

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

*Published under the
authority of
The Honourable Myrna Driedger
Speaker*

Vol. LXXVII No. 44 - 1:30 p.m., Wednesday, April 19, 2023

ISSN 0542-5492

MANITOBA LEGISLATIVE ASSEMBLY
Forty-Second Legislature

| Member | Constituency | Political Affiliation |
|------------------------------|---------------------|------------------------------|
| AL TOMARE, Nello | Transcona | NDP |
| ASAGWARA, Uzoma | Union Station | NDP |
| BRAR, Diljeet | Burrows | NDP |
| BUSHIE, Ian | Keewatinook | NDP |
| CLARKE, Eileen, Hon. | Agassiz | PC |
| COX, Cathy | Kildonan-River East | PC |
| CULLEN, Cliff, Hon. | Spruce Woods | PC |
| DRIEDGER, Myrna, Hon. | Roblin | PC |
| EICHLER, Ralph | Lakeside | PC |
| EWASKO, Wayne, Hon. | Lac du Bonnet | PC |
| FONTAINE, Nahanni | St. Johns | NDP |
| GERRARD, Jon, Hon. | River Heights | Lib. |
| GOERTZEN, Kelvin, Hon. | Steinbach | PC |
| GORDON, Audrey, Hon. | Southdale | PC |
| GUENTER, Josh | Borderland | PC |
| GUILLEMARD, Sarah, Hon. | Fort Richmond | PC |
| HELWER, Reg | Brandon West | PC |
| ISLEIFSON, Len | Brandon East | PC |
| JOHNSON, Derek, Hon. | Interlake-Gimli | PC |
| JOHNSTON, Scott, Hon. | Assiniboia | PC |
| KHAN, Obby, Hon. | Fort Whyte | PC |
| KINEW, Wab | Fort Rouge | NDP |
| KLEIN, Kevin E., Hon. | Kirkfield Park | PC |
| 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 |
| MICHALESKI, Brad | Dauphin | PC |
| MICKLEFIELD, Andrew | Rossmere | PC |
| MORLEY-LECOMTE, Janice, Hon. | Seine River | PC |
| MOSES, Jamie | St. Vital | NDP |
| NAYLOR, Lisa | Wolseley | NDP |
| NESBITT, Greg, Hon. | Riding Mountain | PC |
| PEDERSEN, Blaine | Midland | PC |
| PIWNIUK, Doyle, Hon. | Turtle Mountain | PC |
| REDHEAD, Eric | Thompson | NDP |
| REYES, Jon, Hon. | Waverley | PC |
| SALA, Adrien | St. James | NDP |
| SANDHU, Mintu | The Maples | NDP |
| SCHULER, Ron | Springfield-Ritchot | PC |
| SMITH, Andrew, Hon. | Lagimodière | PC |
| SMITH, Bernadette | Point Douglas | NDP |
| SMOOK, Dennis | La Vérendrye | PC |
| SQUIRES, Rochelle, Hon. | Riel | PC |
| STEFANSON, Heather, Hon. | Tuxedo | PC |
| TEITSMA, James, Hon. | 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 |
| <i>Vacant</i> | Morden-Winkler | |

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 19, 2023

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.

We acknowledge we are gathered on Treaty 1 territory and that Manitoba is located on the treaty territories and ancestral lands of the Anishinaabeg, Anishinewuk, Dakota Oyate, Denesuline and Nehethowuk nations. We acknowledge Manitoba is located on the Homeland of the Red River Métis. We acknowledge northern Manitoba includes lands that were and are the ancestral lands of the Inuit. We respect the spirit and intent of treaties and treaty making and remain committed to working in partnership with First Nations, Inuit and Métis people in the spirit of truth, reconciliation and collaboration.

Good afternoon, everybody. Please be seated.

An Honourable Member: Madam Speaker, a matter of privilege.

MATTER OF PRIVILEGE

Madam Speaker: The honourable House leader for the official opposition, on a matter of privilege.

MLA Nahanni Fontaine (Official Opposition House Leader): I rise on a matter of privilege.

It is a prima facie breach of privilege when a minister makes a statement that deliberately attempts to mislead this House. The Premier (Mrs. Stefanson) and all ministers in her government have a duty not to mislead members of this House and, by extension, all Manitobans.

Yesterday, the Premier and her Health Minister did just that. They tried to mislead this House. They know they tried to do this, Madam Speaker, because they failed, and failed in a very public way, to do so.

Members of the official opposition tabled two letters yesterday. One was sent to the Health Minister in

November. The other letter was from the Health Department, written just a few days ago.

In the House, the Premier bizarrely stated the letter, which was sent by her own government on the most serious of health matters, was not real. She stated, and I quote: There is no letter that was tabled today. End quote.

That's incompetence, Madam Speaker. But even worse, it shows an attempt to deliberately mislead the House as these letters are, in fact, real, as media have easily and quickly confirmed. What's more, the Health Minister stated in this House that claims about the letters were, and I quote, statements that are not factual and not based on any evidence. End quote.

One of these letters was from the minister's own department, and the other was sent to her office in November. The minister says she had no prior knowledge of these letters, but refused to be honest with this House.

I will table the Premier's and the minister's comments from Hansard for review by yourself, Madam Speaker.

The later—the letters in question have been tabled in this House for review by the Speaker, and the evidence is clear. The attempt to deliberately mislead the House is wrong and a breach of privilege, according to the House of Commons Procedure and Practice, page 83.

It's clear that the House has been misled. It's clear that the Premier and the minister were responsible for attempting to mislead the House. And it's clear they intentionally attempted to do so because the only alternative explanation for their statements is a level of incompetence that is difficult to imagine, even for this PC government.

Manitobans deserve to have the Premier and the Minister of Health (Ms. Gordon) tell the truth when it comes to health-care services in our province.

This is my first opportunity to raise this matter as I had to research these matters, consult with the authorities and review the statements made yesterday in Hansard.

As a result of the evidence presented before you, I move, seconded by the member for Union Station (MLA Asagwara), that this matter be immediately

referred to a standing committee of this House for debate and review.

Miigwech.

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

Hon. Kelvin Goertzen (Government House Leader): I won't take much time, Madam Speaker.

In some ways, I feel sorry for the Opposition House Leader. I suspect that yesterday after question period, she went back to her office and was probably summoned by the Leader of the Official Opposition (Mr. Kinew) because he was embarrassed by what happened in question period yesterday.

And I'm sure he demanded her to raise this scurrilous point—or this matter of privilege because—*[interjection]*

Madam Speaker: Order.

Mr. Goertzen: Well, and now, the member for Concordia (Mr. Wiebe) is echoing that embarrassment as well. Because what happened yesterday is that the Leader of the Opposition, who is now heckling from his seat and is still embarrassed, yesterday tabled an unsigned letter, which was pointed out by members on this side that the letter had no signature.

There was actually no names on the letter, Madam Speaker. Now, when we're actually sitting in debate here in question period and somebody tables something and says, this is a valid letter, you would normally have names on it to actually determine whether or not that is correct or not.

So I understand that the Leader of the Official Opposition is embarrassed by his mistake yesterday, and that's fine. We all have moments of mistakes in the House, and yesterday he had one.

But maybe what this really points to is that there needs to be some discussion about our rules, that when an individual tables a letter in the House, that we can actually ensure that it's a valid letter that is actually signed by somebody, and we can identify who that person is, and so we can have a debate about the contents of that letter.

So I feel sorry for the Opposition House Leader, that she was demanded to bring forward this matter of

privilege to try to cover up for the mistake of the Official Opposition Leader, and I look forward to seeing what other mistakes he has in a few minutes when we get into question period.

Hon. Jon Gerrard (River Heights): In this Chamber in my experience over a fair number of years, the government and the opposition, and when they were reversed, that letters were tabled often with names blacked out and not readable.

* (13:40)

So it's not all that unusual to have letters without names, just because people are trying to protect people from being not only, sort of, recognized; but the fear, under this government, is that people who are named could be punished or ostracized in some fashion. And we've certainly had some experiences along those lines, Madam Speaker.

The other thing that I want to comment on is that we've had, in this session, far too many accusations of other members speaking falsehoods. Now, that may not be an unparliamentary word, but it's as close as you possibly can be to accusing the person who has—the member, the honourable member of this House—for an l-i-e; I won't say the word, because it's unparliamentary.

But I think that the Speaker—you, as Speaker, need to review some of the language, because I think it's going over the line in terms of the nature and the amount that is really unparliamentary.

Thank you.

Madam Speaker: A matter of privilege is a serious concern. I am going to take this matter under advisement to consult the authorities and will return to the House with a ruling.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 237—The Advanced Education Administration Amendment Act

Mr. Andrew Micklefield (Rossmere): I move, seconded by the honourable member for Springfield-Ritchot (Mr. Schuler), that Bill 237, The Advanced Education Administration Amendment Act, be now read a first time.

Motion presented.

Mr. Micklefield: Since being founded in 1925, Providence University College has grown into a multi-campus institution that has graduated thousands

of students with accredited degrees and internationally recognized qualifications. While Providence's current classification in the act was suitable at the time of writing, over past decades the institution has matured.

It meets all the requirements and now interacts in every sense as a peer to other Manitoba universities. This relatively minor amendment acknowledges that reality by listing Providence alongside its peer institutions here in the province of Manitoba.

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

Committee reports?

TABLING OF REPORTS

Hon. James Teitsma (Minister responsible for the Manitoba public service): Madam Speaker, I am pleased to table the actuarial valuation report as of December 31st, 2021, from the Public Service Group Insurance Fund.

Madam Speaker: And in accordance with section 19.5(2) of The Legislative Assembly and Executive Council Conflict of Interest Act, I am tabling the Annual Report of the Conflict of Interest Commissioner for the year ending December 31st, 2022.

MINISTERIAL STATEMENTS

Madam Speaker: The honourable Minister of Education—and I would indicate that the required 90 minutes' notice prior to routine proceedings was provided in accordance with rule 27(2).

Would the honourable minister please proceed with his statement.

Education Week

Hon. Wayne Ewasko (Minister of Education and Early Childhood Learning): I'd like to start off by welcoming Wanipigow School and also Gonzaga Middle School for attending this afternoon's session.

Madam Speaker, it is my pleasure to rise in the House today to invite all members of the Manitoba Legislature in recognizing the importance of education in our communities, and to celebrate this week, April 17th to April 21st 2023, as Education Week right here in Manitoba.

Education Week honours the education and schools that we have right here in Manitoba. Education opens doors of opportunities for all Manitoba students.

Many of us have spent time in classrooms, learning fundamentals to all learning and allowing us to

understand, create, communicate and interact with others and the world around us. The skills learned in schools become our own through the guidance and perseverance, talents and support of educators and educational leaders in our schools and our communities.

Today, we have the opportunity to turn our attention to the valuable contributions of dedicated educators, school staff, bus drivers, principals, administrators, business professionals and mentors who work in collaboration with our education communities.

Learning does not end after grade 12 graduation. A mindset embracing lifelong learning can guide the way to a future enriched by educational, workplace and community service experiences, all of which contribute to both personal well-being and the success of our province.

This government values educators in Manitoba, so we are pleased to take this opportunity to extend appreciation and to reflect on the importance of education and its contribution to Manitoba's future.

I would like to take this time to express my sincere appreciation to the committed educators, school staff, bus drivers, principals and administrators for their dedication, flexibility, thoughtful care and consideration for our students, families and fellow staff.

Let us all take a moment to reflect on the importance of education and its contribution to Manitoba's future.

Thank you, Madam Speaker.

Mr. Nello Altomare (Transcona): I read with interest the proclamation released by the Province of Manitoba with regards to Education Week.

There is absolutely no doubt we need to lift everyone who has been working in our schools for the last seven years.

They have been through a lot and, while at the same time, having to deal with a reluctant partner in this current provincial government: a government that introduced bill 64 during the pandemic, where all decision making was going to be centered in one provincial education authority; a government that has continually underfunded public ed from the time they were elected; a government that has yet to meaningfully deal with the scourge that is child and family poverty; a government that has yet to fulfill its promise regarding the education library resources that were once housed on Portage Avenue, cut by this government and said they were going to be put online; a

government that has allowed class sizes to continually increase at a time when we need individual student attention; a government that stood by while Pembina Trails cut their full-time kindergarten program; a government that did nothing to prevent the elimination of the IB program in two school divisions.

And a government, Madam Speaker, that will not make the new funding model public until after the election; and a government that has failed time after time to walk together in partnership with school divisions as they endeavour to try to meet the ever-increasing needs of kids, families and communities.

So, yes, Madam Speaker, for this Education Week, let us honour those working in schools, who have had risen to the challenge and are having to deal with a reluctant partner in this Stefanson government.

Thank you.

Ms. Cindy Lamoureux (Tyndall Park): Madam Speaker, I seek leave to respond to the minister's statement.

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

Ms. Lamoureux: I rise today to speak about Education Week and I think we have to begin by thanking and recognizing everyone who works within education here in Manitoba.

We know the last few years in particular were unpredictable and those working in our schools really stepped up and found ways to adapt curriculums and school days the best way possible to meet the very different needs of parents and children, all while working within the rules being announced.

Education creates opportunities. It brings people together, and it is what helps our society grow. And this is why we need to continue to strive for affordable and accessible education, as it is a child's right, and we want to encourage the pursuance of it.

Most of us will reflect fondly on at least parts of our educational experience, and these reflections will often include feelings of inspiration, lessons and care from educators.

It demonstrates how teachers impact students all of the time, sometimes in big or in small ways, and sometimes in ways one could least expect. And this is why we, as a province, need to implement a universal child nutrition program. We need to take a more effective learning approach for children with learning disabilities. We need to have better mental health

supports for K-to-12 and post-secondary students, and we have to have smoother credential recognition and accreditation pathways. And we need more resources for our schools and for our teachers, Madam Speaker.

Before wrapping up, I want to again thank all of those who are working in our education system for all of your hard work every day as you inspire the next generation of leaders, and thank the minister for bringing forward this statement today.

Thank you.

* (13:50)

MEMBERS' STATEMENTS

Portage Industrial Exhibition

Mr. Ian Wishart (Portage la Prairie): Today, I'm honoured to rise to recognize the Portage Industrial Exhibition Association, who is celebrating 150 years. It is the oldest active agricultural society in Manitoba, with the distinction of being western Canada's oldest continually running fair.

The date was October 16th, 1872, when the community of Portage la Prairie was experiencing the first successful western Canadian agricultural exhibition. With 400 entries at the fair, it was declared to have surpassed expectations, as the population of Portage la Prairie at the time was only 300 people.

By 1894, the organization had evolved into the Portage and Lakeside Agricultural Society, and the fair moved from downtown Portage to its current location next to Island Park.

By 1907, the Portage Industrial Exhibition had been incorporated and added an additional 15 acres and several new buildings to the grounds. And in 1922, on the 150 years of the fair, the first Ferris wheel made its appearance in the Midway.

The Portage Fair—or Portage Ex, as it is often called, has gone through many changes in 150 years. Since the late 1800s, the Portage fairgrounds has hosted livestock and horse shows like those that took place in the early days of the community.

After over 100 years of horse racing, Portage 'eck' racetrack and grandstand was demolished to make way for the construction of Stride Place, a beautiful recreation facility, for the benefit of the entire community. A new exhibition building and Fair Board Office were also built.

Just like the agricultural industry we honour, the Portage Industrial Exhibition has continued to adapt

and evolve. With the dedicated volunteer board and staff, they—the plans to not only maintain their schedule, but to expand services and reinvest for the future, which will ensure that Portage Ex continues to be a mecca of the agricultural celebration for many years to come.

Congratulations to the Portage Ex. And we have in the gallery two members of the executive.

Orange Shirt Day

Mr. Ian Bushie (Keewatinook): I rise, once again today, to speak about the importance of the orange shirt and the need to make Orange Shirt Day a statutory holiday here in Manitoba.

Today in Manitoba, when it comes to Orange Shirt Day, it is not a time to disagree on the definition or interpretation of words like holiday or remembrance because, by doing so, it takes away from reconciliation, which is what Orange Shirt Day should symbolize for our young people.

I am joined today by the high school students from the Wanipigow School, more specifically the truth and reconciliation class. The fact that our Indigenous communities are taking the steps to educate our own communities on truth and reconciliation should be a testament for the need to have Orange Shirt Day recognized as a statutory holiday across our province so that all Manitobans will have the opportunity to learn, discuss and educate themselves on what Orange Shirt Day means to Indigenous people.

Madam Speaker, not having Orange Shirt Day as a statutory holiday from work means that not all Manitobans will have that opportunity to participate in events, gatherings and discussions on what Orange Shirt Day means. And shouldn't we all have the opportunity to participate, to be included, to be involved, to walk together on the path of reconciliation.

I know the vast majority of all Manitobans want to see Orange Shirt Day made into a statutory holiday here in Manitoba. This call is not just coming from Indigenous communities, it is coming from business leaders, from educators, from students, from our children and from our elders. It is coming from every demographic across our diverse province.

Orange Shirt Day is not a matter of one political party claiming that they got the win on reconciliation here in Manitoba, but rather the message should be that we all came together to do the right thing. And that right thing is passing Bill 203 and proclaiming Orange Shirt Day as a statutory holiday here in Manitoba.

Madam Speaker, the students in the gallery are here today because of the resilience and perseverance of their parents, grandparents and great-grandparents to survive the devastating impacts of the residential school system. They are here in a building that was never meant for Indigenous people.

So, I ask all members to join me in thanking the students for joining us here today. I am honoured as they include the Manitoba Legislature and all members of this Chamber in their journey on the path of reconciliation.

Miigwech.

Country Roots Market & Garden

Mrs. Cathy Cox (Kildonan-River East): It's official. I'm pleased to share that Country Roots Market & Garden have officially opened their doors for the season. It's been a long, cold winter and, yes, there's even talk of a whiteout. But when we see that open-for-business sign, it's a reminder that summer is just around the corner.

Country Roots, formerly known as Petrasko brothers, has been a staple in our community and the go-to destination for farm fresh vegetables and outstanding flowers for as long as I can remember, Madam Speaker.

Located on the corner of Henderson Highway and the Chief Peguis Trail, Country Roots is just a stone's throw walk for the hundreds of seniors who welcome the convenience of fresh vegetables just down the street from their homes.

When Ed Petrasko decided to retire back in 2009, it's no surprise he encouraged his most dedicated employee, Kathy Plikett, to take over the business. In 1978, straight out of school, Kathy started as a seasonal employee, and 45 years later, she's grown Country Roots into a thriving and vital business that attracts people from across the city.

Kathy together with her daughters, Tiana and Ciara always go above and beyond. They strive to provide each customer that walks through their doors with the best selection of fresh fruits, vegetables, bedding plants, pumpkins and even Christmas trees.

Kathy is always quick to thank the local farmers who toil in the fields. She attributes Country Roots' success to the overwhelming support she receives from our community, calling it a blessing.

Country Roots is my go-to place for all my gardening needs. With the thousands of bright and beautiful flowers, hundreds of hanging pots and a

bounty of vegetable plants, I always end up making many, many return visits.

My motto is: shop local. And if you're in the market for gluten-free products, perogies, local jams, pickles, fresh breads or perhaps a unique gift for that special someone, Country Roots is your one-stop shop.

Gardening nourishes the soul, and there's nothing more satisfying than that very first taste of the very first vine-ripened strawberry.

Madam Speaker: The member's time has expired.

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

Mrs. Cox: Thank you to all the members for that.

Or the feeling of bliss as we experience the beauty and the awesome flowers and fragrances of those wonderful flowers and the grass—the green grass—just everything that only Mother Nature can bring and provide to us.

Madam Speaker, I am honoured to express my heartfelt thanks to Kathy and her amazing team for brightening our lives and growing our community.

Thank you, guys.

Miles Macdonell Collegiate's IB Program

Mr. Matt Wiebe (Concordia): For seven years, this PC government has frozen and cut funding across our public education system. And these cuts have consequences, as school divisions have had to make impossible decisions about the programs they offer.

This has recently impacted the students at Collège Miles Macdonell Collegiate in River East Transcona School Division. For over 40 years, Miles Mac has offered the International Baccalaureate program. Now, due to chronic underfunding by this Stefanson government, the school division has been left no option but to cut services and programs like IB.

The IB program follows an international curriculum that fosters a positive worldview. Students are taught how to become well-rounded individuals who are ready for university and post-graduation learning.

The IB program encourages students to think critically and gives high-schoolers the skills to be more equipped for the increasingly globalized and rapidly changing world.

The IB program has allowed students in northeast Winnipeg an opportunity go above and beyond as they

explore their many talents and potentials, all within the public education system.

The IB program is just the latest example of the cuts that this PC government have forced on school divisions across the province. In River East Transcona School Division alone, the division was forced to cut 13 library staff that will impact reading and access to resources.

Despite a huge influx of students from Ukraine, this division—in the division this year—471 and counting—the newcomer support grant program to support them was severely underfunded. And because of PC cuts to the division, it has taken the unprecedented step this year of going from a budget surplus to borrowing money just to keep the lights on.

This government's cuts have severely hurt our students across the province. Under this government, we have seen larger class sizes, less support for students and fewer positive opportunities for students. Enough of these PC cuts.

Manitoban students deserve better, and our NDP team will fight for the supports they need to succeed.

Lac du Bonnet Community Events

Hon. Wayne Ewasko (Minister of Education and Early Childhood Learning): And now for something far more uplifting, Madam Speaker.

It is my pleasure to rise today to deliver a private member's statement to talk about all the amazing upcoming events being held in the Lac du Bonnet constituency.

* (14:00)

As we are coming into our spring and summer months, there are so many great events to look forward to. Coming up in the constituency, we have: Canada Day weekend celebrations from June 30th to July 2nd, organized by the Lac du Bonnet Lions Club; some of the best fireworks in Manitoba, Madam Speaker; Pinawa's birthday weekend celebration, where there will be live music, fishing tournaments, car shows and plenty of food; Victoria Beach's summer winds music festival—that's held yearly in Victoria Beach, and it's organized entirely by volunteers. This festival includes activities the entire family can enjoy.

The Fire & Water Music Festival happens each and every year, August long weekend, in Lac du Bonnet. The weekend will be filled with friends,

family and fun, showcasing some of the best entertainment not only in Manitoba but across Canada, Madam Speaker.

The fifth Boreal Shores Art Tour—a free, road trip-worthy, self-guided art tour that features artists and galleries at locations scattered throughout the boreal forest and shore regions of eastern Manitoba.

Powerview-Pine Falls' annual 4P Festival: Paper, Peas, Power and Pickerel—this festival includes a fishing tournament, music, kids zone, fireworks, street hockey, slow-pitch and so much more, Madam Speaker.

Beausejour's Double B Agriculture Festival, formerly known as the Double B Rodeo and Country Fair, which has highlighted summer events in the Beausejour-Brokenhead area. This event provides us with a semi-pro rodeo, the Manitoba High School Rodeo, and you'll also find ag displays, petting zoos, a parade and, of course, fireworks, Madam Speaker.

Let's continue to support our communities by attending events and continue to take the time to thank our volunteers for their efforts on making these events successful.

I encourage all to come out to the Lac du Bonnet constituency for a visit or stay this spring and/or summer. And there is no shortage of family-friendly outdoor activities to enjoy. Lac du Bonnet has something for everyone.

Thank you, Madam Speaker.

