks really about—the minister mentioned in his opening remarks about its ability to prevent and allow more easier to handle some of maybe the real emergency events, such as what we saw over the Thanksgiving long weekend. You know, big events where there are large snowstorms, large rainstorms, flood events that really might affect Manitoba Hydro employees who have to go out and work to fix and restore some of the power, the power that people in Manitoba rely on.

Now, if Manitoba Hydro's not in a good financial position, it's going to make it tougher for their employees to actually go and work and support fixing

our electricity and our power grid in our province. Now, the ability to borrow and increase the borrowing limits of Bill 4, you know, will—may help and put it at a better position to help support some of these emergence events, but I question the bill and say how can we make this stronger?

How can we make Bill 4 stronger by actually working to prevent some of these big, changing weather-events in the first place? And I think one of the ways that we start to prevent some of the weather events that we're seeing is by actually tackling the climate change issue that we're seeing not only in Manitoba but around the world.

So I would urge—encourage the government to work on a stronger climate change plan which may mitigate some of the emergency events which is—which the minister referenced as one of the reasons to go ahead with Bill 4.

Now, there are many ways that we could actually work to mitigate some of the events through a good, solid climate-change plan, which we haven't seen from the government. These events—some of these ideas could be things like increasing the electrification of our transportation system in our province and in our city; encouraging people to use non-H-G-H-emitting vehicles and transportation units and actually encouraging a public investment in transportation such as this.

These concrete steps will help us to make our environment and our province cleaner and therefore lessen the number of times we have emergency weather events and therefore make it less needed for us to have an increased spending limit for Manitoba Hydro and thus lessen the importance of Bill 4.

So I wanted to really clarify from the minister what the impacts are of Bill 4, as I was asking some questions earlier, Mr. Deputy Speaker. I did ask the minister a few questions and I got some responses from the minister, but I wanted I wanted a little bit more clarity from the minister.

Now, Mr. Deputy Speaker, I asked the minister about the impacts of Bill 4 and what its changing the borrowing capacity for Hydro would have on increasing the amount of liquidity for Manitoba Hydro, and therefore, whether those extra short-term dollars would be used into implementing more staff for Manitoba Hydro, and would this allow them to hire additional workers front-line workers to provide assistance in emergency settings?

Would it allow them to provide people to help communities in our province that aren't on Manitoba Hydro get on Hydro that clean—our clean energy in our province?

Would the extra dollars be used to hire more people to work at Hydro, generally speaking? And I say that because I know the government has a plan to hire, I think, 40,000 more people in our province. So I want to know, is this part of that plan or is this not even in consideration?

And I want to know whether the government has—is, you know, talking to each other, RMs, in respect to how Bill 4 and the implementation of changing the borrowing and spending limits for Manitoba Hydro will affect—and I'm talking about the downstream effects, so not just the current looking at how the borrowing and the spending of Manitoba Hydro, but in fact whether they'll be able to have downstream, positive impacts of actually employing more people and making sure that our economy is flowing smoothly.

* (15:50)

The other thing I asked the minister about in one of my questions was about—sorry, his response to one of my questions was about—in regards to Bill 4, was that he didn't want to dictate to Manitoba Hydro about how to do their jobs.

And I wanted to just touch on that point because it's relevant, whether this bill was originated from Manitoba Hydro and their board coming up as a suggestion to help them run their business, or was this a top-down approach where this bill came from the Premier's (Mr. Pallister) office and is being dictated on towards Manitoba Hydro.

Now, the minister 'replied' that, you know, that he's working very closely with Manitoba Hydro and that he, you know, is trying to understand that they are, you know, working in the best interests of Manitobans. And I understand that, but I do have some concern with that. I mean, we have seen a pattern over the last little while of interference with Manitoba Hydro and so I wanted to bring that up as a concern as a relation to Bill 4.

Now, we've seen, just over the last year, in 2018, the government cancelled two key agreements with the MMF, the Manitoba Metis Federation, and that is a direct sign that there has been interference with Manitoba Hydro. The interference with Manitoba Hydro that was shown in those two events—I'm

wondering, is this, in effect, the same interference that we're seeing now in Bill 4?

I'm really wondering about that, and I want to know, you know, I'd like some more—further clarification from the minister about the impacts that Bill 4 will have on Manitoba Hydro and further downstream, what the ripple effects will be.

Now, we know there was interference earlier with—in terms of the two—not just one, but two—agreements with the MMF that were cancelled. Subsequent, as part of that, we saw the board resign, and as was mentioned from the member from St. James. And I want to reiterate that and bring that up as, again, another concern.

Again, that's another example of how there's been a relationship that hasn't worked between this government and this—the Premier's (Mr. Pallister) office and the Manitoba Hydro's board and its workers. There's been a certain disconnect.

Is Bill 4 a further addition to this disconnect between the government, Manitoba Hydro and the people of Manitoba? Well, I'd like to get some clarification on how that will work and, unfortunately, I wasn't able to get a clear response from the minister today.

The other aspect that I wanted to bring up, in regards to questions I asked the minister earlier was about its impact on public. You know, citizens in Manitoba, the vast majority are paying Manitoba Hydro electricity rates, and the minister again mentioned that this would be—allow Manitoba Hydro—that Bill 4 would allow Manitoba Hydro to have more liquidity in terms of its financial outlook. You know, allow it to be nimble, in terms of emergency preparedness and dealing with emergencies.

Well, will this—if that—will the government and will Manitoba Hydro be using this additional liquidity to lower rates for Manitobans? Is that part of the plan for Bill 4 and the actual implications of Bill 4? Again, these are further details that have not been clarified by the minister, have not been dealt with by the minister, have not been addressed by the minister.

And I think not just this Chamber, the people in this House, the ministers around the House, but, frankly, all the people in Manitoba deserve to get the proper clarification before this bill is passed. We want to know, will this bill mean that there will be lower rates for ratepayers in Manitoba.

Will this bill have better impacts or worse impacts on our environment? How will this bill and its ability to change the debt repayment in Manitoba Hydro? How will it affect the employees of Manitoba Hydro? And simply, when I asked those three questions to the minister today, I didn't get a clear answer.