Introduction of Guests

Madam Speaker: There are some guests in the gallery that I would like to introduce to you. We have seated in the public gallery, from Gonzaga Middle School, 50 grade 6, 7 and 8 students under the direction of Siobhan Falkner. And this group is located in the constituency of the honourable member for Point Douglas (Mrs. Smith).

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

ORAL QUESTIONS

Grace Hospital Surgical Capacity Concerns

Mr. Wab Kinew (Leader of the Official Opposition): The Grace Hospital is struggling to offer a basic standard of care. That's according to the front-line experts, the surgeons who deliver joint surgeries there. They're calling on this government to reverse course and to stop the cuts.

In fact, these surgeons at the Grace have come up with solutions to be able to provide more hip and knee surgeries to Manitobans at their hospital. But did this government listen to them? No, they didn't. Instead, this Premier turned around and told these surgeons to cut the number of surgeries at the Grace by 20 per cent.

Why did the Premier tell these surgeons—tell these surgeons to reduce the number of surgeries by 20 per cent?

Hon. Heather Stefanson (Premier): Madam Speaker, the Leader of the Opposition continues to put false information on the record in this Chamber.

In fact, we received—or, the surgical and diagnostic task force received—a proposal from Grace Hospital to perform additional—an additional 200 orthopedic joint day procedures. And, of course, the task force has supported that proposal and that will move forward, Madam Speaker. That's 200 more surgeries.

The Leader of the Opposition should apologize to Manitobans.

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

Mr. Kinew: This is the truth, Madam Speaker: the proposal has been made to this government, and it was rejected. The proposal of these surgeons was rejected by this government every step of the way.

Only after our—[interjection]

Madam Speaker: Order.

Mr. Kinew:—advocacy did it come to light that, in fact, not only did the PC government reject the proposal, but they actually asked these same surgeons to cut the number of surgery appointments for hip and knee surgeries by 20 per cent.

Why did the Premier tell these surgeons to reduce the number of surgeries by 20 per cent?

Mrs. Stefanson: Madam Speaker, a proposal was received by the surgical and diagnostic task force to perform—from Grace Hospital to perform 200 more hip and knee surgeries. That proposal was not rejected, as the Leader of the Opposition said. That is—that proposal has been accepted and those surgeries will take place at the Grace Hospital.

The Leader of the Opposition, once again, continues to put false information on the record in this Chamber. He needs to stand up and apologize, Madam Speaker.

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

Mr. Kinew: The Premier is desperate to try and distract from her record of cutting health care in Manitoba. *[interjection]*

Madam Speaker: Order.

Mr. Kinew: It started back when she was Brian Pallister's deputy premier. It continued under her time as Brian Pallister's Health minister, right through today as the Premier of this province.

I think we'll listen to the doctors on this one and not the PCs. And what the surgeons at the Grace Hospital have told us is that the PCs not only rejected their proposal, but they told those surgeons to reduce the number of surgeries for hip and knee procedures by 20 per cent.

Why did the Premier say no to more procedures, and why did she turn around and then tell those surgeons to cut the number of surgeries by an additional 20 per cent? *[interjection]*

Madam Speaker: Order. Order.

Mrs. Stefanson: In fact, we are listening to doctors, Madam Speaker. That's why we are—the surgical and diagnostic task force accepted the proposal from the Grace Hospital to perform 200 more hip and knee surgeries at the Grace Hospital. That is 200 more hip and knee surgeries.

That's more, not less like the Leader of the Opposition seems to claim.

Some Honourable Members: Oh, oh.

Madam Speaker: Order.

I am going to remind members that when there are students in the gallery, I really think there needs to be great behaviour on the floor of the House and great respect shown for the democratic process here. And that means listening to both questions and answers.

So, I'm going to ask for everybody's co-operation.

The honourable Leader of the Official Opposition on a new question.

Health-Care Spending Capital Projects

Mr. Wab Kinew (Leader of the Official Opposition): Yes, we're going to demonstrate why you just can't believe the PCs when it comes to health care.

So, we all know that Brian Pallister did a lot of damage to health care here in Manitoba. In August of 2021, he announced \$812 million on health-care capital.

I will table the press release that goes along with this announcement.

The Premier endorsed Mr. Pallister's plan. She promised to follow through on it.

However, these FIPPA documents, freedom of information requests that we just got back, show that 20 months later, only 6 per cent of those dollars have actually been implemented. And I'll table that research to prove the case.

It's clear that you can't trust the PCs when it comes to health care.

Why has the Premier broken her promises to Manitobans on the subject of health?

Hon. Heather Stefanson (Premier): Well, Madam Speaker, we continue to make record investments, historic investments, in our health-care system in the province of Manitoba. Almost \$8 billion just this year alone that will be invested in health care in the province—almost \$2 billion more than when the NDP was in power. That's a 23 per cent increase to the health-care budget during that time. That's more, not less.

In fact, just over last year alone it's a 9.2 per cent increase, or a \$668 million more to the operating budget for the province of Manitoba, Madam Speaker.

And we will continue to make those investments—both capital investments, as well as operating investments—in our public health-care system in the province of Manitoba.

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

Mr. Kinew: I've got to correct the record. It's not investments with this government; it's announcements. They make an announcement, but they don't follow through, as has just been proven by those documents, which the Premier did not contest and therefore accepts. They made a huge announcement a few years ago, and up to date, only 6 per cent of those funds have actually made their way out the door.

We know the real-world impact is being felt in communities like Brandon. I'll table another government announcement that said that the Brandon Regional Health Centre upgrades were already supposed to be completed right now. They're still doing announcements on this project years later, Madam Speaker, and it's patients who are feeling the impact.

* (14:10)

Why has the Premier failed to keep her promises when it comes to health care for Manitobans?

Mrs. Stefanson: Madam Speaker, we continue to make record investments, both capital investments in our health-care system as well as operating investments, so that those people who are looking for surgical and diagnostic procedures are able to get them.

The Leader of the Opposition will know that we—there was a worldwide pandemic, Madam Speaker, and obviously there has been some delays to some things, and we know that's nothing that's unique to Manitoba.

But we'll continue to move forward to ensure that those capital investments get made.

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

Mr. Kiew: Madam Speaker, the announcements, the promises broken by the Premier that we're referring to here, these were made after the third wave of the COVID-19 pandemic. So, again, the Premier's trying to use COVID-19 as a shield to escape from the fact that she herself has broken these promises.

They made a commitment to invest a certain amount of money, and to date, only 6 per cent of the progress has been made. All the students here today know what would happen if they got 6 per cent in one of their courses; they would fail, just like this Premier is failing Manitobans when it comes to health care.

Why did the Premier mislead Manitobans and break her promises on health?

Mrs. Stefanson: Well, I think the students in the gallery should know and understand that we're continuing to make record investments in our health-care system. So, while the Leader of the Opposition continues to put factually incorrect information on the floor of this Chamber, Madam Speaker, we'll continue to correct that record.

The Leader of the Opposition, all Manitobans, should know, as well as the students in the gallery should also know, that we are making record investments in Portage la Prairie, in Neepawa, in Selkirk, in Brandon and St. Boniface and in Flin Flon, Madam Speaker. Those investments are continuing to be made.

We will continue to move forward. We know that there were some challenges with respect to the worldwide pandemic, and I know the Leader of the Opposition just wants to dismiss that as nothing. But it's not true,

Madam Speaker. We need to take those factors into consideration.

We will continue to make historic investments in our health-care system in the province of Manitoba.

Sleep Disorder Centre Public/Private Sector Funding

MLA Uzoma Asagwara (Union Station): Madam Speaker, yesterday it was revealed that the PCs are putting their ideology of cuts and privatization ahead of patient outcomes.

The Sleep Disorder Centre is a national best-practice standard across the country, and Manitoba is a leader nationwide in this area, and yet the PCs' approach is putting that work at risk. Despite the fact that there is existing underutilized capacity in our public system, the PC government turned down proposals from doctors at the Sleep Disorder Centre because of, and I'll quote, minimal private sector involvement. End quote.

When will this Premier come clean with Manitobans on the full extent of her plan to privatize health care in Manitoba?

Hon. Audrey Gordon (Minister of Health): Due to the efforts of the—our government and the Diagnostic and Surgical Recovery Task Force, to date, 22,335 additional Manitoba patients have received their procedure through the request for supply arrangement, Madam Speaker.

When it comes to health care, our government is focused on patients and not politics. Under the NDP's ideological approach, these Manitobans would still be waiting for care.

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

MLA Asagwara: Madam Speaker, despite the abundance of devastating evidence to the contrary, this PC minister thinks that seven years of cuts and chaos was the right thing to do for Manitobans.

These two doctors, who are specialists with the Sleep Disorder Centre, were compelled to resign from their positions on this minister's wait-times task force, indicating that, and I'm going to quote here, Madam Speaker: By staying on as part of the task force, it implies that we're part of the decisions that are being made; it hasn't been our experience. End quote.

Will this minister put a halt to her privatization agenda and her—and finally start working with front-line specialists who indicate that they could do far

more and finally get the needs of Manitobans met in our public system?

Ms. Gordon: I'd like to share some facts with Manitobans about how our government is investing in the public health system: \$4.9 million for a fifth operating room at Concordia Hospital; \$141 million to triple the size of the St. Boniface emergency department; \$50 million to increase Health Sciences Centre surgical and diagnostic capacity; \$30 million to increase ICU bed baselines from 72 to 100; 80 new physician training seats; \$800,000 for 30 new nurse training seats at Red River; \$2 million for Swan River CT scanner.

Madam Speaker, I have a list of four pages that I can continue to share with Manitobans.

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

MLA Asagwara: Madam Speaker, just more empty announcements from this Health Minister, while the obfuscation and obstructionism from this Health Minister are unreal.

We know that she'll hide from media and answering questions, she'll dodge them every day leaving this House. She refuses to listen to front-line providers; all of that is typical from this Minister of Health.

There are 6,600 Manitobans waiting to be assessed for potential sleep disorders, and these specialists had a plan that would've eliminated the current wait-list in three years.

Given that the PC privatization plan for sleep testing has failed to even make a dent in the wait-list, will the minister instead invest in the public system and enhance services at Misericordia's sleep centre—Sleep Disorder Centre?

Ms. Gordon: Madam Speaker, I need to call on the member for Union Station to apologize to Manitobans for what we're hearing today in the Chamber.

Does the member want to tell Manitobans who are suffering from cystic fibrosis that it was an empty promise when our government expanded coverage for TRIKAFTA, and this is for patients age 6 and older. Does the member want to do that?

Does the member want to apologize to cancer patients for saying that it was empty promise when our government created specialized CAR T—cancer therapy program?

Does the member for Union Station want to apologize for saying \$400-million investment to—

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

Allied Health Professionals Collective Bargaining Negotiations

MLA Nahanni Fontaine (St. Johns): Well, we know that the PC government does not respect collective bargaining, and everyone in Manitoba knows that they've made a mess of our provincial health care.

Paramedics in rural Manitoba, pharmacy techs, MRI techs, radiation therapists and 190 other allied health professionals have had their wages frozen for five years. That's during a cost-of-living crisis, Madam Speaker. And that's why 99 per cent of these health-care workers have voted to strike.

Will the Premier (Mrs. Stefanson) give allied health-care workers a fair deal today and get up in the House and apologize to each and every one of them?

Hon. James Teitsma (Minister of Consumer Protection and Government Services): Madam Speaker, few people believe the Leader of the Opposition; I think even fewer might believe the House leader. And really, nobody should, when they speak on this issue or many other topics.

What the member has just asserted is completely false. What we have done as a government is arrived at one collective agreement after the other in health care. Each and every single one of those agreements has included compounding increases. Each and every one of those agreements has included retroactive pay.

I fully expect that the agreements that we're working on negotiating through Shared Health—or that Shared Health is working on negotiating will include those same provisions.

The member opposite should retract what she has said and apologize to this House.

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

MLA Fontaine: So, as I was saying, thousands of front-line health-care professionals have voted in favour of a strike. Ninety-nine per cent of allied health professionals feel disrespected by this Stefanson government and each and every one of her PC MLAs.

* (14:20)

This is an unprecedented mandate, and it's a clear sign that they've had enough of this PC government's incompetence.

This PC government is the employer, and they set the mandate for Shared Health's negotiating team.

Will this PC government stop disrespecting allied health workers and negotiate a fair deal today?

Mr. Teitsma: Madam Speaker, Shared Health is the employer in this case. And I would recommend that that member stop agitating in such a way as to disrupt the bargaining process.

I know she doesn't want to accept my advice, so I'll see if, perhaps, she can accept this person's. I'll quote: I believe, and I know, that collective bargaining can be a very delicate process. I don't think any one of us in this House would want to interfere with that process, would want to see that process go off the rails because of—well, because they want to take political advantage of the situation.

Who said that? And I'll table it: Jennifer Howard.

Some Honourable Members: Oh, oh.

Madam Speaker: Order.

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

MLA Fontaine: I know that the minister is emotional and upset because his government's cuts have thrown health care into chaos.

A wage freeze for five years during a cost-of-living crisis, and that's the policy of his government. In some cases in community health, addiction counsellors, mental health workers and other front-line professionals have been waiting for even longer than six years.

On this side of the House, we respect allied health-care professionals.

Why has this PC government—*[interjection]*

Madam Speaker: Order.

MLA Fontaine: —failed to give them a fair dale—deal?

Mr. Teitsma: Madam Speaker, we value the work of allied health-care professionals and all health-care professionals.

We want this collective bargaining process to come to its logical conclusion, but we will not meddle.

Now, the members opposite should be looking after the interests of all Manitobans, but they don't. Instead, they seek only to advance their own narrow political interests, and their leader can't even seem to do that. Instead, he puts himself first. He looks after

his own self-interest and he can't even put his own interests ahead of the interests of colleagues.

And I can tell by the looks on their faces, they know that what I'm saying is true.

Some Honourable Members: Oh, oh.

Madam Speaker: Order.

Education System Funding Levels

Mr. Nello Altomare (Transcona): School—*[interjection]*

Madam Speaker: Order.

Mr. Altomare: —divisions across the province are having to make cuts just to keep the lights on.

River East Transcona had to cut 13 library staff. Pembina Trails—imagine—Pembina Trails had to eliminate full-day—*[interjection]*

Madam Speaker: Order.

Mr. Altomare: —kindergarten. And now, we've learned that Seven Oaks School Division, Madam Speaker, has had to lay off all of their social workers at the end of this school year.

That's the state of education under this PC government; less supports for our kids, less supports for our communities and less supports for our families.

Will the Premier (Mrs. Stefanson) finally admit that her cuts to education have been hurting students?

Hon. Wayne Ewasko (Minister of Education and Early Childhood Learning): Madam Speaker, it gives me an opportunity—in front of some fantastic students, as well, as—to correct the record.

As opposed to what is being put on the record today by the member from Transcona: \$100 million this year alone in K-to-12 education; that's a 6.1 per cent increase.

That is something, Madam Speaker, that unfortunately the member from Transcona calls mere crumbs. I would like him to stand in his place and apologize to the students in the gallery. That \$100 million, a 6.1 per cent increase to the K-to-12 education system, is a big chunk of change.

We're looking out for their best interests. He's looking out for his own and his leader's best interests.

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

Mr. Altomare: This minister knows that that funding announcement has been called a drop in the bucket by many in this province.

And as a matter of fact, Madam Speaker, they've been underfunding education since 2016, and the chickens are coming home to roost right now. And they're in every one of the school divisions in this province.

And now we've learned, Madam Speaker, that Seven Oaks is being forced to lay off social workers as we emerge from a pandemic. It doesn't make any sense. Social workers provide invaluable support to students, and this is moving our province in the wrong direction.

Will the Premier (Mrs. Stefanson) simply stand up today and admit that these cuts are harming students?

Mr. Ewasko: Madam Speaker, it gives me great pleasure to be able to stand up today and say that over the last few years, we have increased money to Education by a tune of 23 per cent. That's 23 per cent.

Madam Speaker, I'm not sure what's going on on that side of the House, but the member from Transcona unfortunately—just so that the students in the gallery are—know who's speaking the truth and who's not in this Chamber—but I am going to table a document that shows the member from Transcona standing on the street corner saying, help me, I'm poor.

He's a retired teacher, retired administrator making \$100,000 as an MLA. Madam Speaker, what is he thinking?

Madam Speaker: Just a word of caution that using language like speaking the truth is going down a slippery slope towards unparliamentary language, so I'm going to urge everybody to be very careful in the language that is used here.

The honourable member for Transcona, on a final supplementary.

Mr. Altomare: Imagine the NDP supporting workers for getting a fair contract. Just imagine every one of us—*[interjection]*

Madam Speaker: Order.

Mr. Altomare: —being on the picket lines every day, supporting workers for what they deserve, every day. That's lost on this crew, Madam Speaker; absolutely lost.

And on this side of the House—furthermore, on this side of the House, we think that students need more supports, not less. It's time for the PCs to do the right thing—*[interjection]*

Madam Speaker: Order.

Mr. Altomare: —and get on board, Madam Speaker.

Will the Premier, then, finally admit that these cuts hurt students and commit to stop cutting education today?

Mr. Ewasko: Madam Speaker, 23 per cent increase to the K-to-12 system; \$100 million this coming '23-24 school year alone; 6.1 per cent increase. Not crumbs, as the member from Transcona states.

It's unfortunate that his living wage isn't just \$100,000, Madam Speaker. It's a shame that his colleagues back him up on that side of the House. I was just making it clear, and very abundantly clear, to students in the gallery and all Manitobans: the NDP show, once again, they cannot absolutely be trusted with anybody's finances, anybody's education processes.

* (14:30)

We're going to get it right on this side. We're working hard for success for all students, no matter where they live in this great province of ours.

Orange Shirt Day Statutory Holiday

Mr. Ian Bushie (Keewatinook): The Premier's announcement that she will not make Orange Shirt Day a stat holiday this year was disappointing.

It's disappointing for the community that thousands of Manitobans and the students in the gallery who want the opportunity to participate in events, gatherings and discussions, but will not have that opportunity because Orange Shirt Day is not a stat holiday here in Manitoba.

Manitobans have called on this PC government to do the right thing and make Orange Shirt Day a stat holiday. The Premier claims ongoing consultation is to blame, yet we know the Premier is not engaging in these discussions.

Can the Premier explain why she continues to refuse to make Orange Shirt Day a statutory holiday in Manitoba?

Hon. Eileen Clarke (Minister of Indigenous Reconciliation and Northern Relations): I want to be very clear with the member opposite that he is very well aware, as are all of his colleagues, that this

symbol of Orange Shirt Day as reconciliation in the province of Manitoba is a very high priority for myself and my colleagues.

And I want to say hello to the students that are in the gallery donning their orange shirts today.

I'm actually very proud of what Manitobans have accomplished. They don't take this as a one-day holiday where they can be doing a full variety of activities that show no sense of reconciliation—

Madam Speaker: The member's time has expired. And I'm going to ask the member to pull the mic down a little bit so that we can hear better when she's responding to questions.

The honourable member for Keewatinook, on a supplementary question.

Mr. Bushie: Madam Speaker, just last month, the Premier (Mrs. Stefanson) pretended to support Orange Shirt Day. She voted in favour of our bill. Bill 203 would have made Orange Shirt Day a statutory holiday for all Manitobans. But now she flip-flops.

It's clear the Premier doesn't truly support Orange Shirt Day and what it means for Manitobans. She was only trying to avoid making headlines again, and that's disappointing and, quite frankly, disrespectful.

Will the Premier apologize to Manitobans for misleading them on making Orange Shirt Day a statutory holiday?

Ms. Clarke: I want to go on to say, as I started, to recognize the people of Manitoba, students all across Manitoba, as well as the educators who are working with them, businesses and even other individual organizations that are working hard to promote reconciliation within their communities and within their own groups.

There is a lot that has changed in the last two to three years across our province. Reconciliation is not just a word; it's something that is being lived by all communities.

Thank you, Madam Speaker.

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

Mr. Bushie: But not all Manitobans will have that opportunity because it is not a statutory holiday here in Manitoba. The Premier claims that Indigenous communities still do not know what they want and she still wants to hear from them.

Madam Speaker, SCO, representing 34 nations; MKO, representing 26 nations; and AMC, representing 62 nations, have all expressed loud and clear the need for making Orange Shirt Day a stat holiday here in Manitoba.

Madam Speaker, I will table their statements on this fact following the Premier's announcement that the status quo will remain.

When will the Premier stop misleading Manitobans, and will she pass Bill 203 and make Orange Shirt Day a statutory holiday here in Manitoba today?

Ms. Clarke: I'm not sure why the member opposite wants to have one day only recognized as Orange Shirt Day on the day of reconciliation. There are people throughout our province that are doing not only events but showing reconciliation in so many different ways.

And I want to give a big shout-out to some of the groups from Treaty 1 that are hosting an all-nations event this weekend in Portage la Prairie. My grandsons and friends of theirs, who are not Indigenous, have been invited by Long Plain for the last number of years to play hockey with them because they play regular season in their community.

Our children and others—

Madam Speaker: The member's time has expired.

Surgical and Diagnostic Wait-Times Inclusion of MAHCP Employees on Task Force

Mr. Dougald Lamont (St. Boniface): Two doctors working at the sleep clinic quit the diagnostic wait times task force because the plan they offered to eliminate the backlog in our public health system was ignored. The PC task force then checked with a for-profit clinic that doesn't actually provide treatment to see what they thought of the plan.

There's a pattern here. In the last few months, we've talked about MRI waits that last months, rural ER closures due to lack of lab technicians. The people who perform these diagnostic tests are represented by the Manitoba Association of Health Care Professionals, people who haven't had a raise for years despite their essential work during the pandemic.

Can the Premier explain why MAHCP, which represents the people who perform diagnostic tests in our public system, were excluded from the surgical and diagnostic wait times task force?

Hon. Audrey Gordon (Minister of Health): Madam Speaker, I want to begin by just thanking the Diagnostic and Surgical Recovery Task Force, led by David Matear. Dr. Ed Buchel plays a pivotal role in the work of that task force, as well as Dr. Peter MacDonald. They were out today giving Manitobans a public update of the great work that they are doing.

The member for St. Boniface talks about diagnostic tests. Well, I'm pleased that 89,378 MRIs have been done, 268,849 CT scans. And that's just not numbers, Madam Speaker; that represents Manitobans receiving care.

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

Health-Care System Privatization of Services

Mr. Dougald Lamont (St. Boniface): Madam Speaker, we're seeing the public system being ignored in favour of private providers.

In Manitoba, we've just gone through seven years of hard right, scorched-earth conservatism and cuts. There's nothing progressive about it. There's nothing moderate about it. It's pure ideology.

In the government's own 2019 fiscal update, which I table, they cut and clawed back over \$250 million of the health-care budget in a single year, and we're seeing the results in human suffering. It's not pretty.

The reason we have a public health-care system isn't ideology, it's because it works. When new life-saving cures come along, most people can't pay for them, though anyone can get sick, and you shouldn't have to die because you're in a lower income bracket.

If the Premier's (Mrs. Stefanson) set on defunding our public health-care system and handing it to business instead, why won't she be upfront about it before the election?

Hon. Audrey Gordon (Minister of Health): Madam Speaker, it's unfortunate that the member for St. Boniface does not care about the 22,335 additional Manitoba patients that have received their procedures through the work of the task force and their request for service agreement.

I will say that these Manitobans would not be receiving care if it was up to the member for St. Boniface.

So I congratulate, once again, the task force, the steering committee and all the individuals within the health system that have participated, provided their input in the—into the great work that is being done.

Radon Gas Exposure Request for Prevention Plan

Hon. Jon Gerrard (River Heights): Madam Speaker, lung cancer is one of the deadliest of all cancers, with a five-year survival rate of just under 25 per cent and with about 700 Manitobans dying each year.

While much focus is on smoking, the second common reason for lung cancer is exposure to radon. Each year, more than 100 Manitobans die from lung cancer caused by radon. That's more deaths than from all motor vehicle accidents in the province.

These deaths are preventable with strong public health measures. But, for decades, NDP and PC governments have failed to act.

When will the current government implement the measures needed to prevent Manitobans from being exposed to high levels of radon gas?

Hon. Kevin E. Klein (Minister of Environment and Climate): I want to thank our staff in Environment and Climate who worked diligently to ensure the safety of all residents across the province for toxic gases and other items that are harmful to our environment.

Radon does create issues in other parts of the province; it's not equally shared across the province. And we do have guidelines and testing measures in place to protect all Manitobans.

* (14:40)

And we will continue to make sure that the Manitobans that we serve are safe in their home and in their business.

Arts, Culture and Sports in Community Fund Application Deadline Extension

Mr. Len Isleifson (Brandon East): The arts, culture and sports 'sectors' here in Manitoba are highly supported by both our Premier and our government.

Recently, our government announced \$50 million in funding for over 402 projects that foster community, creativity and innovation in local arts, culture and sports.

Can the minister please explain the avenues in which he is making it more accessible for Manitoba to apply for this great funding?

Hon. Obby Khan (Minister of Sport, Culture and Heritage): I would like to thank the member for Brandon East for that great question.

Madam Speaker, our government is continuing to find ways to support the ever so essential arts, culture and sports in Manitoba. For 17 years, the NDP did nothing to support arts, culture and sports in this province.

I am so happy to announce that we have extended the deadline for small capital and special initiatives to April 24th, and large capital stream to May 1st. I encourage all Manitobans to reach out and apply for this great program. They can reach my department by calling 1-866-626-4862.

We are here for you. On this side of the House, we are going to work in—to support arts, culture and sports, not like the NDP, who did nothing.

Sleep Disorder Testing for Northerners Distance to Travel to Access Care

Mr. Eric Redhead (Thompson): My colleagues and I from the North have been raising concerns about the lack of access to health care in our northern communities throughout this legislative session and for years before that.

Patients in the North needing sleep testing are being forced to travel down to Winnipeg or Brandon to access equipment and supplies. Even this PCs' privatization plan leaves northerners out.

Will the member stand up and answer the question: Why are they continuing to leave northerners out of their privatization health-care plan?

Hon. Audrey Gordon (Minister of Health): Madam Speaker, I'm pleased to rise to talk about our investments in the public health system in the North.

I'm not sure what the member is referring to, but, Madam Speaker, \$812 million has been invested into northern and rural health.

A significant portion of these monies will be used in the creation of a new intermediate health-care hub in northern Manitoba, and we are so excited, Madam Speaker, to be working with our northern partners to reduce the need for individuals in the North to travel to southern regions or here to Winnipeg.

And I invite the member to join in the discussions that I will be having with many First Nations and Indigenous groups and stakeholders in the next few months.

Madam Speaker: And I have a ruling for the House—oh, time for oral questions has expired.

Speaker's Ruling

Madam Speaker: And I have a ruling for the House.

Prior to routine proceedings on Monday, April 3rd, 2023, the honourable member for Union Station (MLA Asagwara) raised a matter of privilege contending that the honourable Minister of Health had deliberately misled the House by saying that the NDP had paid nurses to resign from the Sexual Assault Nurse Examiner Program.

The honourable member concluded by moving, and I quote, "that this House condemn the Minister of Health for deliberately misleading the Legislature and that this matter be immediately referred to a permanent standing committee of this House for investigation." End quote.

The honourable Government House Leader (Mr. Goertzen) and the honourable member for River Heights (Mr. Gerrard) also offered contributions to the Chair. The Deputy Speaker took the matter under advisement in order to consult the procedural authorities.

There are two conditions that must be satisfied in order for a matter raised to be ruled in order as a prima facie case of privilege: Was the issue raised at the earliest opportunity; and was sufficient evidence provided to support the member's claim that their privileges, or the privileges of the House, were breached.

On the first issue of whether the issue was raised at the earliest opportunity, the honourable member indicated that they were raising the issue at the earliest opportunity, and I accept the word of the honourable member.

On the second issue, whether sufficient evidence was provided, there are a number of considerations to explore, particularly with regard to charges of deliberately misleading the House.

When bringing forward an allegation of deliberately misleading the House, there is an onus of providing intent to deliberately mislead. It is not sufficient to state that a member has deliberately misled the House; there is also a need to demonstrate the proof of intent to mislead. This is a standard that Manitoba Speakers Rocan, Dacquay, Hickes, Reid and the current Speaker have maintained.

As Speaker Rocan ruled in 1991, a member must support their charge with proof of intent. Speaker Dacquay ruled that without a member admitting in the House that they had the stated goal of misleading the

House when putting remarks on the record, it is virtually impossible to prove that a member had deliberately intended to mislead the House. Speakers Hickes and Reid made similar findings in rulings, as has the current Speaker.

Similarly, the House of Commons Standing Committee on Procedure and House Affairs, in its 50th report, reiterated that when it is alleged that a member is in contempt for deliberately misleading the House, the statement must, in fact, have been misleading, and it must be established what the member making the statement knew at the time, and that the statement was made that it was incorrect and that in making the statement the member intended to mislead the House. The committee went on to state, and I quote: "Intent is always a difficult element to establish, in the absence of an admission or confession." End quote.

Joseph Maingot, in the second edition of *Parliamentary Privilege in Canada*, advises on page 241 that, and I quote: To allege that a member has misled the House is a matter of order rather than privilege, end quote. He goes on to advise on the same page, and I quote: To allege that a member has deliberately misled the House is also a matter of order. End quote.

The difficulty also facing the presiding officer in this situation is that the words complained of do not appear in Hansard. It does not mean the words were not said; however, if the words do not appear in Hansard, the Speaker really does not have the scope to make a ruling about the language used.

For all of these reasons, I must respectfully rule that a prima facie case of privilege has not been demonstrated.

Although I was not able to rule that a prima facie case of privilege was demonstrated, I would like to take this opportunity to address some of the actions that I—that have taken place in the Chamber over the past number of months. I am well aware that there is a provincial general election scheduled to take place in October, and perhaps due to this fact, rhetoric and accusations on both sides of the House have been ramping up. Politics can be a tough and demanding profession at times; however, we all need to be mindful that we have the watching public and the media, who observe what we do and say in this Chamber.

We are the centre of democracy in this province, and the health of our democracy is judged by what the public observes here. Whether correctly or not, it provides the opportunity for those outside this

Chamber to form opinions of politicians and what goes on in this Chamber. Sadly, we are reaching a place where there is a loss of public confidence in governments at all levels, and in democratic institutions. We must be more vigilant and aware that some of the actions taken in this House may be viewed in the eyes of the watching public as going too far, which can tarnish the image of our institution and the esteem by which we are all held.

I am challenging all of us to do better when it comes to respectfully disagreeing, and that would include being careful about making allegations attributing motives, such as when heckling.

PETITIONS

Afghan Refugees in Manitoba

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

* (14:50)

The background to this position is as follows:

Since the takeover of Afghanistan by the Taliban in August of 2021, Afghan citizens and their families have been subjected to persecution and human rights atrocities because of their faith, gender and former associations with organizations thought to be friendly with the previous government and its allies. This abuse has taken the form of public assaults, kidnappings and killings.

Many Afghans who—have left or are attempting to leave Afghanistan to find safe refuge in neighbouring countries. This undertaking is difficult due to the Taliban's activities and their presence in countries like Pakistan.

Many Afghans who are looking to leave Afghanistan and come to Canada are educated and experienced and, as such, would prove to be valuable assets to Manitoba, considering its current labour shortages and challenges to its economy.

Educated Afghans have usually studied for four to six years in a specific field of study and spent a significant amount of time and money for that education. However, these people still face barriers to obtaining employment in their field of expertise, as Canada has very strict rules regarding the use of that education and experience.

Many Afghans are refugees in other countries and are currently jobless, which is an added barrier for

them under the current criteria of the Provincial Nominee Program.

Some Afghan newcomers who face literacy issues because they came from a non-developed country would benefit from an in-depth informational course to assist them with acclimation into Canadian lifestyles.

The Interim Federal Health Program provides limited, temporary coverage of health-care benefits for refugees who aren't eligible for provincial or territorial health insurance. However, the refugee must apply for discretionary coverage and provide a list of compelling personal circumstances in order to qualify for—in urgent medical circumstances, like urgent root canals, unanticipated life-threatening and emergency medical conditions.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to work with the federal government to prioritize the evacuation of the immediate and extended family of Afghans who now call Canada home, and to facilitate their coming to Manitoba, including helping Afghan refugees in other countries such as Pakistan.

To urge the provincial government to expand the Manitoba Provincial Nominee Program and re-evaluate accreditation of education and jobs to ensure all immigrants and refugees can utilize their skills more easily and readily in Manitoba for work.

To urge the provincial government to have fewer rigid criteria for Afghans under the Provincial Nominee Program, and having a connection to Manitoba family members or friends should be a key criteria.

To urge the provincial government to enhance adequate acclimation services for newcomers through community-based support programs and increase their health coverage to meet their urgent health-care necessities.

Signed by Ismeal Azadi, Abdullah Azadi, Amina Ahmadi and many, many others.

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

Provincial Road 224

Ms. Amanda Lathlin (The Pas-Kameesak): I wish to present the following petition to the Legislative Assembly.

The background to this petition is as follows:

(1) Provincial Road 224 serves Peguis First Nation, Fisher River Cree Nation and surrounding communities. The road is in need of substantial repairs.

(2) The road has been in poor condition for years and has numerous potholes, uneven driving surfaces and extremely narrow shoulders.

(3) Due to recent population growth in the area, there has been increased vehicle and pedestrian use of Provincial Road 224.

Without repair—(4) Without repair, Provincial Road 224 will continue to pose a hazard to the many Manitobans who use it on a regular basis.

(5) Concerned Manitobans are requesting that Provincial Road 224 be assessed and repaired urgently to improve safety for its users.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister of Infrastructure to complete an assessment of Provincial Road 224 and implement the appropriate repairs using public funds as quickly as possible.

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

Ekosi.

Security System Incentive Program

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

The background to this petition is as follows:

(1) Cities across Canada and the United States, including Chicago; Washington, DC; and Salinas, California; and Orillia, Ontario, are offering home security rebate programs that enhance public safety and allow for more efficient use of their policing resources.

(2) Home security surveillance systems protect homes and businesses by potentially deterring burglaries.

(3) Whole neighbourhoods benefit when more homes and businesses have these security systems.

(4) A 2022 Angus Reid Institute poll found 70 per cent of Winnipeggers surveyed believed crime had increased over the last five years, the highest percentage found among cities in Canada.

(5) The same survey reported half of Winnipeggers polled do not feel safe walking alone at night, and almost 20 per cent of them said they were a victim of police-reported crime in the last two years.

(6) Although the public understands what the criminologists and community advocates point to as the main drivers of crime, namely the larger issues of lack of food, addictions and poverty, they support rebate programs like these as they help the most vulnerable in our community by removing financial barriers for personal protection.

We petition the Legislative Assembly of Manitoba as follows:

To urge the provincial government to work with municipalities to establish a province-wide tax rebate or other incentive program to encourage residents and businesses to purchase approved home and business security protection systems.

And this petition is signed by many, many Manitobans.

Madam Speaker: Grievances?

ORDERS OF THE DAY

GOVERNMENT BUSINESS

House Business

Hon. Kelvin Goertzen (Government House Leader): I have a series of committee announcements to make, so I'll start with them now.

I would like to announce that the Standing Committee on the Legislative Affairs will meet on Monday, April 24th, 2023, at 6 p.m. to consider the following: Bill 2, The Official Time Amendment Act; Bill 8, The Off-Road Trails Safety and Maintenance Act; Bill 13, The Wildlife Amendment Act; and Bill 24, The Wildfires Amendment Act.

Madam Speaker: It has been announced that the Standing Committee on Legislative Affairs will meet on Monday, April 24th, 2023, at 6 p.m. to consider the following: Bill 2, The Official Time Amendment Act; Bill 8, The Off-Road Trails Safety and Maintenance Act; Bill 13, The Wildlife Amendment Act; Bill 24, The Wildfires Amendment Act.

Mr. Goertzen: I would also like to announce that the Standing Committee on Social and Economic Development will meet on Monday, April 24th, 2023, and if necessary, on Tuesday, April 25th, 2023, and Wednesday, April 26th, 2023, at 6 p.m. to consider

Bill 35, The Education Administration Amendment Act (Teacher Certification and Professional Conduct).

Madam Speaker: It has been announced that the Standing Committee on Social and Economic Development will meet on Monday, April 24th, 2023, and if necessary, on Tuesday, April 25th, 2023 and on Wednesday, April 26th, 2023, at 6 p.m. to consider Bill 35, The Education Administration Amendment Act (Teacher Certification and Professional Conduct).

Mr. Goertzen: I would like to also announce that the Standing Committee on Justice will meet on Tuesday, April 25th, 2023, at 6 p.m. to consider the following: Bill 6, The Manitoba Public Insurance Corporation Amendment Act; Bill 12, The Minor Amendments and Corrections Act, 2023; Bill 15, The Court of King's Bench Amendment Act; Bill 18, The Legislative Security Amendment Act; and Bill 19, The Provincial Offences Amendment Act.

Madam Speaker: It has been announced that the Standing Committee on Justice will meet on Tuesday, April 25th, 2023, at 6 p.m. to consider the following: Bill 6, The Manitoba Public Insurance Corporation Amendment Act; Bill 12, The Minor Amendments and Corrections Act, 2023; Bill 15, The Court of King's Bench Amendment Act; Bill 18, The Legislative Security Amendment Act; and Bill 19, The Provincial Offences Amendment Act.

* (15:00)

Mr. Goertzen: And, finally, I would like to also announce that the Standing Committee on Justice will meet on Wednesday, April 26, 2023, at 6 p.m. to consider the following: Bill 11, The Reducing Red Tape and Improving Services Act, 2023; Bill 17, The Regulated Health Professions Amendment Act (2); Bill 26, The Limitations Amendment and Public Officers Amendment Act; and Bill 34, The Police Services Amendment Act.

Madam Speaker: It has been announced that the Standing Committee on Justice will meet on Wednesday, April 26, 2023, at 6 p.m. to consider the following: Bill 11, The Reducing Red Tape and Improving Services Act, 2023; Bill 17, The Regulated Health Professions Amendment Act (2); Bill 26, The Limitations Amendment and Public Officers Amendment Act; and Bill 34, The Police Services Amendment Act.

* * *

Mr. Goertzen: Madam Speaker, could we please resolve into Committee of Supply?

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

Mr. Deputy Speaker, please take the chair.

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

ROOM 254

HEALTH

* (15:30)

The Acting Chairperson (Blaine Pedersen): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of Estimates for the Department of Health. Questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. Jamie Moses (St. Vital): I'm happy to have the opportunity to ask the Minister of Health a couple of questions this afternoon.

I appreciate that the minister will be able to answer the questions in the same manner that she normally answers our critic for Health today.

So, I wanted to ask the minister a question specifically regarding health care for international students. This is a file that has been expressed to me very seriously from many international students, who have expressed their concern for not having access to the public health-care system.

While many of them, they are required to purchase private insurance at a pretty expensive cost to them, I know that they have expressed, you know, the need to be put back on the public health-care system since it was removed from them back in 2018.

And so I would ask the minister if she has plans, or her department has plans, to reinstate international students onto the public provincial health-care plan?

Hon. Audrey Gordon (Minister of Health): I thank the member for St. Vital for the question.

I must redirect the member to the Estimates—I think they're still upcoming—for Advanced Education. That is where the mandate for international students and health-care coverage resides.

But, in doing so, I also want to put on the record that I'm told that Manitoba has the lowest tuition rates in the country. And in order for a student to register

here—international student—they are required to have health insurance.

So, again, I will redirect the member for St. Vital to the Estimates for Advanced Education, and just remind the member that we do have in this province amongst the lowest tuition rates in the country.

And I spend a lot of time talking with students from the immigrant community. They have shared that that is one of the reasons why they select Manitoba as their choice destination for study. And I did several programs, myself, all out of University of Manitoba, and made friends with many individuals in my undergraduate and postgraduate studies that were international students, and they always lauded Manitoba for having amongst the lowest tuition rates.

So I trust that we will continue to see an influx of international students coming to our province. And, again, I redirect the member for St. Vital to Advanced Education, where the mandate for international students and health-care coverage resides.

Thank you, Mr. Chair.

Mr. Moses: I appreciate the minister's answer, but I'd like to get, you know, maybe some further detail regarding this because this does impact health-care outcomes for Manitobans.

When we look at international students who, despite the tuition that the minister claims—which, by the way, has increased by 18 per cent over the first six years of this government's mandate—despite that, international students pay, in some cases here in Manitoba here, three times or more what domestic students pay.

And, on top of that, international students have to pay for private health care, which costs them over \$1,000 per year.

Now, what that means for international students, in addition to all of that extra cost, and in 'atidition' to all their studies, it means that by having private health care and not being on the public plan, that they do not have access to health care the same way domestic students do, the same way other people who, you know, have grown up in Manitoba and are part of the public provincial health-care plan do.

When they go to access health care from service providers, they are often questioned about the validity of their health insurance. Sometimes, that means that many of them don't seek health care when they should, when they ought to. When they go to health-care service providers, they're often asked to pay upfront

for care before accessing services or seeing a medical professional.

And, in many cases, due to the complications with private insurance and with university studies and courses and being eligible, many of them, sadly—due to no fault of their own—fall through the cracks, which leaves Manitobans—people who reside here, people who are trying to set up a life here, people who are trying to come to a province where we're in desperate need of more people, more people to work in our economy, more people to become skilled, more people to work in our labour market and be skilled and well-educated people in the labour market—in a place and at a time when we ought to be encouraging those people, I find it very concerning that this government has a policy which would enforce and mandate that they pay an extra \$1,000 for private health insurance instead of having these people on the public health-care plan.

* (15:40)

Not only does it cost them more, and makes our province less attractive compared to other provinces in this country, it also means that the quality of care that international students get is often not on par with domestic students and the rest of us in Manitoba.

And so when it comes to the quality of care—your know, which I think Manitobans would say is directly in the purview of the Minister of Health (Ms. Gordon)—when it comes to ensuring that Manitobans have access to good-quality care and can do so without fear of reprisal or of—fear of getting hit with a—tens of thousands of dollars a bill, if not a hundreds of thousands of dollars a bill.

What does the minister say to those people who are trying to access good-quality health care when they are looking at a system where they—that treats international students so much different than domestic students?

Ms. Gordon: I do value the comments that the member is putting on the record today. Again, I want to start with redirecting him to Advanced Education that is responsible for the mandate for international students as it relates to health care. It's under their purview.

The member states that the Department of Health provides health-care services to all Manitobans. That is accurate. However, discussions with regard to the direction of the mandate on international students and their access to health service coverage rests in the Department of Advanced Education. It is under their purview, Mr. Chair.

Now, if that department were to bring forward a proposal, bring forward a requirement to make those health-care services available to international students—well, then, Manitoba Health, as they do for other Manitobans, would provide those services.

Again, the mandate on whether or not those services will be provided rests with—as I'm sure the member knows, because in the Chamber, the questions are usually posed to Advanced Education. So, you know, I'm not quite sure where the confusion is today.

So I'm going to redirect, again, the member for St. Vital (Mr. Moses) to the Estimates for Advanced Education to—for the discussion about the mandate for providing international students with health-care coverage.

Thank you, Mr. Chair.

Mr. Moses: To follow up on that statement from the minister, I'd like to state that, you know, in my role as critic for Advanced Education, I've brought this issue up to ministers in the past. Previous ministers on multiple occasions and multiple previous ministers have, you know, not clearly answered this question as to whether there is a plan, if there will be a plan or if they support reinstating international students onto health care. That's the Minister of Advanced Education.

And in some of those cases, they have redirected me to the Minister of Health. And so, again, we're seeing a system where this government is putting international students and causing them to fall in the gap, the gap between two ministers: a Minister of Health who seems to push it to a Minister of Advanced Education, and the Minister of Advanced Education who has, in the past, pushed it to the Minister of Health.

Now, it's frustrating for me to again hear this push back and this redirection—the minister to push it to another minister when clearly it's a health issue and it obviously affects students. And so, I can, of course, and I will plan to ask the Minister of Advanced Education this question, but I would also say that I think it's time we have a clear discussion between the two ministers to settle this issue, to work for the best interests of international students.

And so I would want to get assurances that the minister is confident—the Health Minister is confident I will actually get an answer to this question from the Advanced Education Minister. And I'd also like to ask whether, you know, if there is any other further confusion—redirection—that we work together between the Minister of Advanced Education, the Minister of Health and myself to ensure the international students

don't fall through the cracks again, between government departments, and that we can, together, advocate for health care for international students.

And so I'll ask the minister if she would be (a) willing to provide some confidence for me that the Minister of Advanced Education will be able to answer my questions; and (b) to, if that fails, sit down between the Minister of Advanced Education, the Minister of Health (Ms. Gordon), herself, and myself to discuss how we can improve the health care for international students.

Ms. Gordon: I want to redirect the question.

We are here today to consider the Estimates of the Department of Health for '23-24. And I did scan the Estimates document, and nowhere within the Estimates is there a mandate or a line item that relates to costs for provision of health-care services for international students.

Again, for this discussion I redirect the member of saint—for St. Vital to Advanced Education Estimates to pose his questions, and ask that we redirect the questions to the Estimates for Manitoba Health for the year '23-24.

Thank you, Mr. Chair.

Ms. Amanda Lathlin (The Pas-Kameesak): I wanted to ask the Minister of Health—last time I had the opportunity to ask you a question, it was regarding the Northern Patient Transportation Program.

And when you had—I can't remember the figures that you used, but that—you had said that your government had given a significant increase to this program.

And I had replied back saying, yes, but the rates remain the same. And also, too, I wanted to put on record, as well: after the fact that I walked out of the room when we were done—that the reason why the government is giving more money to this program, because, more and more, services are no longer available in northern Manitoba.

And I do remember, I did get the former-former-former minister of Health, mister—*[interjection]*—yes, the MLA for Steinbach, right? Okay. And we were in Estimates like this within the Chamber, and I got him on record agreeing with me that, you know, if—I know I keep on—sound like a broken record about The Pas clinic, but I really wish it was built, you know, so folks like me don't have to travel to—you know, it's hard being a diabetic in the North. We had both agreed that the Northern Patient Transportation Program

would've eventually, you know, halfway met, you know, like, our costs, if you will.

Travelling in the North—I mean, travelling—having that clinic there versus Northern Patient Transportation Program and the fact that, you know, you got to go on your own dollar and then get reimbursed weeks later—it doesn't work well with us, to the point where we, you know, reject—not reject—we have to sacrifice our health in order to, you know, not miss work for a few days and not look for a ride. There's even, you know, a Highway 6 call-out for rides just for medical. We have fundraisers for medical trips as well.

* (15:50)

And so I just wanted to know, any future for getting this policy updated? Because I believe it hasn't been touched since '95, and I know for a fact that things will change for us in the fall.

And that's the first thing I want to jump on, is to look at those policies and make them reflect who we really are, what our needs are in northern Manitoba when it comes to accessing health-care services and leaving home to do so.