And so I'm not certain whether this minister is not aware of the answer, hasn't thought about the implications or the ramifications of the bill, or whether he's aware of them and is just not at this time able or willing to share with the Chamber.

So, Mr. Deputy Speaker, I want to continue by talking a little bit about Manitoba Hydro and its work with Efficiency Manitoba, as we know that Efficiency Manitoba was formerly part of the Power Smart program with Manitoba Hydro. It's now referenced as Efficiency Manitoba.

Now we see that with Efficiency Manitoba, it being a little bit separated out of Manitoba Hydro and now we're seeing the second step of Bill 4 being introduced and the proposed changes to how the debt is being repaid.

Now I'm wondering if these two are connected, Mr. Deputy Speaker. Now I see that with Efficiency Manitoba being separated out, it's looking like, you know, they are trying to create a separate organization to implement efficiencies for our energy system here.

But does that mean that it's going to give them a further latitude for Manitoba Hydro to explore other avenues such as privatization? Now, privatization might mean they are looking at financing its debt a different way, which might mean how—why this bill's being introduced now.

I—Mr. Deputy Speaker, I'm simply trying to ask them some relevant questions for Bill 4, but the minister hasn't clearly demonstrated if there's a connection between them, what the impacts are of Bill 4, what the details are, and what really—what outcomes they're trying to seek as they introduce this bill.

Further to my comments on Efficiency Manitoba we see what has happened as Efficiency Manitoba was introduced. There was a bill passed to create Efficiency Manitoba. What happened after that? Silence. Nothing. Nothing happened with Efficiency Manitoba at the beginning. There was an organization, a Crown corp. created with no employees, with no one running it.

Now, how do you have a Crown corporation with no one running it? And that's why I ask this. That bill was passed for Efficiency Manitoba. What were the next steps? What they said they were introducing was not what they followed through with.

And I'm wondering if this is going to be the same path that we're going to see with Bill 4. They say that they want to change the debt repayment to the debt structuring for Manitoba Hydro and how—and increase that limit, but what are going to be the follow-up next steps? How do we trust that what they say is going to be happening here is going to be what they actually act upon and follow through?

Further to Efficiency Manitoba, in addition to the fact that they had no employees for several months, and I repeat, several months, how do you have a Crown corporation with no employees, right?

Now, when they were passing the legislation they said that they have to have a plan for Efficiency Manitoba. It had to have a plan of what the Crown corporation was going to do.

Well, did they meet the deadline for actually reporting and passing this plan, creating this plan? No, they did not—no, they did not. The deadline for the plan was missed.

Now that's, again, another impact they created. They passed the bill to create Efficiency Manitoba, but did they follow through with the next steps of actually implementing it? No. No, they didn't.

And is that what's going to be—again, is that, Mr. Deputy Speaker, what's going to happen with Bill 4? Are they going to create something to increase the spending limits on—for Manitoba Hydro and not follow through and not allow the Crown corporation to do its job and interfere again as we've seen with cancelling the MMF projects and not following through with Efficiency Manitoba?

This truly is a pattern that we're seeing time and time again, and I want to draw this again to the attention of the Chamber as ways that we can really make our legislation better and help to make sure that all Manitobans are going to be served properly by Manitoba Hydro.

I do want to say, Mr. Deputy Speaker, I will take a little bit of a tangent here and just say one brief story, that I have two children, and they're young. You know, they play together, they like to share their toys. You know, I—each one has their own toys, but they, you know, from time to time, borrow each other's

toys. And borrow's the key word about what I'm trying to say, that they learn how to borrow from each other. They learn how to borrow from each other. My daughter is four; my son is one, but they're learning how to borrow from each other.

* (16:00)

Has Manitoba Hydro asked for the ability to borrow differently, Mr. Deputy Speaker? Have they asked for this? The Crown—the minister, when I questioned him, didn't clarify whether they were actually requesting this borrowing change, this change to the limit of how much they can borrow, right? He didn't clarify whether this was actually coming from Manitoba Hydro.

My one-year-old and four-year-old are learning how to borrow. The minister hasn't clearly demonstrated whether the ability to borrow is fully there for Manitoba Hydro or whether this is being a top-down approach, again, being dictated on from the Premier's (Mr. Pallister) office, from the minister's office.

So these, again, are things that are very important for us to clarify before we move ahead with Bill 4.

I think a lot of Manitobans understand what it is to be in—to borrow and to be in debt. And, unfortunately, around the country and around the province, we're seeing a lot of Manitobans who are struggling with debt. I know that, personally, in my riding of St. Vital, many constituents that I spoke to are struggling with affordability issues, with debt issues and debt repayments. If Manitoba Hydro is having 'trouble' paying their debt and they need their debt limit increased, what sort of example does that set for people and everyday Manitobans right around our province, right?

I have a family in St. Vital who I spoke to who know the difficulty of repaying their debt and making their bill payments at the end of the month. They choose every month whether it's going to be, you know, paying the hydro bill, buying the winter jacket, getting the textbook for their children or putting a proper meal on the table, on that kitchen table.

And so I ask, were these things considered when they're introducing Bill 4 and whether the ability to increase the borrowing limits of Manitoba Hydro was thought of in relation to the average and everyday Manitobans? Was consultation done with the impacts of various stakeholders?

Now, there are groups in Manitoba that are impacted every day by Manitoba Hydro, including the

MMF, which I have already mentioned. But were northern First Nations groups consulted with this change, right? Was proper consultation done? Was 'consultation' done with the various municipalities that will be impacted by this, right? Right? Was Brandon consulted about this? Was Portage la Prairie consulted about this? Was Dauphin consulted about this? Was Thompson consulted about this change, right? I mean, we've got—I know that, you know, we've seen a very—*[interjection]* Was Flin Flon consulted about this?

But, frankly, Mr. Deputy Speaker, we've seen a track record with this government not consulting properly when it comes to Manitoba Hydro issues, and I think again we're seeing this on Bill 4.

Now, are we making a change? Is the government actually taking a different path this time round? I'm not too sure. Have they chosen a path of proper consultation, doing their due diligence of details of this bill, working to see not just in short-term impacts but the 'long-term'—long-term, downstream impacts of Bill 4 and how it'll affect Manitoba Hydro, its employees, its ability to run its organization and its ability for ratepayers in our province. These are all very clear questions that have not been outlined by our speaker.