Ekosi.

Ms. Gordon: I—the member—we discussed this at one of the previous sessions, and I recognize this is very important to the member and to the community that she represents. And, you know, I do want to ensure that it's put on the record that during the time of the previous administration, the NDP government, the northern patient transport program was crumbling. It was underutilized because it was terribly unfunded—underfunded, and our government took office, more than doubled the funding of the program to \$18 million. Now I'm told upwards of 20,000 northern Manitobans—twice the amount under the NDP administration—are served every year.

And we continue to make investments in the North, and I'll just give one example. We have given \$4.3 million for 37 additional nurse training seats at University College of the North. I've said, many times, \$812 million will be used in the creation of a new intermediary—intermediate health-care hub in northern Manitoba, which I am hopeful will allow for Manitobans in the North to be able to receive care closer to home.

And, you know, I certainly won't stand and say that more work doesn't need to be done. It does. It's about continuous improvement, but our government has committed to that, not just in other areas of the

health system, but certainly in terms of the northern patient transport program.

Thank you, Mr. Chair.

MLA Uzoma Asagwara (Union Station): I'd like to start by following up with the Health Minister to see if she's able to provide us with a document she promised she would have her department undertake to provide the last time we met—the last two times we've met.

Thank you.

Ms. Gordon: There are a few items that were taken under advisement that are not quite finished yet in terms of the calculations and analysis. If the member would like us to table what we have so far, we can do that. If the member would like to wait until all the items are ready, we won't have them all calculated and ready to go tomorrow. So I give the member that choice.

Thank you.

MLA Asagwara: I'm happy to accept right now what the minister does have ready and available and also happy to receive the remaining documents tomorrow.

Does that work for the minister and her staff?

Ms. Gordon: We will follow through on that request.

Thank you.

MLA Asagwara: So, just clarifying with—through the Chair, actually, or through the Clerk, those documents, we'll receive them via you folks, or—*[interjection]*—they'll send it to us? Okay. Okay.

Okay, so I'm just seeking clarity, I guess. The documents that are going to be provided right now, the minister is saying she'll provide today? I'm guessing we'll be getting those via email correspondence later today, or if those—that information verbally and as well by email correspondence.

Ms. Gordon: Just excuse my ignorance, but we're virtual, so how do we table these documents, these items?

The Acting Chairperson (Blaine Pedersen): I am informed that there's two ways that you can do it, Minister: you can either have them walked down here to the committee room, or you can send them through that virtual—or by email through the Clerk's office here—through the—to the Clerk—attending clerk.

So we'll leave it to you to decide which way you want to do it, if that's satisfactory for everyone. Thank you.

Go ahead, Minister.

Ms. Gordon: Thank you, Mr. Chair. We'll—I'll have someone walk them down, and we'll do the same with the items tomorrow.

MLA Asagwara: I'd like to ask some questions now in regards to the announcement the minister had this morning specific to the pandemic wait-list backlog. I am happy to provide the release if the minister needs it, although I'm sure, obviously, that the minister has the—knows the release inside and out by now.

The minister indicated that the health system has been able to address some of the additional backlogs of waits for various procedures that came about during the pandemic. I've read the news release and I've read the details of the news release, but—and I'm asking this because it's what Manitobans have been asking clarity around for many, many, many months now, and Manitobans want to know what the current wait-lists are for those procedures.

* (16:00)

And so, given the minister made this announcement earlier today, provided a news release with those details, I trust that she already has this information handy and that the information she has is directly related to the content of her release.

So can the minister advise us of the current remaining wait times and list them for us here in committee?

Ms. Gordon: Thank the member for Union Station (MLA Asagwara) for the question. It gives me an opportunity to once again thank the Diagnostic and Surgical Recovery Task Force for the incredible work that they have been doing to address the immediate needs of patients, reducing wait times and getting procedures done as soon as possible.

I do want to highlight and place on the record that the pandemic backlog has been eliminated in several areas, and they are cataract surgeries; CT scans; ultrasound tests; cardiac catheterization lab tests; pacemaker surgeries; pediatric neurodevelopmental assessment; urology tests; orthopedic surgeries, which exclude hip, knee and spine surgeries; oral surgery and dentistry; and echocardiography tests.

The pandemic backlogs have also been significantly reduced for cardiac surgery by 54 per cent, bone density by 53 per cent, pain management by 47 per cent, orthopedic spine by 94 per cent and adult allergy testing by 66 per cent.

And some of those numbers that the member for Union Station is requesting—actually, all wait times info, the volume of patients that are waiting and completed

cases can be found on the online Diagnostic and Surgical Recovery Task Force website. They have dashboards there. The information can be searched by site, it can be searched by region, it can be searched by specific surgery or diagnostic test. So, a lot of comprehensive information is there.

But I do want to highlight and repeat the words of Dr. Peter MacDonald, who is the chair of the task force and the steering committee, that they're continually expanding the number of service lines they're supporting through the efforts of the task force. And over the next two years, they're actually projecting an additional 180,000 cases will be treated through these many initiatives.

This work has been ongoing for some time now, since the task force was announced in 2021, and they continue to tackle the backlogs. It's a key initiative in getting more patients the treatments they need more quickly.

So, we tend to focus on numbers, we tend to focus on what we see on the dashboards, but behind each number is a Manitoban. It's their life. It's their quality of life, and so we need to be mindful of that, that numbers do not tell the story of the pain and the suffering that Manitobans are experiencing, that they have asked our government and myself, as the Minister of Health (Ms. Gordon), to make available to them a suite of services, a suite of options.

You know, at one time, the members from the NDP caucus were calling on myself and our government to pay the fees for individuals who had gone out of province to receive care without approval of Manitoba Health. They said it wasn't fair that we were not covering those costs. And then we moved to make out-of-province surgeries available and then we were criticized for that.

So, it's difficult to know what side the members of the NDP caucus stand on—is, you know, because it changes from one day to the next. But I can assure Manitobans that we stand on the side of them receiving care in a timely manner, ensuring that what they've asked us for in terms of a suite of options, a suite of services, is available.

They want to be able to enjoy a good quality of life with their family members, their children, their grandchildren. The number of stories I've received, and emails of individuals who had cataract surgery, who couldn't see.

One person was a palliative-care patient who had a short period of time to live and was able to have

cataract surgery done so that they could see their family members for a final time through our RFSA process.

I know members opposite might not appreciate that, but I know the patient and the family members that had an opportunity to be seen just before the person passed away was important. So, we'll continue that work.

MLA Asagwara: Can the minister clarify, the information she's saying is readily available online—can she clarify if that information is just specific to the pandemic backlog? Because what I'm asking for is the wait times for these surgeries and procedures and tests in their totality.

So, I'm not just talking specifically about the pandemic backlog. I'm talking about all of these procedures, surgeries, tests in their totality as a whole.

And so, can the minister please provide that information? What are the remaining wait times? And list them out, and not just specific to the backlog. I'm talking about as a whole.

Thank you.

* (16:10)

Ms. Gordon: It is my understanding with—in response to the member's question, that the information to be found on the dashboard for the Diagnostic and Surgical Recovery Task Force is the totality of the waits for the procedures, which includes pandemic and ongoing wait times. So it is a comprehensive list.

Thank you, Mr. Chair.

MLA Asagwara: Okay, so I'm going to accept the minister's response, although I think that, you know, I'm not sure if it's just, maybe a misunderstanding on what it is I'm asking. But I'm going to move on, and keep it within the same sort of umbrella of the questions I'm asking, however.

So, there's a second list of procedures in the news release that the minister claims they've made progress on reducing the wait-list backlog from the pandemic, and so I'd like to ask the minister whether she has estimates for when the remaining backlogs for those procedures will be completed.

And I'll give an example, just to make it really clear. So, for the—an example at the current rate—we'll talk about cardiac surgery. So when, for example, would the cardiac surgery backlog from the pandemic be addressed?

So, again, this is a separate list now; it's a second list of procedures that were in the news release, and so cardiac is just one example. But we know that there's a wait-list for cardiac surgeries that is, you know, beyond the pandemic wait-list; we know that, you know, pre- and post-pandemic, if we can say that, there were wait-lists associated with cardiac surgery.

And so, I'm wondering if the minister can provide clarity in terms of that second list of procedures in the news release, if she can provide clarity as to whether or not she has estimates as to when those remaining backlogs will be completed.

Ms. Gordon: I will not speculate on information that is in a news release or with regard to the question the member raises.

What we're here to discuss is Budget 2023 and the supplement to the Estimates of expenditure for 2023-24 for Manitoba Health, and I'd like to redirect the member for Union Station (MLA Asagwara) to the Estimates of the process and to the supplement, and happy to answer any questions there. And lots of time in what we call question period to raise some of those matters.

Today, I would like us to focus on the supplements for Manitoba Health for 2023-2024.

Thank you, Mr. Chair.

MLA Asagwara: So, I raise this question because the minister does have a budget in—a budget line around this. The minister has set aside millions of dollars to address the backlog. And this list of procedures that are—people are still waiting on, you know, obviously is on the receiving end of those investments, of those dollars.

And so, one would imagine that, if the minister has set aside a certain amount of her budget to address these backlogs, then the minister would have some sort of awareness as to what the hopeful timeline is in order to make sure Manitobans get access to these surgeries and these procedures, cardiac surgery just being one example. And we know how important it is that folks receive that care.

So, I ask this because the minister, in her own budget, does have funds allocated to addressing this very important issue, this essential health-care issue. And so, I would imagine that she does have some sort of a timeline in mind in terms of when this second list will be addressed.

Ms. Gordon: I just want to highlight the good work that has been done by the task force overall.

So, 14 service lines have been eliminated with the \$110 million that was budgeted for '22–2022-2023 fiscal year, with 19 remaining. The budget is \$130 million in the Estimates for 2023-2024.

In terms of cardiac, I see that 95 per cent of the cardiac wait-list has been eliminated and seven service lines are 50 per cent eliminated. And surgeries continue to be done.

* (16:20)

When we look at cardiac, I'm looking at—I believe this is for the week of April—I don't want to get it wrong because I'll be questioned on it—but I think it's April 3rd to 9th, 2023, 18 cardiac surgeries were performed. April 3rd to 9th, which is—and 12 cardiac surgeries were non-urgent, elective, while six were emergent, and there were 20 cardiac surgeries performed during a similar period in 2019 where there was 17 non-urgent elective and three emergent.

So, you can see the increases and that these surgeries are being done. And, you know, I just want to look at—I have an updated document for surgeries as of April 13, by site, and Concordia Hospital is operating at 171 percentage of pre-COVID capacity; Grace is at 94 per cent of pre-COVID capacity; HSC is at 78 per cent; Pan Am is at 500 per cent; St. Boniface is at 118 per cent; cardiac, again, 200 per cent of pre-COVID capacity; Victoria hospital is at 100 per cent; HSC Women's is at 300 per cent.

Mr. Chair, it's—this is just incredible work, and it is my hope—again, I always say this in every opportunity that I get that we must remember that every number represents a Manitoban who's waiting for care, and we want to ensure that we continue to offer that care as quickly as possible. That's why our government continues to fund at record levels the work of the Diagnostic and Surgical Recovery Task Force. And you can see the increase we've made in the 2023-2024 budget. We've increased those dollars to \$130 million because we want to chip away at these wait times as quickly as possible.

So, it's always my hope that they'll be eliminated immediately and very quickly, and I sit and have discussions with the health system leaders about how we can do that. Is it by expanding clinic hours? Is it by adding more surgery slates? How willing are our surgeons to work evenings or weekends or add additional slates?

So, discussions are always under way, and changes are always being made. There's a lot of flexibility right now in the system to scale up and to do more, and we

leave the door open to have those discussions on how we can do that. And so, again, in terms of cardiac, as quickly as possible, and I know the surgeons feel the same way. They are working—and you heard the list that I read into the record of, like, some of them have 500 per cent more than pre-COVID levels, 200 per cent more. So, they are working very hard, and I appreciate the good work that they're doing and value and appreciate everything that they bring to our health-care system to ensure Manitobans who need cardiac surgery are receiving the care in a timely manner.

Thank you, Mr. Chair.

MLA Asagwara: Okay, so I'm going to carry on with this line of questioning because it is really important.

I'm talking about the second list on that release. So, cardiac surgeries, bone density, pain management, orthopedic-spine, adult allergy testing. And they've been reduced—as per the minister's own release, they've been reduced in terms of the pandemic backlog. So, for cardiac—and I'll keep giving that as an example—has been reduced by 54 per cent.

And so, I'd love some clarity here in terms of what does that mean in real numbers, real Manitobans, who are still waiting for these surgeries and procedures and tests?

And so, cardiac surgeries, bone density, pain management, orthopedic-spine, adult allergy testing—we have in the release the percentages of the pandemic backlog that have been completed.

Can the minister clarify: the percentage that has not been completed in these areas, how many people is reflected in those numbers? How many Manitobans does that represent in all of these areas where there's a percentage outstanding that have not yet received this care? And, again, that's just specific to the pandemic backlog.

Now, my follow-up question to that is, what does that mean in terms of the total number? So, the folks—the Manitobans who are still waiting for cardiac surgery and are on that wait-list not as a result of the pandemic? Same for bone density, pain management, orthopedic-spine and adult allergy testing.

So, I'm looking for the number of Manitobans who are still waiting for these surgeries and procedures and tests on that second list, because they're part of the pandemic backlog that has not yet been cleared. And then, I'm also looking for the number of Manitobans overall, beyond that pandemic wait-list, who are still waiting for these procedures.

Does the minister have those number available?

* (16:30)

Ms. Gordon: I want to start by reminding the member of the excellent announcement on March 23rd, as I stood with several health-system leaders to announce the expansion and enhancement of pain—the pain-care program, and our government's investment of \$4 million. It's an annual commitment; it's not a one-time commitment in investments to the Manitoba Pain Care Program.

And at that time, I said that chronic pain management is about putting the patient at the centre of their care by giving them expanded and faster access to multidisciplinary treatments. The—what was really—I mean, it was all exciting, but extra excitement was that the Manitoba Pain Care Program, which will include a new pain-care clinic at Selkirk Regional Health Centre, which will ensure care is available throughout the province so patients can receive a more comprehensive pain recovery path.

The first phase, the existing locations will schedule more patient appointments and perform additional procedures while recruitment is under way to add staff and clinical providers such as psychologists, physiotherapists and kinesiologists to an existing multidisciplinary team. And I also talked about, you know, how we're going to incorporate psychologists and other health providers in this multidisciplinary team.

And Dr. Chris Christodoulou, who's the provincial medical specialty lead for anesthesia, and who's also a member of the Diagnostic and Surgical Recovery Task Force steering committee, said he was excited at the opportunity to build a comprehensive pain-care program to serve all Manitobans, both today and into the future.

I'd—I also want to take the member back to the dashboard on the task force's website, which includes detailed data on wait times, including waits by weeks, number of patients on the wait-list and cases completed.

And some examples of patients on—numbered patients on the wait-list for: knees, 2,346; hips, 1,002; ultrasound, 18,923; cardiac surgery, 128; cataracts, 6,318; bone density, 3,249.

Completed through the task force: knee surgeries, 3,169; hips, 2,399; ultrasound, 229,458; cardiac, again, 1,126; cataracts, 16,581; and bone density, 9,636.

So, a lot of great work is being done. Not—and pain management isn't just about individuals who don't need surgeries. It is, as I said, about individuals who

just—who have overall generalized pain; some, it's due to rheumatoid arthritis and other conditions. But the pain program and the \$4-million annual investment that we've announced will certainly help with the care that these individuals need.

Again, just very excited and thankful to the task force, the leaders such as Dr. Chris Christodoulou, the psychologists that were there that day during the announcement. Dr. Charles Penner, who's a regional lead of medical services and chief medical officer for Interlake-Eastern Regional Health Authority; was there providing supportive comments for the work that our government is doing through the Diagnostic and Surgical Recovery Task Force.

It's supported by experts from across Canada. The team of respected local health-care professionals identify and implement short- and long-term solutions, and you can see how those solutions are working for the various surgeries that I have listed, Mr. Chair.

Thank you.

MLA Asagwara: The minister's press release says they've cut the pandemic backlog by a third, or approximately 26,000 cases.

Can the minister confirm that that means there's still a backlog of some five—sorry, still a backlog of some 50,000 procedures that were not performed during the pandemic?

Ms. Gordon: So, I know at today's announcement, there was a comprehensive update provided, and I'm certain I haven't had an opportunity to see the recording of that.

But I know that Drs. Buchel and Matear and MacDonald are very excited about their ability to—since the task force was announced and we started with a block of surgeries and diagnostics, they would have shared how they began to expand that list to include other wait-lists. And they and myself are very excited about the expanded mandate for the task force and their ability to help more Manitobans get the care they need quickly.

* (16:40)

And so, the mandate has been expanded and our government is following suit by ensuring that we make the investments that are needed financially for them to continue to provide care to Manitobans. So, the budget is up from \$110 million in the last fiscal year to this year's estimates of \$130 million, will just—which just speaks to the success of the great work that is being done.

Thank you, Mr. Chair.

MLA Asagwara: I'd like to ask the minister about the recent news that her wait times task force is—and it's pretty serious news—that her wait times task force is rejecting offers of help within our public system and insisting on private sector involvement, even when we have the capacity that just simply needs, you know, some investment, some support from this government.

That's a pretty serious statement, and information that was brought forward by specialists who resigned from the task force. And I know—I'm sure the minister is, you know, concerned and taking that very seriously, as all Manitobans who heard that news this week, I think, were pretty stunned by that revelation.

And so, we know that funding has been allocated to this government's privatization approach to different aspects of health care, and I'm wondering if the minister can clarify a discrepancy for me. There's a discrepancy in the number of tests that Cerebra has provided.

So, can the minister clarify if it was 158 tests, or was it 237 tests? And why wasn't it the 1,000 that they promised?

Ms. Gordon: You know, I want to ensure on the record that the work of the task force is outlined. And due to the efforts of our government and the task force, to date 22,335 additional Manitoba patients have received their procedures through the task force's request for service agreement.

In the last year, we've completed 89,378 MRIs, 264,849 CT scans, 1,026 cardiac surgeries, 2,182 orthopedic hip surgeries, 2,878 orthopedic knee replacements. The pandemic backlog for cataract surgery has now been fully eliminated; 15,251 completed procedures in 2022. We have halved the pandemic backlog for ultrasounds; from almost 4,500 procedures to under 2,000. The Maples gynecology program has now provided dozens of successful procedures to Manitoba women. St. Boniface general hospital has added an additional eight outpatient cases a week and will be reducing the endoscopy backlog by 416 cases per year. FIT tests continue to reduce the endoscopy waiting list; 1,055 patients have been diverted from the waiting list, exceeding our goal of 1,000 patients for the year.

Over 12,000 Manitobans have received successful surgeries at private providers in Manitoba over the last two years through the task force. All of these people would never had their procedures done under the NDP; the providers, like Maples or Western, didn't exist. Of those, over 4,500 were done in the last eight months. We expect an additional 13,000 surgeries and

procedures will be done at Manitoba private providers over the next six months, making a huge impact on the backlog in addition to what the public system is doing.

These numbers of people who have received a successful surgery now—I'm sorry—successful surgery prove how detrimental the ideology in health care can be under the NDP; they would still be waiting in pain. Every other province has built up their system capacity in a balanced way over the last 25 years. It allows the Province to access capacity at home when something unexpected happens. It is the main reason why Alberta and Ontario have handled their backlogs so successfully in their provinces. And, again, I want to emphasize that government, not the patient, pays the bill.

And we are supporting the public system, Mr. Chair: \$4.9 million invested into a fifth operating room at Concordia Hospital to increase orthopedic surgery capacity by 1,000 procedures a year; \$141 million to triple the size of St. Boniface's ER; \$50 million to increase Health Sciences Centre's surgical capacity by 25 per cent; \$30 million to increase ICU-bed baseline from 72 to 100; \$2 million for the Swan River CT scanner; \$800,000 for 30 new nurse training seats at Red River College Polytechnic; \$8 million for the new HSC acute stroke unit; \$2.5 million for the CancerCare redevelopment for chemo treatment in Russell; \$812 million for the clinical preventative services plan; \$1.2 million for the expansion of the physician and triage program at HSC-St. Boniface; \$750,000 for the HSC Children's Hospital inpatient monitor upgrades to support 26 beds.

And, Mr. Chair, I have to say that the \$812 million in—is going to add 90 beds at Portage la Prairie hospital; 60 beds at hospital in Neepawa; 30 additional seats at Brandon Regional Health Centre; 23 additional beds in Steinbach; 24 beds at Boundary Trails; 30 beds at Selkirk regional centre; 12 beds at Lakeshore general in Ashern.

These are dollars that are going into the public health system in a balanced way.

Thank you.

MLA Asagwara: So, my question was very straightforward; wasn't a lot in it. It was very clear, and I don't really understand why the minister is doing everything she can to avoid answering a really straightforward question.

You know, I did mention previously, and I'll reiterate it because I do think it's important that specialists on this minister's task force resigned and made that public this week, and the reasons for doing so are very

concerning. Their reasons include that they brought forward a solution—solutions which would've seen the backlog cleared in just a few years; solutions that would've strengthened this aspect of health care in the public health-care system.

And their solutions were rejected by this government for not having enough private sector involvement, which, I've heard from a number of folks—a number of folks in the community, who said very pointedly to me: Wow, like this is—you folks have been talking about this. You've been talking about this government's privatization agenda in terms of health care despite, you know, tons of evidence over many decades that show that that's the wrong approach to health care.

* (16:50)

But to see it plainly from specialists who have resigned, you know, that's really unnerving. And it's—the folks who have reached out to me to express that really saw that as a huge red flag in terms of what this minister's approach is to health care.

And so, when I ask questions about, you know, the number of tests that Cerebra has provided, just asking clarity—it's a simple question, and the minister will spend five minutes avoiding providing a direct response to this question—I think it really highlights the concerns that Manitobans are bringing forward.

And so, I would ask again that the minister just provide simple clarity here. You know, how many tests did Cerebra provide? Is it 158 or is it 237? And why wasn't it the 1,000 that they promised?

Ms. Gordon: You know, the member for Union Station (MLA Asagwara) continues to put inaccurate information on the record, which is unfortunate for Manitobans.

The Diagnostic and Surgical Recovery Task Force confirmed this morning, when they did their press conference, that two physicians that were not officially part of the Diagnostic and Surgical Recovery Task Force—I want to say this again, for the record—the two physicians were not officially part of the Diagnostic and Surgical Recovery Task Force—they did not resign from the task force.

They did provide advice to the task force as members from the Misericordia Sleep Disorder Centre. They have stated they no longer wish to do so. That is their right, Mr. Chair. We respect that, and we thank them and value them for the input they've given thus far.

There are a lot of stakeholders; there are a lot of health-system leaders that provide input to the task force. At times, their views will be acted upon, and at times it may not. But we value all the input that is received.

And again, I ask the member for Union Station (MLA Asagwara) to discontinue putting these accusations that are not supported by the task force or by any information that has been tabled onto the record. These individuals were not officially part of the Diagnostic and Surgical Recovery Task Force.

Mr. Chair, the task force estimates that the number of patients in Manitoba requiring sleep studies could be as much as 24,000 patients, due to the limited access to the provincial sleep study wait-list. The flow of patients to the request for supply agreement was compromised, resulting in a negligible impact on the number of patients waiting for assessment.

The proposal that has been put forward by the Sleep Disorder Centre is under review; I know the members opposite have tried to tell Manitobans that it was denied, it was cancelled, it was not supported; that is not factual, Mr. Chair. It is under review.

A decision has not been provided, and I encourage the SDC—the Sleep Disorder Centre—to await that decision and for, again, the members opposite and the member for Union Station to cease from putting information on the record that is not substantiated by any facts.

The—Cerebra was contracted to conduct the sleep studies and provide reports to the Sleep Disorder Centre for analysis and treatment planning through the Request for Supply Arrangement process. They—it was announced this morning at the press conference that they've completed 150 sleep studies by March 31st, 2023, when the contract expired.

Mr. Chair, we—the task force continues to work with service delivery organizations and providers through the RFSA process. The goal is to ensure the Manitobans requiring sleep studies—which I said before, for the record, could be as much as 24,000 patients—receive access to their sleep studies and the care they need in a timely manner.

It's a—it requires a balanced approach. You know, I hear on a regular basis from Manitobans who want quick access to care. And they've asked this government, and myself as minister, to provide them with a suite of services and options, and we answered that call.

And, again, at one time, the members opposite—the NDP caucus—was calling on our government to

pay for out-of-province care that individuals had accessed without approval from Manitoba Health. Now it's available—

The Acting Chairperson (Blaine Pedersen): The member—the minister's time has expired.

MLA Asagwara: Can the minister advise us if her government has directed that private-sector involvement was a pre-condition for approving plans or proposals to address wait times?

Ms. Gordon: The answer to the question is no.

Thank you.

MLA Asagwara: What's the current status of the stroke unit at HSC? Is it open yet?

Ms. Gordon: I am pleased to report that all construction has been completed. The manager has been hired. Physicians have been hired; we're waiting for their arrival here in the province and look forward to a ribbon-cutting ceremony very, very soon.

Mr. Chair, again, let's remember that this is about individuals who need stroke care. And we have been very committed over our time in office to ensuring that stroke gets the attention that it needs. We made the investment into the stroke unit.

We are hiring the staff. I—it's been a difficult time, as we all know, in terms of the global staffing shortage. The—again, the manager has been hired, the physicians have been hired and we look forward to imminent opening.

Thank you, Mr. Chair.

MLA Asagwara: There were several questions that I asked today that were, again, very straightforward, and it would have been great to get clear responses from the minister. And, you know, generate concern when the minister spends an exorbitant amount of time dodging and diving and avoiding answering these very direct questions.

And, you know, we continue to see specialists and experts and front-line providers in our health-care system raise concerns about this government's approach to health care in Manitoba because it has a direct impact on Manitobans who are depending on it.

And while it is incredibly disheartening that the minister did not answer my questions, there are other opportunities where I am going to hold her accountable.

The Acting Chairperson (Blaine Pedersen): The time being 5 p.m., committee rise.

ROOM 255**FINANCE**

* (15:00)

Mr. Chairperson (Brad Michaleski): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Finance. Questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. Adrien Sala (St. James): It's good to be back with the minister, and I appreciate the presence of the staff here to support him. Thanks to all for being here today as part of this committee.

I just want to start by—and today of—we'll be focusing on Hydro, specifically. And I would like to start by having the minister share some of his perspectives around some of the increases to operating and administrative costs that we've seen at Hydro.

We've seen, specifically, last year—and this is stemming from discussions—or some of this information stems from discussions during our committee, where I had the opportunity to speak with the CEO of Hydro to learn a little bit more about these concerns.

And through those discussions, we did learn that operating and admin expenses had gone up by 8 per cent in the last fiscal year. And the CEO identified that the estimated increase for operating and admin costs at Hydro this year were estimated to be north of 11 per cent.

Those increases in operating and admin costs translate directly, as the minister would know, into increases in energy rates for Manitobans. In fact, the 8 per cent jump in operating and admin costs last fiscal, which amounted to about \$52 million, is the equivalent of 2.8 per cent rate increase. And, of course, with an 11 per cent increase this year projected, we can expect, you know, again, more of these pressures, and we're seeing these costs seemingly continuing to go up.

So, my question, quite simply, to the minister to begin with is: Does he have concern about the escalating operating and administrative expenses at Manitoba Hydro?

* (15:10)

Hon. Cliff Cullen (Minister responsible for Manitoba Hydro): Well, Mr. Chair, I'll seek direction from you.

You know, clearly, we're in the Department of Finance Estimates here, and I think the line of questioning the member opposite is going down is directly relative to the operations at Manitoba Hydro, and those are exactly the type of questions I would think would be addressed at a committee of Manitoba Hydro, a committee of Crown Corporations. That's why we have the Crown Corporations committees, to ask those detailed types of questions.

So I'll seek some clarification from the Chair on that, if we're going to be spending the afternoon talking about the details of the operations of Crown corporations, where I thought we'd be in discussions about the Department of Finance. So I guess I'll leave that with you, Mr. Chair.

I will say to the member's question, in general terms, I mean, we're always concerned about operations of government, operations of Crown corporations.

We were elected on a mandate, I would say, to make sure that we are running government efficiently, providing quality and timely services to Manitobans, and I would say the same thing would go for Crown corporations.

So we certainly do want to make sure that Crown corporations are running efficiently, effectively, certainly not overburdened with excess, I would say, management, or operational excess. And that's why we do have our Crown corporations reporting to Treasury Board, as well.

So, certainly, there is a degree of oversight when it comes to Crown corporations, and we do want to make sure they're running effectively and efficiently.

And, to the member's point, that is—can be a reflective, certainly, of rate charges to consumers. That's why we take the operations of Crown corporations seriously.

Mr. Chairperson: I want to thank the minister for the question.

And for clarity, I would tell the minister that the questions regarding Hydro are in order, and there is a line item in the Estimates book that indicates that.

Mr. Sala: I thank you, Mr. Chair, for providing clarity on that question. I'll just ask the minister again in a somewhat more succinct way, here.

Given we saw 8 per cent rate—8 per cent increases in O&A last fiscal, given the—Hydro was projecting an 11 per cent increase in O&A this year, does the minister have concerns about these rapidly escalating costs of operating and administration at Manitoba Hydro?

Mr. Chairperson: Order.

I would ask for the honourable Minister of Finance (Mr. Cullen).

Mr. Cullen: Clearly, in respect of the question and reflecting on my first answer, obviously, we're always concerned about operational activities at our Crown corporations. Obviously, we want to be mindful of that.

We do appoint board members to monitor the day to day activities over there, and obviously the CEO and management are responsible for the operations of Manitoba Hydro.

Always mindful of that we're providing timely services to, in this case, Manitoba Hydro ratepayers. And we want to make sure that we do have staffing there to make sure that those things are addressed, you know, especially when it comes to winter operations and storms that may occur in the fall and the spring. We want to make sure that hydro is not out of service for too long.

So, certainly, we keep an eye on staffing there and the operations side of it.

I will say there's certainly oversight when it comes to rate setting. We know Manitoba Hydro recently asked for a 3.6 per cent increase at the Public Utilities Board. I understand the Public Utilities Board is reviewing that application now. It'll probably be having hearings in the near future, and expectation we'll probably have a ruling sometime this summer.

I will say, since we have taken the bold and historic steps in reducing the—both the water rental rates and the fee charged on the debt to Manitoba Hydro, reducing those rates in half for this year for Manitoba Hydro, we're able to save Manitoba Hydro \$180 million. Clearly, that will help stabilize Manitoba Hydro financially and it will, in turn, reduce rate increases to Manitoba ratepayers—Manitoba Hydro ratepayers.

I believe the—Manitoba Hydro is now requesting a 2.5 per cent increase as opposed to the 3.6 increase that was previously asked.

So, we've taken these bold measures. I know previous governments had doubled those respective

rates. We felt it was in the best interests of Manitobans to reduce those respective rates in half this year alone, saving—reducing rates to Manitobans to the tune of \$180 million.

So we do want a strong Manitoba Hydro. We certainly believe it is the Crown jewel for Manitoba and I think it can be an economic driver for Manitoba, as well, if it is managed properly. And we do have the regulatory framework around it to allow it to be a driver for economic development.

And I would go further to say that to be an economic driver for Manitoba, Manitoba Hydro has to respond in a timely matter to requests made by Manitobans for service, and we think that is certainly paramount as we go forward.

I would also say that we do want a strong Public Utilities Board to monitor Manitoba Hydro. And, in fact, this budget this year, we increased the budget for the Public Utilities Board by \$2 million. So, we want to make sure that the Public Utilities Board have the resources and has the manpower to effectively review the applications by Crown corporations, such as Manitoba Hydro.

* (15:20)

So our—I would say the bold steps that we have taken this year in terms of the water rental and the debt guarantee reduction to those fees will help create a stronger Manitoba Hydro into the future. It will reduce rate shock to Manitobans.

And by our added investment of \$2 million to the Public Utilities Board to make sure they are adequately staffed and have the right resources, or have the ability to acquire the right resources, to review the applications, I think we—

Mr. Chairperson: The honourable minister's time is up.

Mr. Sala: I do want to—there was a lot of information put forward there, and I am looking forward to later asking the minister about his government's work of dismantling the Public Utilities Board and their role in that.

And I do look forward, also, to asking the minister about some of the issues that we know businesses and industry are facing in getting service requests responded to. We're hearing month long—months-long delays, and, in fact, it's creating a very challenging environment for the expansion of industry and business, and I'd be curious to know if the minister is hearing the same.

But back to the question that we were asking and hoping for some clarity on. I did ask the minister about his concern about the quickly rising operating and admin costs at Hydro. I know he did mention that staffing is important. I find that is an interesting response, given the minister does represent a government that cut over 900 jobs at Hydro only a handful of years ago.

So, I guess I'm hearing him say that, maybe, that was a mistake, that they shouldn't have made over 900 job cuts at Hydro and that he feels that they should be rehiring those people that his government forced Hydro to cut.

But I will go back to the core question about this huge increase in operating and admin costs. I'm hearing the minister—you know, he's sort—we're not really getting to the meat of his answer. I would like to ask him again: does he have concern about it?

And he did say that they are concerned about financial management at Hydro, which is good to hear him say that. But I would like to hear what he's done about it. As the minister accountable for Manitoba Hydro, what has he done? What has been expressed to Manitoba Hydro—either through himself or his department—to Hydro, in terms of asking them about these giant increases in operating and admin costs?

Again, there's a direct line between an 11 per cent jump in operating and admin costs and Hydro rate setting, just like there's a direct line between massive overruns and IT projects at MPI and rates for Manitobans that they pay for their car insurance.

So, hoping the minister can tell us, what has he done in response to these giant increases in operating and admin costs at Hydro?

Mr. Cullen: Certainly, a few things in respect of—call it government oversight when it comes to Manitoba Hydro and, in fact, most of the Crown corporations.

We do have the Crown corps before the Treasury Board on a fairly regular basis. I would also say the—respect of Manitoba Hydro, Manitoba Public Insurance, the Public Utilities Board obviously set rates for both of those.

So, the Public Utilities Board, in fact, currently will be reviewing the submission for their general rate application that has been supplied by Manitoba Hydro. And, in reviewing the documentation that's supplied, the Public Utilities Board will clearly be reviewing the operations at Manitoba Hydro.

And in terms of the question the member posed, Public Utilities Board will be reviewing, you know, the changes in the operational costs at Manitoba Hydro.

I will say Manitoba Hydro will be impacted by the pandemic as well. Clearly they will be impacted by supply chain issues and we have seen pretty well every industry impacted by that.

Clearly, Manitoba Hydro are also going through an integrated resource plan and that, I know, is taking some additional staff and management as well. And I think they've been hiring some resources to help put that plan together, so I'm sure that will have an impact in terms of the operational side of things.

Clearly, we—I certainly have discussions with the board chair. I think we have a very competent board chair, Mr. Kennedy, in charge there, so we're certainly having regular discussions and certainly understand, too, our Crown secretariat under the Department of Finance does have ongoing discussions with management at Manitoba Hydro as well.

So, certainly—I know the member talks about cost overruns, when he referenced overruns. Well, we don't want a situation to happen that happened under previous governments, where we had a \$4-billion cost overrun on capital when it comes to Keeyask and the bipole.

That's why we're engaging the Public Utilities Board in the operations at Manitoba Hydro. I know that's something the previous government decided to ignore when the critical decisions to move forward on capital investments were being made. There was no oversight by the Public Utilities Board.

We're taking a different view to that. In fact, as I mentioned, we are increasing the budget for the Public Utilities Board to make sure that they have proper oversight to Manitoba Hydro, and that oversight will obviously look at the operations of Manitoba Hydro.

And I think we'll have a view to any capital investments that are being made within the province as well. And accordingly, they will be monitoring to determine what the proper rates will be for Manitobans and they will clearly be identifying any operational, I will call it, irregularities that may stand out.

So, we certainly look forward to the ruling coming from the PUB when it comes to the analysis of the general rate application currently before the Public Utilities Board.

Mr. Sala: I appreciate the response, and I think it's just important to put a fine point on it here that the minister has not expressed that they've taken a single action to help restrict or curb those huge increases in operating admin costs at Hydro.

And, again, I just want to tie that directly to rates. The 7 per cent bump last year equals a 2.8 per cent rate increase, and this year's 11 per cent bump is—I haven't done the math, but it's probably close to 3 and half, 4 per cent increase.

So I hope the minister understands why this is a critical question and why it's concerning to hear that he or his government have not taken any action. I didn't hear him say that he expressed to the board chair that this was something that needed to be brought under control.

What he did say was that the Public Utilities Board would be reviewing operating and admin costs at Hydro. And he's right that that is a role of the Public Utilities Board.

Unfortunately, what we've seen is that, under this government, rulings at the Public Utilities Board don't really have any value, and I'll draw the attention of the minister to directive from the Public Utilities Board 69/19, which directed Hydro, in 2019, to use a 1 per cent escalation rate for projecting operating and admin increases. And the purpose of that order was to limit the impact of those operating and admin increases on rates on Manitobans.

And so we've seen, since 2019, obviously, I've already outlined last year 7 per cent; this year 11 per cent. That's eight times, 11 times, what the Public Utilities Board directed Manitoba Hydro to restrict their increases to.

* (15:30)

So, can the minister comment on why he thinks there's a value to having the Public Utilities Board review operating and admin costs at Hydro, if they're not going to be required to follow that directive?

Mr. Cullen: It's interesting to see a newfound interest by the NDP in Manitoba Hydro, and actually in the Public Utilities Board as well. I mean, they chose to circumvent the Public Utilities Board and the process in the past, so I find it interesting now where they think it's good to have the Public Utilities Board have a look at Manitoba Hydro.

And, clearly, that's the principle that we're following. We're trying to develop a strong Manitoba Hydro. That's why we've been taking steps to reduce the water

rental rates and the debt guarantee charges to Manitoba Hydro; \$180 million in this year alone for Manitoba Hydro ratepayers and Manitoba Hydro. So, significant and bold steps, I would say, taking—by this government to making sure Manitoba Hydro remains stable going forward, and Manitoba Hydro ratepayers are not faced with a rate shock.

And yes, we firmly believe in the Public Utilities Board and the rulings they made. And to the member's point, I'm clear, I'm sure the Public Utilities Board would be reflective of any previous orders they made, that I'm sure those—the ruling coming forward will be reflective of previous orders they've made, in terms of looking at the operational side of Manitoba Hydro.

We certainly want to make sure that Public Utilities Board has the ability and has the resources to do all of that diligent work that is required in reviewing this general rate application. That's why we're taking steps to add \$2 million to their budget this year, to the Public Utilities Board, to make sure they do have those resources.

So we certainly look forward to the ruling coming forward by the Public Utilities Board and, as I say, they are the regulator when it comes to rates, and I'm sure they will—making comments when it comes to the operational side. Again, I will say in general terms, we want to make sure that Manitoba Hydro is running as efficiently as possible and providing a quality service to Manitobans.

Going back and wearing my economic development hat—and I guess the Minister of Finance is always interested in economic development as well, for fiscal reasons—and I think Manitoba Hydro should be a driver when it comes to economic development here in Manitoba. And I—my conversations, you know, with the chair have been reflective of that, that I want Manitoba Hydro to be responding to its customers in a timely fashion. And any delays will negatively impact economic development activity here in Manitoba.

Now, whether that be on a personal level or at the corporate level as well, we want Manitoba Hydro to be respectful of the citizens that they serve.

Mr. Sala: I thank the Chair and the minister for the response.

Just, again, to put a finer point on here, on this, and to summarize what we've heard, it does seem that the minister has been incapable of providing any clarity on what his government has done in response to the failure to follow that PUB order that we

identified, 69/19. It's clear that he's not engaged or in the game when it comes to overseeing these significant increases in operating and admin costs we're seeing at Hydro.

Why is that important? Because this will have a direct relationship impact on rates for Manitobans, and I think it's clear that this is part of a pattern of mismanagement or poor management we've seen from this government. And we can look at Hydro; we can look at MPI and see more examples of that poor management.

And, unfortunately, that poor management is very expensive for Manitoba Hydro ratepayers. The minister did open the door repeatedly there through his frequent reference to his government's purported support for the Public Utilities Board, so I do want to just dig in a bit on that question. The minister has repeatedly stated that his government is funding the Public Utilities Board, that they're adding \$2 million.

I would like to just ask the minister—just to get a better understanding of his sense of the bill that his government has passed, which is no longer before the House, which hopefully will allow us to discuss it a bit here at this table—and I would like to ask the minister if it's his understanding—whether his understanding aligns to mine in terms of the impact of—of this bill, which is that this bill removes the Public Utilities Board from playing a role in assessing rate setting and instead changes the Public Utilities Board role in reviewing rates to ensuring that Hydro is meeting the financial targets outlined in the bill.

Said differently, the bill that this minister and his government passed effectively did away with the role of the Public Utilities Board. They're no longer responsible for actually helping to determine what the appropriate hydro rate increase that is required is. They're not developing—or they're not doing those determinations based on Hydro's financial needs or based on Hydro's ability to service their debts.

The Public Utilities Board role now has been reduced to simply determining whether or not Hydro will meet the financial targets for Hydro that were set out in the bill that the minister and his government passed. Effectively, what that means is that Cabinet members, Cabinet ministers are deciding what type of hydro rates Hydro needs to be obtaining in order to meet financial targets outlined in the bill. *[interjection]*

So, the minister's chuckling, but I do look forward to hearing his perspective on this.

So I'll say, simply, does he agree that the bill that his government passed took away a significant amount of responsibility and the role of the PUB and gave it—and does he agree that that responsibility was handed to himself and members of his Cabinet?

Mr. Cullen: Well, I think it's an interesting interpretation of the legislation that's been passed by members opposite.

I know they don't like the Public Utilities Board and oversight for Crown corporations. We believe that it is certainly what Manitobans want, is an independent regulator to set rates for Manitobans

And we know the opposition continues to put false information out there for Manitobans and they'd like Manitobans to believe that, yes, that Cabinet's setting the rates for Manitoba Hydro. Well, nothing can be further from the truth.

That's why we have the general rate application before the Public Utilities Board now and, clearly, as I mentioned, we're strengthening the Public Utilities Board to make sure they have the proper resources and oversight to review the applications that are before them coming from Manitoba Hydro.

* (15:40)

We want to see a strong Manitoba Hydro. That's why we've developed targets for them, debt equity targets for Manitoba Hydro. That's why we've taken the bold step to reduce both the water rental rates and the debt guarantee rates by half, saving Manitoba Hydro \$180 million this year in terms of transfers to the government of Manitoba.

So, by taking these—I will say, bold—steps, we think our Crown jewel will be in a stronger position as we move forward. And also, as I said, we are going to have the Public Utilities Board in a stronger position as well.

And we know we've had to take some bold steps because the way—when we came into office and how we inherited the financial situation of Manitoba Hydro. Manitoba Hydro have a—currently have a \$24-billion debt, and the debt servicing charges alone on \$24 billion of debt are substantial.

Now, I know the previous government tried to mislead Manitobans by saying, oh, don't worry, these capital investments that we're making won't cost Manitoba ratepayers a nickel—I think the term was a penny—but the reality is could be nothing more from the truth: \$4 billion in cost overruns at Keeyask and

Bipole III created a \$24-billion debt load for Manitoba Hydro.

So—and again, if we were in Manitoba Hydro committee, I would have the—have all the dollars and cents figures in front of me in terms of the interest charges that Manitoba Hydro is paying each and every year because of the \$24 billion worth of debt.

Previous governments didn't really care about what debt Manitoba Hydro was in. Clearly, we do, and we're trying to set some targets through prudent fiscal management for Manitoba Hydro and, at the same time, keep rates low for Manitoba Hydro ratepayers.

That's why we've taken the bold moves in terms of the \$180 million that I spoke of, and clearly have an eye on the management at Manitoba Hydro, and, at the same time, be mindful of investments we're making here on infrastructure within Manitoba, and how do we use Manitoba Hydro to create wealth, as well, and making sure that we are getting value for our money and value for our clean, green electric product that we do produce here in Manitoba.

So we know there's a new-found interest in business from all over the world that want to come to Manitoba to acquire and use our green energy. And we'd like to see that happen here in Manitoba as well.

So that's why Manitoba Hydro is working on their integrated resource management plan. That's why the government is pursuing an energy policy. And we look forward to those things working quite nicely together for our future development here in Manitoba.

Mr. Sala: You know, I think it's important that we respect each other in these types of committees and that we offer respect to those on the other side of the aisle, regardless of what party we're in.

The minister, in response to my question, suggested that I was putting false information on the record or that I was somehow being dishonest in my question or that I was presenting things in an inaccurate way. And I do want to give the minister an opportunity to clarify where I was inaccurate or where I was wrong in my statement.

I want to be clear, again, the bill that his government supported and that he supported, bill 36, outlined—and the minister said it himself: we set debt-to-equity targets. Those are his words he just used. That bill outlines debt-to-equity targets, financial targets, for Manitoba Hydro, which are the single biggest determinant of rate setting on a go-forward basis.

That's not based on Manitoba Hydro's financial needs. It's not based on projected needs to service debts for Hydro. It's based on what PC politicians came up with as a formula that ended up in a bill.

And, I sat here in this very room, and over 50 people, 50 different Manitobans—not people wearing orange sweat-shirts or Manitoba NDP members—over 50 Manitobans came into this very room to express their concern about what I just said, which is that they were concerned that the Public Utilities Board and its role was being undermined because that legislation set out debt-to-equity targets that were the single biggest determinant of rate setting going forward.

So I would, again, ask the minister: Does he agree or does he not agree that the bill they put forward ultimately results in government setting rates instead of the Public Utilities Board?

Mr. Cullen: No, I think it's a complete stretch that that piece of legislation would infer that government is setting the rates for Manitoba Hydro. Nothing could be further from the truth.

The reality is, when we came into office, Manitoba Hydro—Manitoba now has a \$24-billion debt—\$24 billion of debt at Manitoba Hydro, and that includes the \$4 billion of cost overruns on the capital projects under the NDP's watch that the NDP got into, without any oversight from the Public Utilities Board, I may add.

Mr. Chair, \$24 billion of debt generates a debt servicing cost for Manitoba Hydro of \$1 billion a year—\$1 billion a year. I want the member to think about that for a little while; \$1 billion Manitoba Hydro is paying for interest to service \$24 billion of debt that the NDP left behind.