Now, as mentioned, I will go back to the topic, the very important topic, about affordability. Now, we know, again, people struggle with affordability. And it worries me, it sincerely worries me, that Manitoba Hydro will simply become so expensive for people that it will make their quality of life go down.

And the minister has mentioned that one of his proposed benefits of Bill 4 is that its potential to make emergency readiness, emergency preparedness, better because of the added liquidity from the change in the borrowing. Now, I'm wondering, would that money be better served making rates lower for everyday Manitobans? The minister wasn't clear, again, when I asked will rates go down. Should Manitobans expect a rate decrease because of this?

And I know in St. Vital—as many in this Chamber know, St. Vital's a very diverse place. But some are not aware of the very stark poverty that is in my neighbourhood. There are many people who are living not just paycheque to paycheque, but are living beyond that and are faced with the, you know, sometimes, situation where they need to go into debt to just maintain the very, very simple—of—quality of life.

Now, reducing rates in Manitoba Hydro through this bill, could be a way to make their life a little bit easier. But for the ones who do, unfortunately, have to go into debt or increase their debt just to maintain their lives, you know, sometimes those people, Mr. Deputy Speaker, they know the unfortunate of paying the costs of borrowing.

Now, unfortunately, some of them are, you know, are able to get loans from financial institutions with rates. Some of them are going to the payday-loan-type institutions where they may pay much higher interest rates. And that is a little bit like the proposal here in Bill 4.

Now, we're seeing that this proposal is to change the borrowing rate—to change the spending limit, which could, in theory, change the borrowing rate for Manitoba Hydro. And I want to know, if Manitoba Hydro is able to make a law change to increase its borrowing and spending limit, will that same opportunity be available for regular Manitobans, right?

There are so many people in my community who are in debt and are looking to borrow money more affordably and would love the opportunity to have a lower interest rate on their debts. And these are all—great way that would help and benefit the quality of life of so many people in our province.

Now, Bill 4 obviously isn't—is regards to Manitoba Hydro specifically; however, we would like—I would like to know whether that is within the premise or the idea of how to many the quality of life of Manitobans better, for the people of Manitoba. Have—has the minister considered making a change in regards to that?

Now, we're seeing many changes in Manitoba Hydro recently. We're seeing many changes in Manitoba Hydro recently, and I am quite frankly worried that in regards to Bill 4 and its increase to the spending-borrowing limit may lead to further downstream effects such as privatization. Is this change a set-up to make Manitoba Hydro more appealing to be privatized?

I—again, I don't know if the minister has 'fearly'—clearly demonstrated that it is or it isn't; I don't think he's spoken to that, and that could be worrying to a lot of not just the employees of Manitoba Hydro who may one day be facing job loss, but the people of Manitoba who are directly concerned and are directly impacted by changes to the rates.

Now, my colleague, member from St. James, spoke earlier on this bill and its proposed changes and spoke about the cuts that Hydro has seen directly and the direct changes that many of our Crown corporations have faced as well. And these go to the larger outlook of the management of the government of reducing the size of the—some of the key services that Manitobans rely on, such as Manitoba Hydro.

Now, if Manitoba Hydro is not in the financial shape where it is able to maintain itself, there should be—the minister should be clearly stating that and clearly talking about solutions to that. However, Bill 4 is just, I think, a glimpse, a small peek into the window of how the minister is dealing directly with Manitoba Hydro. It states that, you know, we are looking to increase the borrowing limits.

* (16:10)

Now, you know, we want to know what the end goals are. Why is Manitoba Hydro really looking to borrow so much additional funds? And, frankly, we would love to hear more from the minister to explain some of these very important details, which have not been outlined yet, about the—about how Bill 4 will affect Hydro. Is it being set up for privatization?

And, furthermore, in terms of how we're seeing the minister and the government relate to this, you know, we're concerned about the management and, you know, we're concerned over the potential review of Manitoba Hydro and what that will lead to this.

You know, the current review, which—of Manitoba Hydro, which is being done right now, was this recommendation, this bill recommended from the review?

Now, if they're doing an expensive review, if they're hiring outside, former premiers to do a review but yet they're coming up with Bill 4 before the review is completed, how—what does that say? Does that say that they're not trusting their own review and taking action before it's complete? Then why are they doing a review in the first place? Why are they spending Manitobans' money to do a review and taking action before it's actually complete so we can all see what the review would say? *[interjection]*

Now, my colleagues from across the way make—while they make comments, I would urge them to talk to their minister and—so that the minister can provide further clarity on the details of this bill because it's 'essential' for the Chamber and all 'Manitobans' to know the—what is in this bill, what the impacts are, what they intend to do with the actual liquidity in the

funds in Manitoba Hydro and the downstream effects in terms of ratepayers, affordability issues, environmental issues and the jobs that are being held by Manitoba Hydro employees.

Now, Mr. Deputy Speaker, I have a few minutes left and I did want to just conclude by raising some of the potential impacts of climate change and how that has—can have—can be an important part of Manitoba Hydro's overall outlook.

Now, we know that across the globe, we're seeing a rise in greenhouse gases and we're seeing a rise in pollution. And it's all responsibilities of all people, but especially those in the position of the—a legislator to make sure that they are promoting a much cleaner, greener environment.

And Manitoba Hydro is our Crown jewel in allowing us to have clean, green energy. And I want to make sure that it is in a financial situation to continue to do that, not just for me, for my kids and their kids and future generations so that it's available for all of us.

Now, is this government taking right—the right steps to make sure that clean energy is being promoted around the province and so that we can abandon using coal and natural gas, Mr. Deputy Speaker?

Now, Bill 4 is directly linked to the financial stability of Manitoba Hydro and its ability to deal with emergencies, as the minister stated. And I want to make sure that it is going to be available and around for future generations.

Is this bill going to help Manitoba Hydro be around for future generations wasn't clearly demonstrated by the minister today. He talked about the liquidity and helping in the short term, but he didn't say what impacts it would have on the long term.

A few months ago, we had the climate action rally happen in the front of the Legislature. And those people were very concerned about the future—the future of our province and of Manitoba Hydro, I'm sure.