The member should also know that \$1 billion of debt servicing costs represents 40 per cent of Manitoba Hydro's revenue—40 per cent of Manitoba's revenue—Manitoba Hydro's revenue goes to servicing debt—\$1 billion a year. So, 40 per cent of the revenue generated by Manitoba Hydro at the hands of Manitoba Hydro customers, goes to servicing debt.

I would suggest to the member opposite that the biggest single factor that determines rates for Manitobans is the debt servicing fee, when 40 per cent of the revenue is eaten up by debt servicing costs.

I would like to take that—I'd like to see the member opposite do the math on that.

Mr. Sala: I appreciate the opportunity to engage a bit in terms of questions relating to bill 36 and the impacts.

I am disappointed. It's very disappointing to hear that the minister doesn't seem to understand how that bill was structured, or doesn't seem to understand that, ultimately, we've—now have a scenario where we have political actors deciding hydro rates instead of the Public Utilities Board.

I know that those concerns are shared with a huge number of Manitobans, many of which showed up here in this very room to express those concerns. Unfortunately, they weren't heard by this minister's predecessor. Doesn't sound like they would have been heard by the current minister either.

That's concerning. And the reason it's concerning is because, for Manitobans, the No. 1 concern is ensuring that we're not overpaying for our energy. And in our current scenario—or in this—under our current situation, where we have bill 36 in effect, Manitobans will never know because, ultimately, hydro rates are not being set in response to Hydro's financial needs, in response to their ability to service their debts. Hydro's rates are being set by PC politicians at a Cabinet table.

That's not right. Hydro rates should always be set by independent experts, and it is a shame that this government feels that they know more than experts in energy who show up as interveners at PUB hearings.

I would like to move on now to talk a little bit about the Wall report and I would like to just ask the minister a couple of questions in relation to that.

* (15:50)

Specifically, in the fall, the Wall report—in response to the Brad Wall report, the former minister said that the PC government was committed to further privatization of Manitoba Hydro, and in particular, he agreed with the Wall report that Manitoba Hydro should look at selling off or shutting down, quote—and this is from the report, not NDP language; this is from the report: non-core functions. Look at selling off or shutting down non-core functions.

Can the minister tell us if he supports the selling off or shutting down of non-core functions at Manitoba Hydro, and if so, which ones?

Mr. Cullen: Just to be reflective and putting things in context for the member and for any Manitobans that may want to be reading a Hansard transcript at some time in the future, the \$24 billion of debt that Manitoba Hydro now sees itself in, is—represents \$18,000 of debt for each and every Manitoban. So, a bit of a startling figure when you come to think about it and associate

that with the ongoing debt servicing costs, as well, and if we ever get to a point in trying to reduce that number.

And clearly—and I don't know if the members opposite like budgets or not, but budgets provide targets, and, you know, if you don't have targets, to me, there's a lack of accountability. And clearly, that's what the government is providing for Manitoba Hydro, quite frankly, is targets.

And you need some targets and you need some accountability, and we've got mechanisms in place to make sure that Manitoba Hydro is accountable. And, in fact, the legislation that was passed really clarifies the roles of government. It clarifies the role of Manitoba Hydro, and it clarifies the Public Utilities Board roles and responsibility as well. And the legislation talks about greater rigour and accountability as well.

And the one component that the legislation does talk about is the—any Manitoba Hydro capital projects. Now, we know—and that's what the Wall report clearly pointed out—that there was a lack of oversight when it came to capital projects, and previous government had bypassed the Public Utilities Board altogether when it came to the capital projects; in fact, mega capital projects.

And it probably, because of that action, probably had a bearing on the \$4 billion of costs overruns at Keeyask and Bipole III. So, again, substantial costs overrun that continue to be a burden to Manitoba Hydro, and, quite frankly, continue to be a burden to Manitoba Hydro ratepayers.

So, by strengthening the Public Utilities Board and the oversight there, those types of actions, or lack of actions, won't happen in the future because any of the capital projects for the future will have to go before the Public Utilities Board through this legislation.

So, I think that provides a strong oversight to Manitoba Hydro. I think it should also send a signal to Manitobans and Manitoba ratepayers, in particular, that this government values the oversight by a strong, independent corporation such as the Public Utilities Board.

Clearly, we're getting into a discussion about the Wall report. And, again, the premise behind the Wall report was to have a look at what transpired over the last few years in terms of some of the capital projects and some of the lack of oversight that occurred during the development of those capital projects.

So, I believe the report looked—brought forward 51 recommendations, and there's a number of categories

in those recommendations, and certainly one of them being the Manitoba Hydro mandate. And I think that's where the member was going in terms of this question today.

And I would just say, from my perspective, clearly the legislation spells out the mandate for Manitoba Hydro. And, again, I'm firmly—firm believer that Manitoba Hydro is a Crown jewel for us, and we want to make sure that Manitoba Hydro is responsive to the ratepayers it serves.

Mr. Sala: I, again, do just quickly have to just—I cannot emphasize enough that what the minister stated in terms of, you know, his government's purported efforts at, quote, unquote, strengthening the Public Utilities Board—that is not accurate.

That—it cannot be emphasized enough that his government has ultimately undermined the core purpose of the Public Utilities Board. So, doesn't matter if you give them an extra \$10 million or \$20 million, you can fund it all you want, but if you've completely and totally undermined their core purpose, which is to set rates to ensure Manitobans pay as little as possible—and that is the very oversight that Manitobans want.

Minister has stated here that, you know, Manitobans want good oversight, strong oversight over rate setting. That's exactly what the Public Utilities Board did. That's what they were mandated to do. But this government changed direction on Manitobans.

We don't have the defender of our interests in place anymore because rates are now being set by PC politicians. And that's just a fact, and the minister can't—there's nothing that he can say that will change that fact.

What they have done is they have changed the role of the Public Utilities Board as it relates to oversight over capital projects. That is accurate. There's no denying that that is something that has been included in bill 36, but that is one function of the Public Utilities Board. The function that we are talking about here is rate setting.

So, it cannot be emphasized enough that that is simply just absolutely not true and that the Public Utilities Board has been drastically weakened by this government. And that was, again, the position that was expressed by over 50 people who came here to tell this PC government as much.

I did ask the minister a question about the Wall report. We—he sort of touched on it a bit, but I do want to give him another opportunity to answer it. And I

should state, like, the contents of this report were very concerning for Manitobans because this was a report that was ultimately—came at the request of this government. They accepted that report. They then made an announcement that they were going to be enacting the recommendations of that report. And one of the recommendations was that they should consider selling off or shutting down non-core functions.

I'll ask the minister again: can he clarify for committee whether or not he supports that recommendation that Hydro should be shutting down or selling off, quote, unquote, non-core functions? And if so, what are they? What does he propose that we sell off or shut down?

Mr. Cullen: I can see that we—the member opposite and I are going to have to agree to disagree on the legislation that has been passed. You know, the member can say whatever he likes, and he clearly disagrees with my take on it, and I completely disagree with his interpretation of the legislation.

* (16:00)

And I don't think the Public Utilities Board has ever said, oh, boy, I'm sorry, we feel that our ability to do our job has been circumvented by the legislation. I haven't heard anybody from the Public Utilities Board come forward and say that. The Public Utilities Board is currently reviewing the latest general rate application from Manitoba Hydro.

We've given them more resources to do that. We've given the PUB more resources to hear interveners who want to come forward and voice their opinion on the general rate application before the board. That's an important component to the Public Utilities Board process, having Manitobans come and present at the hearings.

So, again, it's an open and transparent process that the Public Utilities Board undertakes. And, again, we're providing them more resources to do that. And, certainly, the Public Utilities Board will respond to questions brought forward by the interveners. I know the Public Utilities Board has a lot of questions for Manitoba Hydro as well.

And that happens each and every time there's a general rate application by Manitoba Hydro. And Manitoba Hydro undertakes those responses to the Public Utilities Board, and there's a lot of work goes into these general rate applications.

And I would say Manitoba Hydro is being transparent through that process, and Public Utilities—

Mr. Chairperson: Order. Order.

If I could ask everybody in attendance that is sitting at the table, the level of conversation is getting fairly high, and it's difficult to hear. So, if you could please drop the volume or take it away from the table, that would be much appreciated.

Mr. Cullen: Appreciate that direction.

So, yes, we're excited about the process that's unfolding. I know the 3.6 that was proposed has been reduced down to 2.5 per cent 'becof' some of the actions that have been taken by this government, and I'll look forward to the outcome at the Public Utilities Board through the hearing process, and when the ruling is brought forward. We look forward to that ruling probably sometime this summer as well.

In respect of the Wall report, again, there's 51 recommendations came out of that report. Like, our government has never said that we would enact each one of those 51 recommendations. We said that we would respond to each of the 51 recommendations.

So, the member—I would just submit that he should be cautious when he says that the government will undertake all of the recommendations in the Wall report, because the facts of the matter are we said we would respond to each of the 51 recommendations, not that we would take action and enact each one of those 51 recommendations found in the Wall report.

And, again, the Wall report does make a lot of recommendations in terms of the mandate, in terms of oversight for Manitoba Hydro—government and regulatory oversight—and also talks quite a bit about the major capital planning as well. And I would say, to move forward, the integrated resource planning framework was mentioned in the Wall report, and Hydro have taken that upon themselves to put together a framework for that integrated resource plan. And I would say, probably something, you know, long overdue; and I think that plan at Manitoba Hydro should dovetail quite nicely into the provincial energy strategy as well.

And that's something the Wall report did reference, too, was a provincial energy strategy. So, looking forward to having that energy strategy made public here in the next few months.

Mr. Sala: Unfortunately, we didn't hear a response from the minister that in any way clarified for Manitobans who are concerned that his—about his government's commitment to enacting or responding

to the recommendations from the Wall report, specifically the one that outlines that this government should sell off or shut down non-core functions.

The minister hasn't chosen to respond to that question; I don't think a third go is going to make a difference.

So, I'll just move on from that. I will ask him, though, the Wall report does call on the province to use public-private partnerships for major capital projects. We know this government is deeply interested and embraces public-private models for capital projects, as we've seen with their approach to building schools.

Can the minister provide us with some examples of major capital projects he would direct Manitoba Hydro to use P3s for?

Mr. Cullen: Certainly, our government has stated and we certainly have no intent of selling off components or portions of Manitoba Hydro.

Again, I just wanted to make abundantly clear out of the—all of the recommendations—the 51 recommendations, again, we said we would respond to them. We did not say that we would take action and/or enact all of those particular recommendations.

So, the one recommendation—

Mr. Chairperson: Order. Order.

Could—again, this conversation around the table is getting a little loud and it's difficult to hear up here. So, if you could please drop the volume or take it away from the table, that'd be much appreciated to—so we can hear from the questions, answers on this Estimates session.

Mr. Cullen: I think our members got pretty excited when the conversation came up about public-private partnerships. And I can see the Minister of Education—his ears certainly lit up and his eyes lit up when there's a conversation about public and private partnerships going forward, because I know we're looking at developing, I believe, seven schools—nine schools over the next few years, potentially using public-private partnerships.

And certainly the landscape has changed since the last time we looked at public-private partnerships when it came to building schools, and looks like we can build schools effectively, efficiently, faster and high quality standards using that public-private model.

So, certainly, other jurisdictions have used it. We know we're using public-private partnerships on other

infrastructure projects around Manitoba and we've used it a number of times on roadway infrastructure, and I think it's worked out quite successfully.

Anyway, so, in terms of Manitoba Hydro, actually, I would suggest to the minister—or to the member opposite that we actually do have public-private partnerships already. I mean, we have partnerships with First Nations in northern Manitoba in respect of both Wuskwatim and respect of Keeyask as well.

* (16:10)

So, I would say to enter into an arrangement with a private entity is not new for Manitoba Hydro. And, you know, I wouldn't say all those partnerships are, you know, a hundred per cent, but I think the willingness to partner and hopefully provide successful outcomes to all of those partners, that's why they were undertaken. So, the concept is certainly not new.

And I think that's what the Wall report was referencing, that that's something that Manitoba Hydro and, I'm guessing, Manitoba government could consider. Again, it would have to be in the best interests of Manitoba Hydro and it would have to be in the best interests of Manitobans as well.

So, we do have plenty of instances and situations where government has worked with private companies and private entities in the past, and I'm sure that will continue to be the case. And a couple of classic examples within Manitoba Hydro, through Wuskwatim and Keeyask.

Mr. Sala: The minister said that the landscape has changed; those are the words he just shared. And he was referencing that we're now in a landscape where P3s are—or, I'm inferring from what he's shared—that it's a better state, it's a better sort of set of conditions to explore the use of P3s.

Could he help to—help the committee to understand what has changed within the landscape? Why are we in a different landscape than before when, under his previous premier, they assessed the potential of exploring P3 model and rejected it?

So, what's different? How has the landscape changed?

Mr. Cullen: Well, I appreciate the question from the member opposite on the public-private partnerships and the change in the landscape.

Clearly, a lot has changed through the pandemic, and the business community will tell you that for sure. I think governments, and I would say the private sector, are always looking for ways to share risk.

And clearly we have a lot more risk in front of us than we did prior to the pandemic.

I mean, we are facing significant supply chain issues when it comes to almost every type of commodity, which creates, obviously, challenges in building. I know we're facing labour challenges as well. We're clearly facing high interest rates, higher—much higher interest rates these days than we were pre-pandemic. So, all of those types of things factor into the assessment when it comes to looking at private-public partnerships.

I can tell you a lot of the construction that is going on now—in fact, I just had a couple of projects relative to schools come across my desk, just in the last few days, where we're seeing a substantial increase in costs that we as government are having to bear, given the marketplace we're in. And this is what the Wall report also referenced as well, that tremendous cost overruns when Manitoba Hydro were constructing Keeyask and bipole.

So, a way to mitigate that risk of cost overruns is to enter into public-private partnerships. And clearly governments should be in the business of mitigating risk. I mean, at the end of the day, all of these costs end up getting passed on to Manitoba taxpayers or Manitoba ratepayers.

So, trying to be creative in coming up with methods to mitigate these risks seems like a wise undertaking to me. And, obviously, all of these things have to be evaluated to make sure that it is responsible and that all the interests of Manitoba taxpayers are being addressed.

So, I would suggest that's what the Wall report is saying, as well, that, you know, Manitoba Hydro, although probably acting as the general contractor in the latest couple of developments, may not have been in the best case to be a project manager.

And, clearly, we saw the \$4 billion in cost overruns there. So, he's suggesting there may be an opportunity for the private sector to come on board to help mitigate some of the risks that we saw with the development of Manitoba Hydro projects recently.

And I would say the same thing could be said for, whether it be school projects or highway infrastructure projects—Chief Peguis Trail is an example of that—certainly a number of governments are involved in public-private partnerships to try to, you know, mitigate the risks that we're seeing these days with, as I referenced, interest challenges, labour challenges, supply chain issues, increasing construction costs.

All of those things are the new reality, quite frankly. So, those are things that we're trying to mitigate.

Mr. Sala: Lots to unpack there, Mr. Chair. And what I did hear is that the minister would like to see a much more aggressive role for private business in meeting our energy needs here in Manitoba. He alluded to the fact that he would've liked to have seen a much bigger role for the private sector in the development of Keeyask. I don't know if there's other dams or other large infrastructure projects that he also would say that about.

But I would like to give him an opportunity just to be clear with the committee here: Does the minister feel that future energy needs in Manitoba should be met through private-public partnerships, given what he just outlined that he feels that this is clearly a superior model to the one we've used historically?

Mr. Cullen: Well, I think we have to be clear with Manitobans that we already do have public-private partnerships when it comes to Manitoba Hydro. And I referenced the number of First Nations communities that are involved with Keeyask and Wuskwatim.

So, I don't think there's any projects, major capital projects, on the books right now for Manitoba Hydro. So, I can't really speak to the what-ifs on that front.

I will say the Wall report clearly says it to government: you should be mindful of opportunities that may exist using public-private partnerships. And I would say it would be wise to take that advice.

That's not saying that, clearly, you wouldn't get into that—looking at all types of options, whether it be Manitoba Hydro stand-alone or whether it be a public-private partnership. I would say it would be prudent of government and in this case, prudent of Manitoba Hydro, to review all of those circumstances.

At the end of the day, we have to be responsible to Manitobans and Manitoba Hydro ratepayers. So, it would be prudent for governments and Manitoba Hydro to do the analysis on that front.

And I'm also reminded that we have two wind farm projects here in Manitoba as well. And those particular projects are both a public—with Manitoba Hydro—and private investment, I would say substantial private investment in those two wind farms.

So, again, Manitoba Hydro does have a significant history of public-private co-operation on capital projects. So, again, I would say it would be wise for Manitoba Hydro and governments to consider all

options if we're going to get into another, I will call it, a major capital development.

Mr. Sala: I appreciate the minister's transparency, that he's a strong supporter of a private role in meeting our energy needs or that he really feels we should be looking very closely at that.

* (16:20)

I do think that there should be some—it does need to be said, though, that this referencing of the benefit agreements and partnerships with those Indigenous communities that benefitted in the case of Wuskwatim and Keeyask as being examples as P3s is highly misleading, and it's not in any way reflective of what most people would consider to be a P3 arrangement.

Those communities were set up to be benefactors of those projects and the benefits that they brought forward, and those are not examples of the types of P3 projects that most people would consider as being an example of that type of an approach to getting public infrastructure built.

So, it is important to point out that that is misleading in a big way.

I would like to move on now to talk about the energy policy. The minister's referenced this a couple times. And I do want to start just by giving the minister an opportunity to update this committee as to the status of that work.

I'll remind the minister that that work is currently at this point almost a year late. It was supposed to be brought forward approximately a year ago. There were some changes to the scope of that contract. However, still, at this point, almost two years later from the time that the RFP was initially issued, Manitobans have no line of sight on the status of that energy policy.

The minister will know I've asked him about in the House. We did not get an answer in the House. This is a great opportunity for him to provide clarity as to the status of that policy.

So, could the minister please update this committee on the status of this energy policy, which he has referenced earlier and which Manitobans are waiting to see?

Mr. Cullen: Let me begin our discussion about energy policy by saying that I believe Manitoba is in a tremendous place when it comes to the discussion about energy. We have the greenest energy probably in the country, notwithstanding, you know, Quebec,

for sure. But I would say we probably have the cleanest, greenest energy almost anywhere in North America, and I would put us up against almost anybody in the world.

And I would suggest that is why we're seeing such an interest in the business community to come to Manitoba. And it's quite impressive to see the number of different sectors that require energy. And some of them require a lot of energy, and that's why it's so important for us to develop an energy policy. And that's why it's also so important that Manitoba Hydro develop an integrated resource plan. And that's why we've put it in the legislation that Manitoba Hydro has to develop their integrated resource plan.

The—our government is committed to an energy policy—creating an energy policy. And I will submit to the member that, yes, it's taken longer than I would have liked it to occur. Clearly, there's been a lot of work on that front. We have hired an independent consultant to help discussions and navigate that process, and there was quite a bit of work done on that front.

I would say that a lot of work was done, and, at the same time, the whole energy conversation around the world has been evolving. And I think we had to take a step back and look at the evolving energy situation, not just in Manitoba, but around the world. And really does have implications going forward.

And I think Manitoba Hydro has found this when they're developing their integrated resource plan, that they had to be flexible in that plan because things change and things change quite rapidly. And that's what we're seeing on the broader energy front as well.

So, I would say, when it comes to the energy policy discussion, lately, there's been more of a focus on the economic development front and how can we drive economic development through an energy policy. If we can develop an effective energy policy here in Manitoba with an eye on economic development and attracting people to Manitoba, attracting jobs to Manitoba, it can be a win-win for us into the future.

So, clearly, Manitoba Hydro has to be at the table when we're discussing energy policy as well because, clearly, Manitoba Hydro is the big player when it comes to energy for us in Manitoba. So, you really can't have one without the other. So, more of a concerted effort here lately, discussions with Manitoba Hydro and how their integrated resource management plan would fit into the energy policy that a government would develop, and how do we make sure that economic

development and those opportunities are part of that energy policy discussion.

So that's why it has taken a little longer, as I said, than I would have hoped, but I think with those sort of new focus on developing energy policy, I think we can come with a positive energy policy and have that before Manitobans this summer.

Mr. Sala: I do appreciate the response from the minister and I do appreciate hearing his sentiments about the potential that Manitoba Hydro creates for economic development in Manitoba. It's promising to hear him say those words.

Unfortunately, we've had seven years now of Conservative governance in Manitoba and I would be—I would invite the minister to share or tell me where I'm getting things wrong here, but, unfortunately, Manitoba has fallen to the very back of the pack in Canada in terms of our use of our clean energy opportunity, and we've seen that in a number of reports, for example, as it relates to efficiency.

Manitoba used to be one of the top provinces in the country as it relates to taking advantage of improving efficiencies to help reduce energy costs for residents, for Manitobans. We've made zero progress of any kind in advancing electric vehicle charging networks in this province—absolutely none. When you compare us to other jurisdictions that are wealthy in terms of their hydro-electric resources, like BC and Quebec, we are in the dust. We're talking there about a huge number of jobs and opportunities for good-paying tool-belt jobs for Manitobans.

If we want to talk about just the simple work of further electrification in Manitoba, which, arguably, is one of the single biggest economic opportunities in Manitoba, the moving away from non-renewable imported fuels towards the use of renewable abundant made-in-Manitoba clean energy is the single greatest economic opportunity of our lifetimes. And yet, this PC government hasn't taken one step in advancing on that opportunity.

And, again, I invite the minister to tell me where I'm wrong on that—not one step in that; not one step in electrifying transportation; not one step in helping to electrify space conditioning or home heating or cooling; not one step in advancing the development of green, clean hydrogen in Manitoba, which we know is another significant energy-related opportunity.

So, it is good to hear the minister say those words. However, he represents a government that hasn't proven that in action, and that is a concern because of the

missed opportunity. The scope of that missed opportunity is painful. It's painful to think about what we're missing out on because they haven't seen that opportunity or it hasn't been apparent to them.

I would like to ask in relation of the policy: so, the minister did say that we can expect that it's going to come this summer. If I'm wrong about that, he can correct me. That is good to know that it's forthcoming. I would like to ask the minister, because he's alluded to the IRP process happening at Hydro, about how the minister envisions the role of the energy policy and its influence and cascading down into planning at Hydro. And I'll give the minister just an opportunity to respond to that.

What is the role of the energy policy in informing what Manitoba Hydro does on a go-forward basis?

Mr. Cullen: I appreciate the member raising some of these topics.

* (16:30)

I would say we're certainly taking a lot of steps. I know the member talked specifically about electric charging stations. I know those are being developed and there was some federal grant money that was available for charging systems. We've approved some of those around the province, as well.

I will mention Efficiency Manitoba as well. We've—I'm not sure of the budget over at Efficiency Manitoba, but it is fairly substantial, and I think it is creating some opportunities for Manitobans to reduce their energy consumption. So, a lot of work is going on on that front and we will continue to try to strengthen Efficiency Manitoba.

I think the discussion is certainly much broader in terms of our energy use here in Manitoba. I mean, we historically—and this is getting into the energy policy a little bit—historically have been very good at shipping our clean electricity outside of the province. And that really allows other jurisdictions to grow their economy and create jobs and wealth.

I think, as we work through this energy policy—is, how do we more effectively use that power here in Manitoba to power our economy and create opportunities for jobs and growth here in Manitoba? Because, at the end of the day, it's economic activity that pays the bills, that pays the bills on hydro—or, sorry, on health care, education and social services that Manitobans expect.

So, when I talk about Manitoba Hydro being an economic driver, that's what I want to see. I want to

see Manitoba Hydro be a catalyst for investment here in Manitoba. And I think now is a tremendous opportunity for us because companies all over the world are looking for our green energy.

And I think if we get this energy policy correct and show the world that we have an effective energy policy and a very strong Crown corporation that can deliver power, we can show the world that we can deliver this and we can create opportunities and we can create jobs and we can create wealth for Manitobans. That's exciting.

And Manitoba Hydro have to be flexible, and that why we saying to Manitoba Hydro, you create an integrated resource plan that is flexible, so that as energy needs change, as energy needs increase in Manitoba, you have the flexibility to respond. So, I think that's—that is what is so critical is developing the IRP in Manitoba Hydro.

And, clearly, that will fit into the energy policy as well, as the energy policy in Manitoba will be driven by economic development, with a lens from economic development. And I think that's important. We have tremendous opportunities here.

I mean, we just ordered—the City of Winnipeg, through the ICIP program, which, obviously, we're supportive of a number of electric buses. I think New Flyer will be supplying those buses to the City of Winnipeg. We have a tremendous, innovative bus company here in Manitoba that are selling electric buses and other forms of zero-emission buses all over the world. So, I think it's an opportunity for us to work with them and build on that resource they have.

The member also mentioned hydrogen. We've got a number of companies we are working with on hydrogen development. There's a couple of companies that are looking at investing in Selkirk itself, in terms of developing green hydrogen, so we're certainly excited about that. And, obviously, in discussion with a 'nunter' of other companies when it comes to hydrogen. And I think there is a tremendous opportunity for Manitoba to get into that hydrogen market because of our green energy that we do have.

Mr. Sala: So, we didn't get a response to the question, which was: how does energy policy influence decision making at Hydro?

And I'll spell out the concern more clearly for the minister, which is things are a hot mess right now. If you speak with people—folks who are watching this situation closely, people who've been 'volved' in energy for some time in Manitoba, the concern is this:

We are now two years into the development of an energy policy. Hydro is one year into the development of an IRP process.

The energy policy is supposed to set out government's direction—overall high level, strategic direction—on what we should be seeking to accomplish as a province in terms of our energy goals, whether that be a net-zero target at a given date in the future, or whether that be, you know, a certain level of export of clean hydrogen to Germany, whatever that is. That policy then needs to—the direction given in that flows down to Manitoba Hydro, who then responds to that direction from the province and develops an IRP—a resource plan—that responds directly to that.

So, right now, instead of having a scenario where we have an energy policy that clearly gives Hydro its understanding of the province's strategic direction, we have a mess where we have an energy policy that's apparently not complete as of yet.

We're one year into an IRP process at Hydro and, frankly, I don't know what they're developing an IRP in response to, because, far as Manitobans can tell, there's no strategic directioning that's been offered. An IRP process is intended to help clarify how Manitoba Hydro will develop the capacity and energy needed in order to meet targets in a provincial energy policy.

So, the concern here, minister—that I'm expressing to the minister—is that we have this scenario where we've got an unfinished policy, we've got a utility that—in Manitoba Hydro—that is far down the path of developing a plan that is not responding to any kind of direction.

And this, ultimately, is all being done in a vacuum that has been created by this government, where there's just simply a bit of a Wild West situation, where Hydro is not responding to any kind of government direction. And maybe that's because there just simply was an absence of it for so long.

I'd like to ask the minister, does he have concerns about the fact that an IRP process is one—we're one year into an IRP process that is being done without guidance from a provincial energy policy?

Mr. Cullen: Well, I appreciate the comments from the member opposite.

It's clearly from the outside, and I appreciate his editorial version of that. Being on the inside, I'm pretty comfortable with where we're at now, in terms of the conversations that are going on in respect of the IRP and in respect of the energy policy.

And I think it's important that, you know, Manitoba Hydro be part of those discussions, because they are the energy provider here in Manitoba. And, you know, the member's right. It's about how we meld a policy and then how does Manitoba Hydro fit into that energy policy through—especially through the IRP process.

So, that's exactly what we're trying to get right. And, by basically putting these two items together, I think we can come up with a positive statement about energy here in Manitoba, and it will be reflective of the tremendous opportunities we have around green energy.

And I expect the green energy will be attractive for many years to come. And I think, also, the price factor is also an important component that certainly individuals in the business community is looking at, as well. And that's something that we can certainly weigh into the energy policy. And there's other opportunities, as the member did raise, about hydrogen and hydrogen development there, potential for gas development and those things in our energy policy.

So, I'm excited where we're at. Again, I'm not happy we didn't get here faster, but I'm certainly optimistic that we'll have a good product to show Manitobans very soon.

Mr. Sala: Yes, and, I mean, the minister stated that he's going to—will take the policy and the IRP, and I think he's put his hands together to suggest that we're going to squeeze those things together, I mean it's just—that's just not the way that this work should be done.

It's the same thing as saying like, in any business or corporation to—it's the equivalent to having

* (16:40)

It's the same thing as saying, like in any business or corporation to—it's the equivalent to having business units or managers develop plans without any kind of a vision or without being responsive at all to a higher level strategy. And you can't mesh or meld those things together after the case.

So, we do have a mess of a situation here that will result in more rework, more delays in Manitobans moving forward in the growth of a clean-energy economy.

I do want to ask the minister, because I—you know, him and his colleagues frequently allude to Keeyask as having been an example of the NDP overbuilding energy. And I got an article that I would like to table with the committee here, and this article is focused on

the proposed development of the Kivalliq line, which would run from Gillam to Nunavut.

And the reason I'm tabling this article—and I would like the minister's commentary on what this article states—is that the communications officer, Bruce Owen, for Hydro, in this article states very clearly in response to the response to the request for Hydro to provide this energy to Nunavut, that Manitoba Hydro doesn't have more energy to give.

And I would like to ask the minister if he can comment on that quote from Bruce Owen. And I can read the quote for him here: Manitoba Hydro, quote, does not—sorry, quote, Manitoba Hydro does not have the long-term supply of power to meet the future needs of the communities and mines in Nunavut. And this is in response to this request for a hydro line that's been put forward by the Nunavut government and those who are supporting this ask to build the line.

So, my ask—or, my question of the minister is—and in the context of this broader conversation around Hydro policy—my question to the minister is: How does he respond to the fact that Manitoba Hydro is telling prospective customers that we do not have more energy to sell?

Mr. Cullen: Yes, that is a very broad question for sure.

I will begin by saying that I know there's discussions going on on this project. Quite frankly, I remember being aware of this project close to seven years ago, actually, think it came across my desk then. So, it's been talked about for quite some time and again it's certainly on the radar and there's—it's been a pretty active file on a few fronts.

So, I know the proponents have been reaching out to Manitoba Hydro. I know Manitoba Hydro had a lot of questions around the development and the proposal, what that would look like. I know they did have a lot of questions prepared and I think they were going back to the proponent to try to determine some of the details there to see, you know, what could be done and what could be achievable.

This discussion really goes back to our previous discussion about energy policy and how do we best utilize the energy that we have currently and, you know, potentially look at what energy may be required into the future.

And as I talked about earlier, we are sending a lot of our power outside of Manitoba, particularly south

to the United States, where they're using it for economic development opportunities. And that's why I think our energy policy should be reflective of economic development opportunities here in Manitoba.

So, any decisions about who we sell to outside of Manitoba has to be part of that energy policy and that dialogue. Again, to me, it's about providing the best value for that resource and that's why the energy policy is so critical.

And I think we just have so many opportunities in front of us and we have opportunities coming to us each and every day looking for our green energy, our relatively inexpensive energy here in Manitoba.

So, I think it's too early to write off this particular project, you know, based on the comments from the communications person from Manitoba Hydro, because I know Manitoba Hydro are looking at it further.

So, I mean, there's lots of development going on in the Kivalliq Region. And I think we can find ourselves supplying more than just energy to that region. That's why we're making investments in the northern rail line into Churchill. We've lost a lot of that supply into that Kivalliq Region and I think once we get that rail line finished, we will see economic opportunities and we'll get some of that supply chain back through Churchill up into the Kivalliq Region, which will benefit that region and, quite frankly, benefit Manitobans.

So, when we look at this particular power sale proposal, we—as government and as Manitoba Hydro—we have to figure out what is in the best value for Manitobans. Is the best value shipping our clean green energy outside of Manitoba, or should we be focused on seizing opportunities that would—could potentially come our way?

Because, quite frankly, companies from around the world are knocking on our door, and how do we make sure that we can provide them the resources that they need to establish business here or, conversely, businesses that are already here that want to grow? And we need to make sure that we can supply them that power that they need.

So, all of those things are part of the energy policy, and the energy policy right now has evolved because of the changing conversation around the world on energy. So, it's an exciting time to be talking about energy, but it's a really exciting time to be in Manitoba talking about energy.

Mr. Sala: I appreciate the response.

I'll just ask the minister one last time here: Does he believe that Manitoba Hydro lacks the energy required to be able to further economic development here in Manitoba? Manitoba Hydro is on record in articles saying they do not have the power required to make a sale and to support this ask. That's, again, from an article; that's not coming from me.

Can the minister just clearly state whether or not he believes Manitoba Hydro is lacking in energy capacity and does he feel that we need to be developing more energy resources to meet those demands?

Mr. Cullen: And I appreciate the question, and that's really a hypothetical question. I mean, if all of the potential projects that are coming to Manitoba to ask questions about establishing business here or expanding business here, you add up all of those, it's certainly a huge power ask. But, again, who knows how many of those projects would actually come to fruition. So, that's something that, you know, we're certainly weighing out.

And, also, we're looking at our, you know, the current contracts we have outside of Manitoba. In fact, we have contracts from Saskatchewan and Ontario as well. Ontario—pretty small, but a majority into the US. And we have to have the conversation about getting the value for the power that we're currently generating.

And I think there's a real opportunity to attract more investment here in Manitoba, as opposed to selling our—I'll use the term—I shouldn't use the term excess, because it's not really excess—but at times it's excess power, but we do have our contracts in place. And as those contracts come up, should we be using that resource here in Manitoba instead of outside of the province?

* (16:50)

So those are all conversations that are ongoing. And whether we can get these companies to come to Manitoba and actually allow them to set up shop, I mean, those are discussions that continue to take place. And those are discussions we continue to have with Manitoba Hydro in terms of how they can supply hydro because some of these projects are, quite frankly, substantial power usage.

So, again, it's a changing world when it comes to energy use, and it's a changing dynamic when it comes to energy here in Manitoba, an exciting time and exciting opportunities for Manitoba, and I would say Manitoba Hydro.

Mr. Sala: I do have one last question for the minister.

Last May, in Estimates, the minister was asked if he would agree to take respectful workplace training after some comments that were made at a business forum that were considered to be disrespectful towards women. I won't repeat the comments here, but I'm sure the minister remembers. He agreed to take respectful workplace training, saying, quote: Going by memory, I believe I did take this course at one point in time, but I'm probably due to take that course again, and I will endeavour to undertake that. End quote.

Can the minister update us on whether or not he took that training?

Mr. Chairperson: I will advise the member that this question is probably more appropriate when we talk about the minister's salary, not leading into the resolution portion.

So, just for clarification, we will do resolutions, and then we'll do the resolution regarding the minister's salary, and that's where this question should be—is better raised.

Mr. Cullen: To the member's question, yes, I did.

And also just to clarify, too, on the—I referenced a 2.5 per cent GRA earlier; it was actually 2 per cent. So, it's a 2 per cent GRA application for '23-24 and for '24-25, not 3.5 as original.

So, I just wanted to clarify that. I thought it was 2, but I—somehow I had in my mind it was 2.5; but it's 2 per cent application, and we'll see if the PUB will provide a multi-year ruling this summer.

Mr. Chairperson: Seeing no further questions, we'll now move on to the resolutions of the section.

Okay, we'll now resume on resolution.

Resolution 7.2: RESOLVED that there be granted to His Majesty a sum not exceeding \$1,120,000 for Finance, Crown Services, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 7.3: RESOLVED that there be granted to His Majesty a sum not exceeding \$3,502,000 for Finance, Fiscal Policy and Corporate Services, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 7.4: RESOLVED that there be granted to His Majesty a sum not exceeding \$6,881,000 for Finance, Communications and Engagement, for fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 7.1: RESOLVED that there—*[interjection]*—seven point—I'm sorry, we'll start that again.

Resolution 7.5: RESOLVED that there be granted to His Majesty a sum not exceeding \$2,559,000 for Finance, Treasury, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 7.6: RESOLVED that there be granted to His Majesty a sum not exceeding \$17,218,000 for Finance, Compliance and Enforcement, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 7.7: RESOLVED that there be granted to His Majesty a sum not exceeding \$10,792,000 for Finance, Treasury Board Secretariat, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 7.8: RESOLVED that there be granted to His Majesty a sum not exceeding \$2,329,000 for Finance, Policy and Planning Secretariat, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 7.9: RESOLVED that there be granted to His Majesty a sum not exceeding \$2,583,000 for Finance, Intergovernmental Affairs, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

The last item to be considered for the Estimates of this department is item 7.1(a), the minister's salary, contained in resolution 7.1. At this point, we request the minister's staff leave the table for the consideration of this last item.

The floor is now open for questions.

An Honourable Member: No questions.

Mr. Chairperson: No questions?

Seeing none, we'll move on to the resolution.

Resolution 7.1: RESOLVED that there be granted to His Majesty a sum not exceeding \$6,905,000 for Finance, Administration and Finance, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

This completes the Estimates of the Department of Finance.

And the next set of Estimates to be considered by this section of the Committee of Supply is for Tax Credits.

The hour being 5 p.m., committee rise.

CHAMBER

ECONOMIC DEVELOPMENT, INVESTMENT AND TRADE

* (15:10)

Mr. Chairperson (Andrew Micklefield): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Economic Development, Investment and Trade.

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

Could the minister and critic please introduce their staff in attendance?

Hon. Jeff Wharton (Minister of Economic Development, Investment and Trade): Happy to have today with me my deputy minister, Jerin Valel. I also have my assistant deputy minister of Finance and Corporate Services, Melissa Ballantyne, and assistant deputy minister, workforce and industry program partnerships, Michelle Wallace and my chief of staff, Erik Selch, is joining us here today, Mr. Chair.

Mr. Chairperson: Thank you, Minister. And there's no staff for the critic, so we'll just keep moving along.

As previously stated, in accordance with subrule 78(16), during the consideration of departmental Estimates, questioning for each department shall proceed in a global manner.

The floor is now open for questions.

Mr. Mark Wasyliw (Fort Garry): On February 8th, 2018, the minister's government issued a request for information on a venture capital fund proposal. As the minister is well aware, on April 29, 2022, that fund was established with 'initial' investment of \$50-million venture fund.

I'm wondering if the minister can explain how many proposals they received after February 2018, and what proposal was successful and why it took four years to get the venture fund established.

Mr. Wharton: I certainly would like to thank the member for pivoting to this new Venture Capital Fund, which is such an important part of growing our

economy right here in Manitoba, and I'm sure the member from Fort Garry would agree.

And some of the success I wanted to point out, just the initial successes, that we've seen already in the interest. As the member knows, Manitoba, for decades, has not had a venture capital fund, and capital for businesses, not only to start and come to Manitoba, but to actually grow and expand right here in Manitoba.

So, our government, under the Premier's (Mrs. Stefanson) leadership, is extremely excited about the excitement that this has generated. As a matter of fact, the first \$50 million that was announced in 2022 has already raised in excess of about \$150 million in capital coming to Manitoba.

And, with that excitement, we—under the Premier's leadership—we moved to an additional \$50 million, turning that ven cap into a total of \$100 million. And we're certainly very optimistic that will continue to grow and, again, Manitoba is open for business and the \$100 million in capital, ready to go in partnership with credit unions, is going to be a very exciting time.

And I offer the member to stay tuned and watch as this grows.

Mr. Wasyliw: So, I'd just like to remind the minister.

The question was whether—why it took four years from conception to actually founding the venture fund. What was the reason for the delay?

Also, I'm wondering if the minister can advise how it—was the board selected, and who was responsible for making the board selections. I can say, parenthetically, that none of the board members have venture capital experience, so I'm wondering why the minister selected people who were, quite frankly, not qualified to be on a venture capital fund.

* (15:20)

Mr. Wharton: Certainly want to be able to get on the record some facts; it's unfortunate that the tone from the member from Fort Garry (Mr. Wasyliw) refers to a board selection and folks not being qualified. I will get into that and share with the member the qualified folks that are on this board, this very exciting Venture Capital Fund that's going to change Manitoba and grow Manitoba faster than any other economy, in our opinion; and it's the opinion of the board and the investors as well.

So, first of all, I'll touch on the question of why, in his opinion, it took so long. Well, I can tell the member that when this was first—when the Premier first

led this charge, we were going into a COVID pandemic, of course, as the member knows. So, all governments, not only in Manitoba and the City of Winnipeg and the nation of Canada and the USA and across the world had to pivot and ensure that they protected their citizens. And that's exactly what our Manitoba government did for almost 24 months of the pandemic.

Once coming out of the pandemic, we, again, move right back into our—moving forward with building a venture capital fund that would help grow our economy. The premier—of course, led by the Premier and understanding that economic growth, not taxes, actually grows the economy. I know the member opposite and the Leader of the Opposition favour tax increases, but on this side of the House, we favour economic development and growth and that is done by the private sector and enticing and inviting folks to come invest right here in Manitoba, and that's exactly what ven cap does.

With respect to the member from Fort Garry's comments on not qualified, I would like to read into the record, Mr. Chair, if I may, the members that are currently working on the ven cap board. And I'll read them into the record now. Mike Pyle and also his resume as well, I'll read them all in, lead—led two businesses that started as small businesses: Arctic Glacier group—I'm sure the member's heard—and scaled to several hundreds of millions of dollars.

Steve Kroft have grown many businesses; Gamey, Payworks international; and Marshall Ring, head of Technology Accelerator; and Ray Bouchard, Angel investor in a number of prominent businesses. Also, the chairman, Mike Pyle, Exchange Income, grew businesses to a current evaluation of about \$2.3 billion, based right here in Manitoba, Mr. Chair.

So, certainly, these are folks that have a history of growing not only their own businesses but also working with other companies to grow and inviting businesses to come and settle in Manitoba. So, I challenge the member on why he would even suggest that these folks that I've put on the record, which he can read back tomorrow in his leisure, and challenge him why he would think that these folks are not qualified.

We know the excitement that's already been raised by the additional \$50 million, as I put on the record earlier, to the tune of \$150 million for private capital raised by the first 50 and we're really excited about the next \$50 million too, as well, Mr. Chair.

Thank you.

Mr. Wasyliw: Well, the minister's answer about the four-year delay is deeply disappointing and especially trying to blame COVID, when the initiative started in 2018, two years prior to the pandemic even hitting. So that's certainly unconvincing.

I'm glad he read in the bios of the board members, because it certainly highlights the point I'm trying to make: not one of those individuals—although they may be exceptional business people and they may be qualified in the business field—not one of them has ever sat on a venture capital fund, nor have they had the experience to do so.

So I'm very interested in how they were selected to sit on Manitoba's first board. And the minister neglected to answer the question of who actually was making the selections for board members. Was that the minister directly? Was it Cabinet? Who is responsible for these individuals?

Now, my friend brought up the chair of the board being Michael Pyle. Very interesting. He's the chief executive officer of Exchange Income Corporation. Gary Filmon, who's the previous PC premier and on the—is actually on the board, or was on the board of Exchange Income Corporation, was receiving over \$200,000 a year in compensation from that company. And interestingly enough, his son, David Filmon, is legal counsel for Exchange Income Corporation.

So I'm wondering if he can explain whether Mr. Pyle's connection to PC Party grandees influenced his selection as chair of the board, given that he has no experience in venture capital.

* (15:30)

Mr. Wharton: Again, to endeavour, as I talked—I said to the member last time we were in the Chamber about ensuring that we get the answers—and we do, and we will and we have. So, I'm prepared to share it now with the member.

But before I do that, I just wanted to touch on the member's comments with respect to Mr. Gary Filmon. And, first of all, and for the record, I'd like to, again, thank Mr. Filmon—the Honourable Gary Filmon—and also Her Honour the former LG, Janice Filmon, as well, for their dedicated service to this great province. I can tell you that—and I'm sure the member would agree—that this—these folks are—have done so much to improve the lives for Manitobans, in Winnipeg and across this great province. And I wanted to ensure that that is on the record. And, certainly, we appreciate the work that not only His Honour, but Her Honour has done too, as well.

But further to that, and before I get into the selection of the board, I'd also like to just put on the record too, as well, that the member mentioned conflicts of interest; well, it's interesting that the member brings that up today, when his leader decided that he wanted to hold Bill 20 because he didn't want Manitobans to know what secrets that the member from Fort Garry and potentially the Leader of the Opposition, the member from Fort Rouge, have.

So, it's interesting that he brings up conflict of interest, and I hope that maybe he speaks to his colleague and says, you know what, I think we better bring that bill back, because that's exactly what Jeffery Schnoor asked for, and that's exactly what our government—under the leadership of our Premier (Mrs. Stefanson)—delivered. And shame on the NDP for holding Bill 20, the conflict of interest act.

So, we'll jump now into the other question. The Business Council selected Mike Pyle and Steve Kroft. And also, the Business Council of Manitoba appointed Mike as the chair. Manitoba Technology Accelerator chose Marshall Ring. And the Manitoba government chose Barb Gamey and Ray Bouchard to that board as well, totalling five members.

And, again, these are Manitobans that have made huge impacts on the lives of Manitobans as well, and—not only in their personal life, but in their business lives. And they've also all worked in other jurisdictions on ven caps throughout not only Canada, but I suspect in other jurisdictions as well.

So, I welcome them. I commend them for the work they're doing and I look forward to them continuing to help grow Manitoba's economy under the leadership of our Premier.

Mr. Wasyliw: Just want to remind the minister that the ethics commissioner wanted a much stronger bill, and this government refused to bring it in. And there's an ongoing discussion about blind trusts and whether or not they should even exist in Manitoba.

Now—so, I'm wondering if the minister can tell us: What is the compensation scheme for the board? How much are the board members paid a year to be on there?

We also know, and he can confirm, that there was no investments made in 2022. How much money out of that initial \$50 million was disbursed on administrative and other costs, given that there was actually no investments in 2022?

* (15:40)

Mr. Wharton: Appreciate the opportunity again to advise the member that—*[interjection]*

Oh, sorry. Can you hear me now? Got me? Okay—that the members of the board are and continue to be—they are fully volunteers, actually the fund is autonomous. So, essentially, as we move forward and build out this great opportunity for Manitoba businesses and business coming outside into Manitoba, I ask the member to stay tuned and certainly we would report back once the establishment of remuneration has been decided on.

But I thank the members again, Mr. Chair, for their volunteer time in order to move Manitoba forward in a positive and economic-growth way.

Mr. Wasyliw: So, my understanding is that David Filmon, a lawyer and partner at MLT Aikins, is—been appointed as counsel for the venture fund. Of course, this is former PC premier, Gary Filmon's son.

Also, he is active, representing Exchange Income Corporation. That's the business that board chair, Michael Pyle, is also the CEO of.

I'm wondering if the minister can advise how he was selected as counsel and by whom, and was there a tendering process so that other lawyers and law firms could have applied for this, or was it basically just an appointment. *[interjection]*

Pardon me?

An Honourable Member: Moonlighting.

Mr. Wasyliw: Moonlighting?

Mr. Chairperson: Order. The member for Fort Garry has the floor.