Oh, I'm out of time—

The Acting Speaker (Greg Nesbitt): The member's time has expired.

House Business

Hon. Kelvin Goertzen (Government House Leader): Mr. Acting—on House business, Mr. Acting Deputy Speaker.

The Acting Speaker (Greg Nesbitt): The honourable Government House Leader, on House business.

Mr. Goertzen: Can you please canvass the House to see if there is leave to adjust the start time for the Standing Committee on Social and Economic Development on Thursday, December 5th, such that the committee will start at 5:15 p.m. instead of 6 p.m.?

The Acting Speaker (Greg Nesbitt): Is there leave to adjust the start time for the Standing Committee on Social and Economic Development on Thursday, December 5th, such that the committee will start at 5:15 p.m. instead of 6 o'clock p.m.? *[Agreed]*

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The Acting Speaker (Greg Nesbitt): Resume debate on Bill 4.

Mr. Dougald Lamont (St. Boniface): This bill, at first blush, seems appropriate in that it provides Hydro with better access to credit. It is—one of the most important things facing our province is the financial state of Hydro. I recall meeting with some of the board members from Hydro who said that being able to resolve—*[interjection]*—that being able to resolve Manitoba Hydro's finances properly is actually an existential question for Hydro. It's not just existential in the sense of whether it even continues to exist or not.

And I remember speaking with this board member who said that although there are concerns about privatization, that those concerns are overblown simply because there'd be nobody who'd be interested in buying it, giving its enormous liabilities.

It is important to recall that when the Boston Consulting Group—there've been a lot of complaints about Bipole III, and certainly we can argue about whether it was—went in the right—went—which path it ran in. I know that there—I recently spoke of a farmer who has yet to be compensated for the expropriation of his land—and, of course, many people have not been compensated. Many groups have not been properly compensated for the effects of these transmission lines being built over their—either their actual—their—property they own or territories that, as a group, they have claim to.

But it is important to recognize that the Boston Consulting Group was clear when they said Bipole III had to be built because if a major tornado took out a transformation station, it could result in a massive sustained blackout that would leave hundreds of thousands of Manitobans in the cold and dark for

weeks or months and could cost the Province up to \$20 billion in lost GDP in a single year. That's a third of GDP and it would be absolutely devastating.

And, as Manitoba Liberals, we believe in a strong and public future for Manitoba Hydro. We are opposed to any kind of privatization. And part of this is that as a—recognizing as a matter of fairness, but also of good management that public ownership of a utility is to ensure that all Manitobans have access to low-cost power and to avoid the price gouging that occurs with private ownership of power companies we've seen in other jurisdictions, because low-cost power is good for the cost of living of households as well as for businesses in Manitoba.

But we do believe that this government has been taking dangerous risks with the finances of Manitoba Hydro and which, therefore, because we own Hydro, pose risks to the Province's finances as well. And two years ago, the chair of Hydro then, Chair of Hydro Sandy Riley, was—who was appointed by the PC government, made an extensive presentation to the Manitoba Chambers of the Commerce explaining what he thought was Manitoba Hydro's precarious financial position.

And there were a number of things that he outlined. First one was that, because of a quirk of accounting, Manitoba Hydro's books looked much better than they really are. It's a multibillion-dollar Crown corporation, it is—but on those billions of dollars and the many billions of dollars in debt, it is only eking out a relatively tiny profit. It may seem huge—and when you look at it, it's in the tens of millions of dollars, but when compared to its overall costs and the revenue and expenses and debt, its actual profit is fairly slim, which actually puts it at financial risk.

As a result, if you combine the borrowing involved with building new dams to its existing debt, it is actually borrowing hundreds of millions of dollars a year just to keep operating.

Second, if Manitoba Hydro doesn't raise its revenues and its electricity prices, its losses will pile up and it could be handed for a billion dollars in losses a year eight years from now—which is, of course, is unsustainable. The biggest problem facing Hydro is that it doesn't have enough equity, and perhaps this is something this bill will address, or cash on hand to withstand a possible credit crunch in about 2024. And that's because an equity cushion has basically disappeared.

And the other is that if we have extreme weather events, whether they're a drought—especially if there's a drought, that we could be facing challenges where the—Manitoba Hydro could suddenly be losing money, tens of millions or hundreds of millions of dollars a year, because it has to import electricity from other jurisdictions in order to sell to Manitobans.

Of course, Manitoba Hydro has to keep borrowing to finish its dams currently under construction. In the last two years, we voted on the budget and we voted on borrowing multiple billions of dollars on behalf of Manitoba Hydro. And, as it stands, Manitoba Hydro is stuck between a rock and a hard place. The rock is the Public Utilities Board; Hydro was proposing asking for massive rate increases, but the PUB turned them down—and the risk is, of course, that Hydro does not have the revenue it needs. The hard place is the government of Manitoba, because price hikes were the only tool that the Premier (Mr. Pallister) and the government have been allowing Hydro to have.

* (16:20)

Now, it's also important to recognize Manitoba's credit rating has been downgraded twice under the PC government and it's also incredibly important to understand just the role between Hydro and Manitoba and the way in which Hydro really has been used as a piggy bank or an ATM by governments of both stripes. It's been used as a way of padding government revenue because Hydro pays a Manitoba capital tax on its equipment and 1 per cent on its capital and on—a 1 per cent fee on all the debt that it takes on.

So this has created a perverse incentive to build much bigger dams and to take on more debt because the bigger the dams that are built, the more taxes that means for the government of Manitoba and it seems that the more debt Hydro takes on, the more the government can take from Hydro.

So it actually means that it drives—it's a perverse incentive because it drives dangerous financial risk taking, and this is because the bigger the risks Hydro is forced to take, the more money it actually ends up flowing into government coffers.

And this is—the danger, of course, is that when you get to the point that we're approaching, that Manitoba Hydro's debt actually is roughly the same as the government, it gets more and more serious because, obviously, we own Hydro. The finances of the province and Manitoba Hydro are tightly linked. If Hydro gets into trouble, the Manitoba government

is basically—is obliged to cover it. That is the legal, political and financial reality.

So it's hard to understand why, in this context, that Manitoba Hydro pays a 1 per cent fee on its debt to the Manitoba government, and that fee is supposed to be a debt guarantee when it's not as if that fund—that money is not going anywhere; it's not being kept in a fund that will help.

But, to understand the situation, imagine the Manitoba government is like a heavy-duty truck. It's towing a smaller trailer. Hydro—the Hydro trailer is already at its weight limit and we're about to take on a ton more debt, but instead of having the government truck take on the weight of the debt, which it can handle much more safely, we're going to overload the trailer past the breaking point, even if it means blowing out the tires and breaking the axles. And if that trailer goes, it'll take out the truck.

But that's it, is that there is no question Manitoba Hydro is and has been taking on more debt to finish its dams. There is a smart and safer way to take on this debt which means making things better for Hydro and the province and all Manitobans. And there's a dangerous way to talk on this debt which puts Hydro and the Province at risk.

And we've been suggesting many times that what's necessary is for the Province of Manitoba make to borrow and make an equity investment in Hydro, which would not be a bailout; it would be an investment that would see that these dams get finished and start producing revenue, but it would significantly ease Hydro's burden. And it would send a clear and credible message to investors and to credit rating agencies. It would reduce the likelihood of Manitoba Hydro defaulting on its debt. It would reduce the likelihood of future downgrades in interest rates.

So, in every possible way it would reduce the risks associated with this, because while Manitoba Hydro rates could still rise, it is possible they could go up by less than it had, and that if we were to do this by reducing Hydro's liabilities that Hydro would not have to raise rates as high as they would or as high as it's been expected.

Now, the projections prepared for Mr. Riley's presentation show that Hydro's revenues are expected to increase substantially after 2024, which means those revenues could be used to pay down the debt and the money is going to be borrowed one way or another to complete these dams.

As members of this Legislature, we have an obligation to make the best of a bad situation, and having government borrow at a lower risk is better for everyone than Hydro borrowing at higher risk.

Unfortunately, this government has been usually choosing the dangerous way and, as we believe, is putting both the government and the Hydro at risk. And, fundamentally, that Manitoba Hydro's problems, some of them are technical, some of them are political, but some of them are fundamentally financial, fundamentally political and financial and the solution to them is political and financial as well.

That—so, we actually believe that this is something that we need to, in the sense that the weight should be borne by the institution that's most capable to bear it, and that, in effect, reduces the debt.

I also wanted to just read, because I do think it's significant, one of the things that emerged from this is that when it comes to the criticisms, and those were the—and that's what Mr. Riley was talking about two years ago. And, of course, a few months later, he ended up resigning, but the content of his resignation letter is also significant that he wrote in 2018—sorry, in March 21st, 2018:

Dear Minister: We are writing today to advise you of our decision to resign as members of the Manitoba Hydro-Electric Board, effective immediately. For over a year we've attempted to meet with the Premier to resolve a number of critical issues related to the finances and governance of Manitoba Hydro, including matters related to Hydro's efforts to further develop its relationship with indigenous peoples.

Despite repeated attempts we've not been able to have a meaningful dialogue with the government and we've reached an impasse. We have been informed the government intends to remove the Chair, has therefore lost confidence in the board. Accordingly, we have determined that it is necessary to resign.

We wish to reiterate our serious concerns regarding the circumstances surrounding the governance at Manitoba Hydro. In addition to having received no guidance or support in terms of how to proceed to tackle the financial challenges at Manitoba Hydro, we have been advised by the Province that Hydro is not authorized to enter into agreements with Manitoba's indigenous communities, an integral part of Hydro's activities.

It is clear that the Premier does not have the confidence in this board, nor does he have the intention to take responsibility for the work of Hydro's

financial problems. We have done our very best to carry out the duties we accepted in May 2016, but the lack of engagement from the principal decision-maker in the province of Manitoba has made it impossible to fulfill our fiduciary obligations as Manitoba Hydro elect—as MHEB members.

It is important to clearly state once again our understanding of the government's expectations at the time of our 'apointment'—appointment to the MHEB in May 2016. At that time we were advised by the Premier and by the then minister for Crown Services that the government recognized that Manitoba Hydro faced some very challenging issues caused by historically poor governance and mismanagement.

The Premier and the government said they wanted a Manitoba Hydro board who has deep business and financial experience to provide proper meaningful oversight and direction to the province's largest business.

As proud and committed citizens of Manitoba, we saw this as both an opportunity and a duty to provide an important service to the community. Many of us have extensive business experience in business and finance, and we expected that our collective backgrounds would be very helpful in the governance and oversight of Hydro, and we put our full effort into the task at hand.

Immediately upon our appointment we initiated and completed a detailed analysis of Manitoba Hydro's business and finances. We quickly came to the realization that Manitoba Hydro was in a perilous financial position due primarily to imprudent decisions respecting the Bipole III transmission line and the Keeyask generating station. We were aware that some members of the new government, as well as many Manitobans, felt these projects should be cancelled.

Our exhaustive review concluded that cancellation was not the responsible option. Our detailed financial analysis led us to the conclusion that these projects had to be completed; the projects were too far advanced to cancel.

The nature and scale of the financial problems we uncovered have been well publicized. A serious operating cash-flow deficiency, massive overinvestment in capital projects, which will not generate acceptable returns and which, in the case of Keeyask, will not be needed by Manitobans for decades, a wafer-thin equity position and very significant business risks, the timing of the occurrence of which

are hard to predict, but which, if they occur, could put the foundation of Manitoba's public finances at serious risk.

We have always known that doing nothing was not an option. Hydro faced enormous challenges with no easy answers. We therefore started immediately working on a plan to resolve these problems.

As we indicated, we felt that the workout plan should involve the three principal constituents who have an interest in Hydro: the corporation itself and its management team, the ratepayers who use Hydro services and the citizens and government of Manitoba who own Manitoba Hydro.

With the principal constituents clearly identified and a clear assessment of the challenge at hand, we suggested a balanced solution where each constituency would be asked to bear some of the costs associated with bringing Manitoba Hydro back to financial health. We felt this was a responsible approach which would effectively deal with the enormous problems that Hydro faced.

We note once more that Hydro has already taken an important step with its part of this plan. Senior management ranks were reduced by 30 per cent, our overall management ranks by 25 per cent and our total workforce by 15. We established wage freezes throughout the company.