Mr. Wasyliw: Oh, I do. Okay.

So, I'm very curious. I—the minister's chomping at the bit to give me all this information and be transparent with Manitobans, so let's tune in.

Mr. Wharton: And I know the member and, well, particularly the NDP, like to control things. Well, on this side of House, we don't. We help, we enable, we help things, we move forward, we assist with government. Government assists people to get started. We do all those great things but then we get out of the way.

This is another example of this being an independent board from government and in this particular case, again, as in many cases across our government, the board has full autonomy to make decisions; and they do, again, independent of government.

So, whether that's being where they want to hold an officer or hire an accountant or hire a legal firm, that it's—they have the full autonomy to do that. It's much like independent municipal governments versus provincial versus federal; everybody has a role to play, and we try not to step in each other's sandboxes, other than, you know, of course, we know the members—the member from Fort Garry likes to do that. But we simply don't and we trust that once we put the tools in place that these independent boards, independent of government, have all the tools to make the decisions to ensure that they're growing our economy and continuing to move forward for the betterment of all Manitobans.

* (15:50)

Mr. Wasyliw: I really want to thank the minister. I really appreciate that sort of honest, forthright, look-people-in-the-eye answer. And it's clear this government has no oversight of this entity. It's very similar to the mess that they made at MPI and have allowed things to fester, and I think we're starting to see problems at this venture fund.

So I'm wondering if the minister, in the spirit of his forthrightness and honesty, can advise how much David Filmon received in legal fees in the year 2022 for this venture fund, given the fact that it had zero business transactions during that year. How many millions went to MLT Aikins?

Mr. Wharton: Incremental to the \$50 million—original \$50 million ven cap fund—we provided administrative funding to support the establishment of the overall fund in the beginning to the tune of about 350K to support Manitoba Technology Accelerator.

So MTA, incremental to the \$50 million, had the 350 approximately to get started. So, again, being independent of government and, certainly, their responsibility on how they deem to best implement that into the overall development of the fund.

Mr. Wasyliw: Okay, so I don't want to misunderstand the minister. So, in 2022, the government gave \$350,000 to the board to administer the fund, and that \$50 million, I assume—he can confirm—was still in place and it hadn't been touched because there was no transactions in 2022, and I assume that \$350,000 is all gone from 2022.

Mr. Wharton: Apologize to the member from Fort Garry for the delay. Bit of a tickle in my throat there.

So, I'm going to take the member on just a bit of a journey here for a minute and take him back to when

I first started my business. Oh, man, I'm going to date myself a little bit; 1988, when I first started my—I know you run your own business, too, the member from Fort Garry, so you probably can relate to this story, but I'll make it quick because I do have an answer for you. But this really ties into it, and let me share it with you.

So, back in 18–1988–1888, whew, I'm old–1988, I—my wife and I started our business, and we needed some capital. We needed to get started. We needed to buy office furniture. We needed to get phone service. We—geez, I think we just had the Internet coming. I had a new computer I played solitaire on. Because it was so long ago, it was the only thing we knew what to do on our computers at the time, right? Microsoft came out with—remember? Yes. Anyways, it was a lot of fun. But, we learned how to use the computer.

So, what we didn't have was capital. So we borrowed capital from family and friends, and they all helped us out, but we had about \$50,000 to get started, to get all that necessary resources and infrastructure in place so that we could go out and sell our business and get customers and make money, put food on our table for my two daughters. And we did.

But my story to this is \$350,000 was invested to establish a brand new organization. So, this was a brand new company back in '89, and we're starting a business. We needed to invest in it to get it going.

So, I commend the members, particularly from MTA, for taking the time and using the investment—and, again, 350K—to get started and build this fund and build the overall program to where we are today. I call that an ROI to remember because that return on investment is going to pay dividends for Manitobans for years and generations to come based on that 350K.

* (16:00)

So, I thank the member for indulging me. And I will talk a little bit more about my business and how we got through that, too, as well, if he gives me an opportunity, because there's so many synergies between what we're doing here in Manitoba in growing our economy to what my wife and I did to build our business back in the early 1990s.

Thank you, Mr. Chair.

Mr. Wasyliw: So, I'm wondering if the minister can break out, out of that \$350,000, how much of that went to David Filmon, son of Gary Filmon, in fees?

Now, the other question I have related to this, obviously the—this government announced a further

\$50 million in this year's budget and announced the first and only transaction that occurred to a company called Westcap Mgt. Ltd., where the principal was a man by the name of Grant Kook, K-o-o-k. He was given \$25 million of that money to create a venture capital fund based out of Saskatchewan for Manitoba businesses.

So, I'm wondering if you can answer how much David Filmon profited from this venture fund in 2022, and why is a Manitoba venture capital fund being administered out of Saskatoon instead of Manitoba?

Mr. Wharton: And, just first of all, I'll answer the first question. Again, government is independent of the board and decisions involving the day-to-day operations are the decisions of the board, not government.

And, No. 2, mentioning Westcap, as a matter of fact, Westcap also sees the opportunity that is now here in Manitoba. For decades, it wasn't; it is now, and it will continue to be. Westcap is, basically, the fund manager, and also, Westcap will be settling in Manitoba full time, actually opening up an office here.

But I can assure the member that the fund manager is working with Manitoba-led credit unions right here in Manitoba: Access, Sunrise Credit Unions, where—again, are supplying the capital here in Manitoba to build Manitoba businesses.

So, certainly, Westcap's involvement as fund manager is great for us to get this fund going and really help generate excitement, but we're really pleased that Manitoba credit unions have stepped up—Access and Sunrise—and are there at the table.

As a matter of fact, when I was there with the Premier (Mrs. Stefanson) making the announcement of the additional \$50 million, I had the opportunity to meet with the CEO of Access and Sunrise, and the excitement that they shared with us was incredible. They said they've been waiting 20 years for this, and now it's here in Manitoba, and they're looking forward to partnering and growing Manitoba businesses and also getting businesses to settle right here in Manitoba.

* (16:10)

Mr. Wasyliw: So, this board administers a full quarter of their fund to an out-of-province fund manager, and the minister has no oversight at all in this transaction.

I'm wondering if the minister confirmed that he was not even consulted or signed off, and learned through the media that this transaction had occurred.

Or, if I'm wrong about that, if he can put on the record that he was consulted and had this information before this transaction. A quarter of the fund was dispersed.

Mr. Wharton: Again, to answer the member from Fort Garry's question, as I mentioned earlier in a couple of my responses, you know, government enables and sets the environment and essentially sets the stage.

But once government sets that tone, then we hand it off to the professionals. We rely, of course, on the business experts who, again, who are independent of government.

Essentially, once we set that stage, we get out of the way and let business do what they do and let stakeholders do what they do and let industry does what it does.

Certainly, they have the expertise, not government. And I know the member from Fort Garry should understand that government needs to get out of the way sometimes, but we certainly set the stage.

And, again, all funds will be invested right here in Manitoba, as I mentioned earlier. Certainly happy to provide more information for the member as well, and again, with the full support of Access and Sunrise Credit Unions that are Manitoba-based credit unions here in Manitoba.

And I'll tell the member a story about credit unions if we get another opportunity to, Mr. Chair. Thank you.

Mr. Wasyliw: Again, my question to the minister was when did he learn of this transaction of Westcap Management group in relation to the government announcement.

Like, are we talking about a day before, or a week? How much time did he know, as the minister, before it actually went to the public?

And the other sort of issue here that I'm hoping the minister can answer is that when I speak to start-up companies, they tell me that the reason why Manitoba needs a Manitoba venture fund—because there is tons of venture capital out there, including operating in Manitoba.

The problem is if it's based in Calgary or, say, in this case in Saskatoon, they offer business development services and advice and mentoring, and what often happens with a Manitoba company is that the Venture Capital Fund eventually says hey, you know

what, why don't you move to Calgary, because we need to be closer to you. And they, in fact, move.

And I met an individual who had a start-up company, two days ago at the IBAM breakfast, and after two years in Manitoba, he moved his company to Edmonton for exactly that reason, because the venture fund was headquartered there and they insisted on it.

So why would this government create a made-for-Manitoba venture fund that actually isn't in Manitoba?

* (16:20)

Mr. Wharton: I want to go back to the member citing a small firm moving to Edmonton, and I would welcome the member to either table that information or share that with me in the department.

Certainly, I would like to understand a little bit more about this particular situation. It—obviously, any business that leaves Manitoba is disturbing, I'm sure not only for you, but I know it is for me and our team, as well. So, I'm—I certainly appreciate the example. If you could provide some information, even some contact information, maybe we can enlighten this firm and their ownership to again look at Manitoba, particularly the Manitoba fund that we're talking about today. And, again, you can just either come see me or just send me an email, and I'll certainly look forward to getting that information.

When the announcement was done by the Premier (Mrs. Stefanson), which I was honoured to host and chair, was done in the eventual office—it'll be opening up later this spring and year. Again, it could be late spring or early summer; we've had this discussion before, but based on the weather outside, we are not sure when spring is coming and whether summer will just come. So—but he can look forward to that office opening.

Westcap is the fund manager, as we talked about earlier, and, again, that office will be staffed by senior leadership, and again, the member should know, and a good takeaway is, again, Westcap must set up an office here in Manitoba as part of their requirement. So the office is being built as we speak, and I know that when it is open, I certainly invite the member to join me, and we'll do a tour and, certainly, he can get as excited as I am about the opportunity for Manitoba and Manitoba businesses to take advantage of this new venture.

Mr. Wasyliw: And, again, I don't want the minister to miss the forest from the trees. The issue is keeping

Manitoba businesses in Manitoba and not having these venture funds actually pull business out of Manitoba, which has historically been the case.

But I have a question for the minister. Now, I'm wondering, was he aware that David Filmon also represents Westcap Management Ltd. and that Grant Kook is one of his clients?

So what's effectively happening here is he's getting taxpayer money for the legal fees for representing the Manitoba venture fund. He is now contracted with one of his clients and is getting legal fees and Manitoba taxpayer money from that end of the deal. He's doing great in this Venture Capital Fund, and given that it's been five years to set up, he seems to be the only one that's actually making any money out of this deal.

So I'm wondering if the minister was aware of this; what it seems is a concerning conflict that needs to be investigated, and whether or not there are any ethical or moral standards that—or any oversight at all, it appears—of this organization, where you have the principal lawyer acting for all parties to the transaction.

Would the minister care to comment?

Mr. Wharton: I—well, the member opposite and the Leader of the Opposition spent years driving docs and other professionals out of this province with unreal tax hikes on regular, everyday, hard-working Manitobans; we're focused on the—building the economy, and that's what we'll continue to do.

And, again, to the member's question, this venture is separate; it's independent of government. What—the decisions that are made at that table are made at that table, not by government.

Mr. Wasyliw: Is the minister at all alarmed or concerned that there is a lawyer that is representing both sides of the deal, receiving taxpayer dollars from Manitoba, and there doesn't seem to be any oversight or even concern from this minister that this is going on?

Mr. Wharton: Certainly, the individual or the legal firm that the member is referencing doesn't work for the Province, or doesn't work for the Manitoba government, Mr. Chair. I suggest that maybe the member himself has probably done more work as a lawyer for the government than the member—the colleague—or, the legal firm that he's referring to.

So, that would be a no.

* (16:30)

Mr. Wasyliw: Grant Kook has been widely reported as having close ties to The Saskatchewan Party in Saskatchewan, and is very close to the Conservative ruling government there. Obviously, the Filmon name in Manitoba is synonymous with the PC Party.

So I'm wondering if the minister can tell me what role did political partisanship, you know, have in who's involved in this scheme? It seems that every single person who is involved with this venture fund is a member in good standing of the Conservative Party of Manitoba or Saskatchewan.

Mr. Wharton: Is the member suggesting that the \$50-million ven cap that raised \$150 million was a bad thing for Manitoba?

Mr. Wasyliw: Well, it's telling that the minister can't answer the question and he's trying to avoid it. I will give him some more information, because it appears there's absolutely no oversight by the Province.

Grant Kook is a very controversial figure in Saskatchewan. He actually administered a similar venture capital fund for Saskatchewan. He—Westcap was paid \$10.7 million to manage two funds in Saskatchewan. Guess what? He lost \$16.4 million in Saskatchewan taxpayer funds. So somebody who has a proven track record of mismanaging taxpayer funds was hired by Manitoba to do the same thing.

Can the minister please comment?

Mr. Wharton: Fifty-million-dollar investment, \$150 million return on the first 50.

Mr. Wasyliw: Did the minister vet Westcap at all before handing over \$25 million of Manitoba taxpayers' money, and did he know—is he listening for the first time and hearing first time—that this very company lost over \$16 million of Saskatchewan taxpayer money?

Mr. Wharton: Four-point-three billion dollars of taxpayer—Manitoba taxpayer money wasted on a bipole line by the former government, the former NDP government.

I will not take any lessons, nor will my hard-working staff at this table, from the member from Fort Garry when it comes to losing money for taxpayers in Manitoba.

Mr. Wasyliw: Well, listen, the minister shouldn't hide behind his staff. They are hard-working people, and they deserve our respect. This is on the minister, and this is the minister's lack of oversight of this venture fund.

So I'll ask the question again: were any vetting or checks done before \$25 million of Manitoba taxpayer dollars was handed over to a company with a history of failure doing the exact same thing?

Mr. Wharton: Fifty million dollars, with an ROI of 150. Can't say much more than that.

Mr. Wasyliw: How much Manitoba money has been paid to Westcap? Not the fund, but actual fees to Westcap. What are we out?

Mr. Wharton: Westcap was hired by Access and Sunrise to be the fund manager.

Mr. Wasyliw: So, the province of Saskatchewan has had to inject even more millions of public money into this losing Venture Capital Fund managed by Westcap.

I'm wondering if the minister can tell us if there's any—any—safeguards or oversight by this government in relation to the Manitoba fund, or is any friend of the PC party—basically have free range to lose Manitoba taxpayer dollars?

* (16:40)

Mr. Wharton: Again, Manitoba dollars to invest in Manitoba businesses. And, again, a reminder to the member, \$50 million raised, \$150 million in capital.

Mr. Wasyliw: So, the—Westcap set up a fund called the Connect Manitoba Growth Fund, and it has a mandate that it will only invest in later stage growth companies that have market acceptance for their product or service.

If you, you know, get through all the business speak, basically, what they're talking about, they're only going to invest in successful, safe-bet companies. They won't actually invest in emerging companies.

So, the government starts a venture capital fund to help start-ups and then, after five years, the only transaction they have, the only fund they create, is for safe-bet, established companies. So, after five years, your Venture Capital Fund doesn't actually help Manitoba start-ups.

So, I'm wondering if the minister can explain the disconnect between the press release and what actually is happening with this fund.

Mr. Wharton: And I know I probably don't have a ton of time to get through this whole list, but I do want to start with a story, Mr. Chair, and if I run out of time, I'll come back and touch on some of the great work that we're doing to support businesses, such as the

member had mentioned, other than large corporations coming to Manitoba.

But before I do that, I just wanted to share with the member about my credit union story. I mentioned it earlier, and I wanted to share it and get it on the record, because it certainly touches on what small- and medium-sized businesses went through and continue to go through, and that's why our government recognizes investments that I'm going to put on the record shortly.

But before I do that, I just wanted to, again, share the story about when my wife and I were at a part—a time of our business, about 10 years in, where we needed to make a decision: we either stayed where we were or continued to grow.

However, the problem with growing—and, you know, the member from Fort Garry knows, because he runs a small business and he would understand—when you get to that wall and you have nowhere to go and you're trying to get over it, you have to figure out a way. And so you're looking for support outside of what you did for the first 10 years. Well, we didn't have it.

So, what we did was we—well, actually, what we didn't do, what happened was one of the—our lenders sent us a letter and, within 30 days, we were told that we needed to pay back our line of credit to the full amount and we're recalling your line of credit and, essentially, you were done.

So, we said, well, that's great, but what are we supposed to do to make payroll? And they said, well, quite frankly, that's not our concern. We're pulling back on small- and medium-sized businesses. We've made a decision, corporately, likely out of Toronto or Calgary, and left my wife and I sitting there in our office going, what's next?

So, fortunately—and this is where we get to the credit union part—fortunately we were able—we were reached out to by Assiniboine Credit Union, who was fairly new to Manitoba back in the '90s, and the bank manager set up an appointment, and we said, wonderful; we'd love to meet you. We had about an hour meeting, and I can tell and share with the member and Manitobans at home that, out of that meeting, he secured us a line of credit to operate and continue to keep our doors open so that we could continue to grow our business. And that's exactly what he did.

But he said something that was very profound and something I'll never forget and my wife will never forget. And that—what he said to us was—and it

changed our business and really set us on our career—he said to—Jeff and Mick [*phonetic*], I want you to do one thing and do one thing only: you focus on your business, and let me focus on the banking.

Well, that was fundamental to the change of our business. I can tell you that that made a difference. We were able to continue to grow our business. At the time, we had 25 staff. We grew our business to 150 staff and two offices in Winnipeg and Brandon. And without that advice and that support from a Manitoba credit union, I can tell the member—I don't know why he's laughing; it's a true story—and, certainly, when he can read my book one day, he'll see it in my book, that we were able to continue to grow our business and thrive and help 150 Manitobans support their families.

So, very good story, and I know the member certainly would have that as a positive takeaway.

Let me talk about the suite of opportunities we have for similar businesses like mine. Again, we have a number of programs: \$15 million in the Communities Economic Development Fund. Futurpreneur, which is really cool; \$300K over four years starting up with Futurpreneur. So these are entrepreneurs that are thinking they want to get into the self-employed realm, and guess what? We're going to help them here, and our government's going to help them.

Mr. Chair, \$10 million—\$10.1 million to support Sector Council programs. Met with a number of the program folks over the last several weeks and months. This is \$10.1 million over four years, so four point—\$40.4 million going to support small and medium-sized businesses.

Mr. Chair, \$20 million to support economic development and investment attraction. Investment in—more than \$35 million in loans and guarantees and an increase, by the way—the member will be happy to know—an increase of \$27 million from '22-23 fiscal.

Mr. Chair, \$15 million to fund support in Indigenous economic development opportunities related to, again, a number of opportunities to support Indigenous reconciliation and economic reconciliation as we go forward.

And again, Manitoba is expecting to have a 114,000 new job openings in the next five years. Great news for Manitoba businesses as we continue to grow and invest in our economy.

* (16:50)

And one other I'll get on the record, Mr. Chair, if you indulge me to. In 2022-23, the innovation—

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

Mr. Wasyliw: So, it's been—very interesting afternoon, Mr. Chair. We heard that the government handed over \$100 million of Manitoba taxpayer money with no oversight or safeguards in place to friends of the PC Party. There has been no business transactions involved with this fund, no businesses actually have received the funds and not one job has been created in the five years that they've been working this through government.

The—this fund is, although a Manitoba fund, is—it's administered out of Saskatoon by a company that has a proven track record of losing government money. And it has created a program that is designed not to help one single start-up or new business in Manitoba. Do I have that right, minister?

But I'm going to move off on that and I want the minister to explain, how is this Frankenstein fund going to be held accountable? Is there going to be an annual report? How are Manitobans going to be able to provide oversight to their dollars, which are very much at risk?

Mr. Wharton: I just wanted to—again, I didn't want to miss this other great innovation that we're—that the government is providing for the, actually, 2022-23, the innovation growth fund has awarded \$1.3 million to 17 local companies, Mr. Chair. Since 2019, over 50 projects to the tune of \$3.9 million to develop and innovate products and help the process with companies here in Manitoba.

Again, the ven cap is going to put Manitoba on the map. We are open for business—truly open for business—here in Manitoba, and initial results are staggering, fantastic, absolutely exciting. Cannot wait to be able to continue to grow the economy here in Manitoba with the great support of our board.

The board that, of course, we talked about earlier, that we mentioned. Great Manitobans that have contributed to our—not only to the lives of Manitobans, but to our economy, and will continue to, right here in Manitoba, Mr. Chair.

Again, I thank them for absolutely their volunteerism and their willingness to ensure that Manitoba becomes the place where you want to settle in, raise a family, bring a business here, grow a business here, start a business here and continue to grow and thrive and prosper here—right here in Manitoba.

So, with those few comments, I'm sure the member has a few more questions for me. I certainly want to give him time. I see we have some time left. And, again, great exciting times for Manitobans; \$25 million invested, \$150-million return. I'd call that a pretty positive ROI for Manitobans.

Mr. Wasyliw: There's no further questions. We're prepared to close out this section.

Mr. Chairperson: Seeing no further questions, we now will turn to the resolutions, beginning with the second resolution, of—as we have deferred consideration of the first resolution containing the minister's salary.

At this point, we will allow virtual members to unmute their mics so they can respond to the question on each resolution.

Resolution 10.2: RESOLVED that there be granted to His Majesty a sum not exceeding \$13,250,000 for Economic Development, Investment and Trade, Investment and Trade, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 10.3: RESOLVED that there be granted to His Majesty a sum not exceeding \$145,325,000 for Economic Development, Investment and Trade, Workforce and Industry Programs and Partnerships, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 10.4: RESOLVED that there be granted to His Majesty a sum not exceeding \$2,118,000 for Economic Development, Investment and Trade, Economic Development Board Secretariat, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 10.5: RESOLVED that there be granted to His Majesty a sum not exceeding \$15,198,000 for Economic Development, Investment and Trade, Resource Development, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

Resolution 10.6: RESOLVED that there be granted to His Majesty a sum not exceeding \$35,000,000 for Economic Development, Investment and Trade, Loans and Guarantees Programs, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

The last item to be considered for the Estimates of this department is item 10.1(a), the minister's salary, contained in resolution 10.1. At this point, we request that all ministerial and opposition staff leave the Chamber for the consideration of this last item. The floor is open for questions when they leave.

Are there any questions? Seeing none, we will proceed to resolution 10.1.

Resolution 10.1: RESOLVED that there be granted to His Majesty a sum not exceeding \$10,677,000 for Economic Development, Investment and Trade, Administration and Finance, for the fiscal year ending March 31st, 2024.

Resolution agreed to.

This completes the Estimates of the Department of Economic Development, Investment and Trade.

The next set of Estimates to be considered by this section of the Committee of Supply is for the Department of Indigenous Reconciliation and Northern Relations.

Hon. Derek Johnson (Minister of Agriculture): Is there will to see the clock as 5?

An Honourable Member: We have to recess until 5.

Mr. Johnson: Recess 'til 5?

Mr. Chairperson: Is it the will of the House to recess until 5 o'clock? [*Agreed*]

This House then is recessed—this committee—not the House, just the committee; let's get that straight. This committee is recessed and stands recessed until 5 p.m. this afternoon.

The committee recessed at 4:58 p.m.

The committee resumed at 5:00 p.m.

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

Call in the Speaker.

IN SESSION

Mr. Deputy Speaker (Andrew Micklefield): The hour being 5 p.m., this House is adjourned and stands adjourned until tomorrow morning at 10 a.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 19, 2023

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GOVERNMENT BUSINESS

Committee of Supply
(Concurrent Sections)

Room 254

Health

| | |
|----------|------|
| Moses | 1651 |
| Gordon | 1651 |
| Lathlin | 1653 |
| Asagwara | 1654 |

Room 255

Finance

| | |
|--------|------|
| Sala | 1661 |
| Cullen | 1661 |

Chamber

Economic Development, Investment and Trade

| | |
|---------|------|
| Wharton | 1677 |
| Wasyliw | 1677 |

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

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