These tough measures are important, saving \$65 million annually. They will improve the cost structure of the corporation, although they cannot address Hydro's core financial challenge, which is a massive balance sheet issue. We attempted to engage with the provincial government about supporting Manitoba Hydro's balance sheet. We explored whether, through some combination of lower payments for water rentals, debt guarantees and capital taxes, the balance sheet could be recapitalized.

* (16:30)

We also suggested that there may be other options available to the government, such as the use of the proceeds of a carbon tax to assist at-risk customers of Manitoba Hydro, or a cash equity contribution by the Province as the owner of Manitoba Hydro. We were not married to any particular solution and we have recognized that there could be a myriad of possible options. But we were not prepared to stick out our head in the sand and do—to stick our head in the sand and do nothing.

We were told by senior provincial officials that an equity recapitalization was being favourably considered by the government, but then learned through media reports that the Province had decided that Hydro was to solve these problems on its own, without provincial support.

And again, the Premier (Mr. Pallister) refused to meet with us to consider options. That left us with no choice but to put together a plan which placed a significant burden on the back of ratepayers. This was not our first choice given the stress it would put on ratepayers, but we recognized if we didn't address Hydro's financial position, there could be significant negative implications for taxpayers, ratepayers and the Province.

During the recently completed PUB hearings, we indicated to the PUB that Hydro would be applying for rate increases of 7.9 per cent for each of the next six years. Given the Province's refusal to consider other actions in other—in concert with more moderate rate increases, this was, in our view, the bare minimum required.

To find a solution in any situation, communication is essential, and leadership and clear guidance are crucial. The members of the MAGB have been trying to engage with the government on the need for its leadership and involvement since we delivered its first report in 2016.

It is important to note that, notwithstanding numerous requests, the chairman of MAGB has not been granted a face-to-face meeting with the Premier since October of 2016. Members of the MAGB did make a presentation to the Planning and Priorities Committee of Cabinet in the winter of 2017, and the meeting itself only happened because we refused to put a rate application to the PUB without first explaining our rationale to the owners of Manitoba Hydro.

We have never been permitted to make a presentation to Cabinet or the caucus to explain the problems we face in Manitoba Hydro and how these problems are a risk to the Province. We believe this is irresponsible.

The previous government rightly deserves to be criticized for putting Manitoba Hydro into such perilous state. But those who become aware of the problems and fail to deal with them are perhaps equally responsible.

The ultimate responsibility for Hydro rests with the government. Manitoba Hydro's issues still,

ultimately, belong to the Premier (Mr. Pallister) and the government of the day. Now, it's time for provincial leadership to take hold of the issue and develop a comprehensive, balanced solution that will protect Manitobans from the kind of problems that are now apparent in other jurisdictions, such as Newfoundland, BC and Ontario because of the mismanagement of their hydro assets.

We hope that our resignations will encourage the Premier to take responsibility for the future of Hydro.

Now, I just want to add to that that in the discussion—in that letter, there's almost—there is no reference whatsoever to the Manitoba Metis Federation. In that, in fact, one of the things that happened that there is—that the—to be clear—that the—Hydro was expected—was blocked from developing relationships with indigenous peoples.

And the amount of money that's extracted every single year from Hydro is in the hundreds of millions of dollars for water rentals, for capital taxes, and for debt-guarantee fees, and is a tiny fraction of what was once promised to the MMF in exchange for compensation—for historical compensation—for the losses that were affecting traditional lands of the Metis.

That it was, I believe, 50 or 60 million dollars, or \$60 million over 50 years—that that amount of money was, in fact, in a single year that it was proposed when Premier Gordon Campbell was going to be—the individual from BC—who was going to be looking after—doing an analysis of Hydro—his contract was worth more than a single year of payments to the MMF would be. And that part of the entire agreement around the MMF was that it was a recognition of past—of the intrusion onto traditional lands of the Metis in the past, and not simply for future compensation.

And I would add that the Premier used some very unfortunate language to characterize the nature of that deal and to turn it into a battle with the MMF when, really, the single most important question, is the question of Manitoba Hydro's financial viability.

And—but, it was a diversion and a distraction from what really should've the discussion and issue—which is still unresolved as far as we know today because we are still in a situation where Manitoba Hydro is facing serious financial difficulties and that I—that we believe that it's the responsibility for the owners of Hydro—the Manitoba government—to step up and make sure that Manitoba Hydro stays public, that rates remain affordable and that there are much more serious issues

that have to be dealt with than are simply touched on in Bill 4.

I do hope that—I look forward to further debate on this bill.

Thank you very much, Mr. Deputy Speaker.

Mr. Tom Lindsey (Flin Flon): It's my pleasure to stand up and talk about this bill, Bill 4. The big question I have, as I have with most bills that this government introduces, is: What are they up to now? Because, clearly, most pieces of legislation that they've introduced to date have things in there that aren't really as they seem, that it's the usual 1984 doublespeak that they use, that you always have to try and figure out what the heck are they up to with this bill.

I mean, on the surface of it, it seems, you know, they're just going to pass a bill that allows Manitoba Hydro to borrow a bunch more money. Well, what is the point of that? What is the point of that? They say, well, if they can get permission to borrow money they'll get a better rate at it, but something leads me to believe there's more to the story, as there always is.

And, you know, we can't just look at one bill in isolation from what else this government is up to, right? Because a lot of times, these bills are interrelated. So we need to look at what other bills have they introduced and how does that relate to Bill 4.

Well, you know, today for example, they introduced Bill 18. Well, what does Bill 18 have to do with Bill 4? Well, we haven't seen exactly what it has to do, but it allows the government to start interfering more than they have already. It actually gives them some legal justification—not justification, that's not the right word—a legal escape clause, I guess, to interfere with Crown corporations.

So Bill 4 gets introduced first that says Manitoba Hydro now has this ability to borrow this greatly exaggerated sum of money. And then along comes Bill 18 that says now the government has the ability to tell Hydro what to do, when to do it and how to do it. They have to submit their plans to the government, so their operating plan has to be submitted and approved; and the government has the ability—if this Bill 18 ever passes or if Bill 4 ever passes, that's always, you know, a bit of a problem for this government is sometimes getting their legislation passed even though they have a majority.

The two bills taken together, Bill 18 and Bill 4, lead one to be suspicious of what exactly the government is up to. And quite justifiably so, because what we've seen in the past is the government can't really be trusted all that much to be open and honest and transparent and forthcoming with what their ultimate plan is. So if, for example, Bill 18 allows them to—what is that, goes from \$500 million to \$1.5 billion that they're allowed to borrow.

* (16:40)

So is there good news in there? Is the government planning to direct Manitoba Hydro to build some more power dams? To create greener economy for Manitoba? Is the government planning to encourage Manitoba Hydro to build the east-west corridor that allows, for example, Manitoba Hydro and Manitobans to benefit from trying to help Saskatchewan get off its need for coal, for—or for mitigation of the greenhouse gases?

You know, some of those things might actually be a worthwhile venture for this government and Manitoba Hydro could take on because it would lead to greater profits down the road. Sometimes you have to spend money to make money, but that's really not this government's modus operandi. They don't really like to spend money; they like to cut, cut, cut, cut.

So, while they're cutting health spending and they're cutting spending on education and they're cutting spending on infrastructure and they're cutting spending on this and they're cutting spending on that, they're telling Manitoba Hydro, go and spend a whole bunch more, potentially.

So, back to my initial question: what the heck are they up to? Well, you know, if one of their members wish to stand up and speak to the bill, maybe we'd find out, but it becomes even more suspicious when they've apparently been directed not to say one word in support of their own legislation.

My good heavens, what is wrong with this government that they cannot even stand up and tell us why they think this is a good thing? What are they afraid of? What are they up to? That's the problem, right, that the Premier (Mr. Pallister) directs them and says, you guys sit there and be quiet because you're liable to let the cat out of the bag; you're liable to say the same thing that I'm saying: what the heck are we up to? No, no, no, they're loyal and faithful. They sit quietly most of the time. Sometimes, you know, when we get talking about things like Bill 4, they become quiet until we start pointing out some of the

inconsistencies of their actions, and when it comes to this, then all of a sudden they start speaking from their seats.

So I encourage one of them to stand up and speak about Bill 4, to stand up and speak about why they think it's a good idea to up the spending limit, the borrowing limit for Manitoba Hydro. Do I have any confidence, Mr. Acting Deputy Speaker, that they will do that? I don't because they've had all afternoon to stand up and speak, but they've sat quietly in their chairs because they're afraid to stand up and support their own legislation. Well, I shouldn't say their own legislation; I should say their Premier's legislation because, really, we know who's directing that ship.

So have they been told to sit quietly? It would appear so. I can't imagine—can't imagine—any other government where members of the government absolutely refuse to stand up and speak in support of their own legislation. It's just absurd, Mr. Acting Assistant Deputy Speaker, that they would refuse to speak in support of Bill 4. Well, maybe they don't support Bill 4. Maybe one of them would like to stand up. I mean, we had a previous—in the last session of the Legislature, we had a member of the PC government that actually stood up and spoke against a piece of legislation they were going to bring in, Efficiency Manitoba.

Some Honourable Members: What happened?

Mr. Lindsey: What happened to it?

Well, they didn't allow—I shouldn't paint them all with the same brush, and I apologize for that, Mr. Acting Assistant Deputy Speaker. Is their Premier does not allow a dissenting opinion from his caucus, so that member who pointed out some really glaring issues with that piece of legislation around Efficiency Manitoba, he got kicked out of their caucus.

So, you know, I don't blame them, I guess, for not standing up to talk about their legislation in case they make a little slip-up and say the wrong thing. Well, maybe one of them would get kicked out of their caucus. There's an empty chair on this side, you know, just waiting for one of them to come and fill it.

So—[interjection]—so, yes. See the member opposite, he's got a bit of a sense of humour. Say the wrong thing and they make you the Health minister. I wonder what he said when he got removed from being the Health minister. I shudder to think. Maybe he had a voice of conscience—I don't think so.

You know, so just to get back to the bill at hand, is, we're talking about Manitoba Hydro, the Crown jewel of Crowns. We know that the government has got their fingers slapped already at the Public Utilities Board for interfering with Crown corporations. They got told you can't tell the Crown that they have to just stick money in a piggy bank and not give ratepayers a break.

So then what do they do? Well, they change legislation, like with Bill 18 that I talked about a little bit earlier and how it relates to these other bills, is they just change the rules. If they get caught, they change the rules. Sometimes, like, with a piece of legislation we talked about yesterday, when they were supposed to, you know, appoint an arbitration panel, they ignored the rules, broke the law, and then changed the law.

Are they being proactive now with this piece of legislation, Mr. Deputy Speaker? Are they going to change the law before they get accused of breaking the law again? I guess that's the question, and those are always the issues that we have to ask ourselves, that we have to ask ourselves with every piece of legislation, whether it's Bill 4 or Bill 18 or any other bill that they introduce. And what—what are they up to, right?

So, you know, we had a Crown corporation that had a board of directors, that had a plan, a plan that was approved, a plan that kept rates reasonable. So, along comes Premier Pallister and his—oh—*[interjection]*

The Acting Speaker (Greg Nesbitt) Order. I'd like to remind the member for Flin Flon (Mr. Lindsey) that we refer to members by their constituency or their position. Thank you.

Mr. Lindsey: My most humble apologies for making such a rookie mistake.

Along comes the Pallister government. Now, what was my train of thought there, was something to do with—something to do with them being bad and not being good—oh, yes, yes, yes—funny how that reminded me of where I was going with that. So they had—Manitoba Hydro had a board of directors that had a plan that kept rates affordable, that increased capacity, that built things for the future, that did all those things.

So there's an election. The Pallister government comes into being, and they kick that board of directors out. No, can't be having them having a reasonable plan, because that doesn't fit the narrative of the new

government. So they appoint a a hand-picked—hand-picked board of directors, the best, in their minds, of the best, people that are, you know, good businessmen.

So they come up with some plans, plans that some of them seem pretty reasonable. They were going to actually compensate people. They were going to compensate groups of people that were going to be negatively impacted by the Manitoba Hydro transmission lines. *[interjection]*

* (16:50)

Well, that's a good point. That sounds like how you get things done, the member from Concordia says, and he's right, because with that proactive agreement that Manitoba Hydro and the board of directors at that time had, that line was progressing, which would help Manitoba Hydro sales, would help other jurisdictions meet their greenhouse gas targets, would help create a better planet for us all, but this government said, well, we can't be doing that, all kinds of disparaging remarks about Manitoba Métis Federation and who they were, and completely undermined the confidence that the public, the confidence that entities that will impact with Manitoba Hydro now and into the future would have in actually coming to some kind of an agreement with Manitoba Hydro because they summarily dismissed the agreement and said we're not paying, called them names and just said bad things.

So, back to Bill 4 again. They've allowed Manitoba Hydro now to increase their borrowing. So, Mr. Acting Deputy Speaker, will Manitoba Hydro take some of that money that they're allowed to have and look at communities that are presently impacted by Manitoba Hydro? Some of the negative impacts that Hydro's had over the years, some of those impacts maybe were never foreseen at the time. Will they take some of this new increased borrowing capacity and help some of those communities have a brighter and better future?

I'm going to go way out on a limb here, Mr. Acting Deputy Speaker, and say no. What we've seen with their treatment of the MMF is probably pretty indicative of what we'll see with this government's treatment of a lot of the indigenous communities that live outside the bubble of the Perimeter that have been negatively impacted and continue to be.

You know, as we speak, there's people from some of those communities that are often far-flung

destinations trying to convince those entities of what a bad thing Manitoba Hydro is, which is really a shame because Manitoba Hydro could've been and can be a good thing. But it has to recognize the importance of what it does, the importance of what being a carbon-neutral or close to it type of electricity generation is—sometimes not as green as it could be when it comes to fishing and trapping and indigenous ways of life.

So, will the government dictate to Manitoba Hydro that now that we've told you you can borrow this much more money, will Manitoba Hydro be directed to put more into training northerners, more into educating northerners so that they can truly benefit, as the rest of us have, from Manitoba Hydro?

Some communities have signed community benefits agreements with Hydro, that Northern Flood Agreement, for example, that has benefited some of those communities, that has benefited some of the people in those communities, that has allowed them to grasp a future.

So will they direct Manitoba—will the government, will the Premier (Mr. Pallister) direct Manitoba Hydro to help more of those communities with Manitoba Hydro have a brighter and better future? Again, I'm going to go out on a limb here and suggest that they probably won't—*[interjection]*—I don't like to preach.

So, getting back to the original question, then, Mr. Acting Assistant Deputy Speaker: What is the point of this bill? What is the point of telling Manitoba Hydro that they can now borrow \$1.5 billion?

So—*[interjection]*—well, the Minister of Education (Mr. Goertzen)—I'm reminded I can't call him the minister of something else anymore, so I won't, but—says somebody had a bill briefing. But I'd listened to part of that member's comments—St. James—and he said, well, you know, we asked questions at the bill briefing, the bill briefing for Bill 4, but we didn't get answers. It appeared, you know, that maybe the minister wasn't all that sure what the answers were. That's kind of what I heard there.

Now all of sudden, the minister of crown's pipes up and he—whatever it is—Crown Services—he all of a sudden pipes up and he's got something to say. But, apparently, he didn't have that to say at the bill briefing. So that's too bad.

You know, maybe—maybe—when next this matter is before the House, maybe the Minister of Crown

Services (Mr. Wharton) will stand up and speak. *[interjection]*

Oh, he did already? That's right. Silly of me to think—silly of me to forget that he spoke for what? Five—*[interjection]*

The Acting Speaker (Greg Nesbitt): Order.

Mr. Lindsey: —six minutes? *[interjection]* Not even five or six minutes. Even he doesn't support this piece of legislation. Wow, that's simply amazing, Mr. Deputy Speaker, that the minister who introduces a piece of legislation won't stand up and speak. My good heavens.

I guess that speaks volumes about what's wrong with this legislation. Maybe the Minister of Crown Services doesn't have that much faith in his Premier as to what the nefarious, behind-the-scenes plan is to do with this borrowing power.

An Honourable Member: Quite nefarious.

Mr. Lindsey: Quite nefarious, yes.

So, you know, it would've been nice if the Minister of Crown Services would've stood up and said, here's some of the things we envision Manitoba Hydro doing with its increased borrowing power; here's some of the things we see Manitoba Hydro growing and becoming and helping our province and helping our country.

Did he do that? No, no. Because what did he lack? Well, he lacked the vision. Probably just doing as he was told, to introduce this. I mean, he's relatively new to the Crown Services portfolio, so maybe he needs more time to catch up on what exactly the game plan is here.

But I don't think that, you know, that's likely to happen because all of us are left begging the question: What are they up to with this bill? We keep asking it. We don't really get answers.

So, again, we get back to looking at all these bills together because we need to try and piece together—it's like a puzzle, Mr. Deputy Speaker, with this government. It's like a puzzle. Here's a piece over here—Bill 4; here's a piece over here—Bill 18; oh, maybe there's a piece up here that's going to be another bill.

So we need to be able to fit all those pieces together to try and figure out what the heck this puzzle is. What is the picture that this government is painting?

And it's not a picture that's all that pretty, I'm sure—certainly not for the people of Manitoba, certainly not for the people of northern Manitoba.

Maybe they're planning to bankrupt the corporation so they can sell it off for pennies on the dollar to some of their friends and privatize it, like—oh, what was that guy's name? Is he in jail yet? That Campbell, Campbell from BC.

He was going to do this big review, but his past caught up with him and now they've hired—what's his name? Wall. His past hasn't quite caught up with him yet. Previous to that, you know, there as a premier in Saskatchewan.

Most of his Cabinet ministers back in the days of Grant Devine landed up going to jail by the time they were done. So who knows what'll happen once Mr. Wall's friends aren't in government there anymore. Let's hope that the point of this whole exercise is not to bankrupt Hydro, not to privatize—

The Acting Speaker (Greg Nesbitt): Order.

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

The hour being 5 o'clock p.m., the House is now adjourned until 10 o'clock a.m. tomorrow.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, December 4, 2019

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