

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

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

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ALLUM, James	Fort Garry-Riverview	NDP
ALTEMEYER, Rob	Wolseley	NDP
BINDLE, Kelly	Thompson	PC
CHIEF, Kevin	Point Douglas	NDP
CLARKE, Eileen, Hon.	Agassiz	PC
COX, Cathy, Hon.	River East	PC
CULLEN, Cliff, Hon.	Spruce Woods	PC
CURRY, Nic	Kildonan	PC
DRIEDGER, Myrna, Hon.	Charleswood	PC
EICHLER, Ralph, Hon.	Lakeside	PC
EWASKO, Wayne	Lac du Bonnet	PC
FIELDING, Scott, Hon.	Kirkfield Park	PC
FLETCHER, Steven, Hon.	Assiniboia	PC
FONTAINE, Nahanni	St. Johns	NDP
FRIESEN, Cameron, Hon.	Morden-Winkler	PC
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin, Hon.	Steinbach	PC
GRAYDON, Clifford	Emerson	PC
GUILLEMARD, Sarah	Fort Richmond	PC
HELWER, Reg	Brandon West	PC
ISLEIFSON, Len	Brandon East	PC
JOHNSON, Derek	Interlake	PC
JOHNSTON, Scott	St. James	PC
KINEW, Wab	Fort Rouge	NDP
KLASSEN, Judy	Kewatinook	Lib.
LAGASSÉ, Bob	Dawson Trail	PC
LAGIMODIERE, Alan	Selkirk	PC
LAMOUREUX, Cindy	Burrows	Lib.
LATHLIN, Amanda	The Pas	NDP
LINDSEY, Tom	Flin Flon	NDP
MALOWAY, Jim	Elmwood	NDP
MARCELINO, Flor	Logan	NDP
MARCELINO, Ted	Tyndall Park	NDP
MARTIN, Shannon	Morris	PC
MAYER, Colleen	St. Vital	PC
MICHALESKI, Brad	Dauphin	PC
MICKLEFIELD, Andrew	Rossmere	PC
MORLEY-LECOMTE, Janice	Seine River	PC
NESBITT, Greg	Riding Mountain	PC
PALLISTER, Brian, Hon.	Fort Whyte	PC
PEDERSEN, Blaine, Hon.	Midland	PC
PIWNIUK, Doyle	Arthur-Virden	PC
REYES, Jon	St. Norbert	PC
SARAN, Mohinder	The Maples	NDP
SCHULER, Ron, Hon.	St. Paul	PC
SELINGER, Greg	St. Boniface	NDP
SMITH, Andrew	Southdale	PC
SMOOK, Dennis	La Verendrye	PC
SQUIRES, Rochelle, Hon.	Riel	PC
STEFANSON, Heather, Hon.	Tuxedo	PC
SWAN, Andrew	Minto	NDP
TEITSMA, James	Radisson	PC
WHARTON, Jeff	Gimli	PC
WIEBE, Matt	Concordia	NDP
WISHART, Ian, Hon.	Portage la Prairie	PC
WOWCHUK, Rick	Swan River	PC
YAKIMOSKI, Blair	Transcona	PC

**LEGISLATIVE ASSEMBLY OF MANITOBA**

**Tuesday, June 28, 2016**

*The House met at 1:30 p.m.*

**Madam Speaker:** Please be seated.

**ROUTINE PROCEEDINGS**

**Madam Speaker:** Introduction of bills?

**COMMITTEE REPORTS**

**Standing Committee on Public Accounts**

**First Report**

**Mr. Reg Helwer (Vice-Chairperson):** Madam Speaker, I wish to present the First Report of the Standing Committee on Public Accounts.

**Clerk (Ms. Patricia Chaychuk):** Your Standing Committee on Public Accounts presents the—

**Some Honourable Members:** Dispense.

**Madam Speaker:** Dispense.

*Your Standing Committee on Public Accounts presents the following as its First Report.*

**Meetings**

*Your Committee met on June 27, 2016 at 3:00 p.m. in Room 255 of the Legislative Building.*

**Matters under Consideration**

- *Election of the Chairperson*
- *Election of the Vice-Chairperson*

**Committee Membership**

- *Mr. BINDLE*
- *Mr. HELWER*
- *Mr. JOHNSTON*
- *Ms. KLASSEN*
- *Mr. MALOWAY*
- *Mr. MARCELINO*
- *Mrs. MAYER*
- *Mr. MICHALESKI*
- *Ms. MORLEY-LECOMTE*
- *Mr. WIEBE*
- *Mr. YAKIMOSKI*

*Your Committee elected Mr. WIEBE as the Chairperson.*

*Your Committee elected Mr. HELWER as the Vice-Chairperson.*

**Agreements:**

*Your Committee reached the following agreements:*

- *To establish a Steering Committee of the Standing Committee on Public Accounts comprising of the Chairperson, the Vice-Chairperson, the Auditor General, a Committee Clerk and the Research Officer.*
- *To have in camera pre-meeting briefing sessions with the Auditor General.*

**Mr. Helwer:** Madam Speaker, I move, seconded by the honourable member for Gimli (Mr. Wharton), that the report of the committee be received.

**Motion agreed to.**

**Madam Speaker:** Tabling of reports?

**MINISTERIAL STATEMENTS**

**Motor Vehicle Industry of Manitoba**

**Hon. Ron Schuler (Minister of Crown Services):** I am pleased to rise today—

**Madam Speaker:** Prior to the member proceeding, I would just ask if the member had—is standing on a ministerial statement.

**Mr. Schuler:** Yes, Madam Speaker.

**Madam Speaker:** I do not believe that the 90-minute rule—it had been? Okay. My apologies, the Minister of Crown Services. The required 90 minutes notice prior to proceedings was provided in accordance with rule 26(2).

Would the honourable member please proceed.

**Mr. Schuler:** Thank you, Madam Speaker.

I am pleased to rise today to recognize the Motor Vehicle Industry of Manitoba's efforts to provide young Manitobans assistance in realizing their dreams of becoming skilled motor vehicle tradespeople.

The Motor Vehicle Industry of Manitoba Scholarship Fund has been established as a mechanism to assist in the development of future skilled automotive technicians.

This is of particular importance as watching and retraining young people and women within

the automotive technician trades is an ongoing challenge. As a result of initiatives like the Motor Vehicle Industry of Manitoba Scholarship Fund, the number of women training for careers in the automotive industry is growing. Currently, women make up about 47 per cent of the labour force, but only 24 per cent of the automotive workforce, and this calls for more leadership, education, networking and growth opportunities for these professionals.

Motor Vehicle Industry of Manitoba Scholarship Fund provides financial support that helps to remove some of the barriers faced by young people and women working towards professions and these challenging professional certifications.

On June 15th it was my pleasure to congratulate the 22 scholarship award recipients presented by the Motor Vehicle Industry of Manitoba, who will be furthering their education as they follow their 'prentership' for Red Seal certification as mechanical, collision repair and collision refurbishing technicians.

I am pleased to read the recipients' names into the record: Bendrine Klassen; Alisa Everett; Max Wazney; Ashley Weber; Andrew Friesen; Calvin Kaartinen; Jessie Posthumus; Arnel Marasigan; Dustyn Zacharias; Dominic Feist; Rico Maceda; Raphael Ople; Eric Seib; Darryl Merritt; Meghan Connor; Scott Hugill; Chris Maher; Carissa Ness; Megatron Boultonyshen; Brayden Robb; Sebastian Fiola; and Dessiray Nault.

In particular, I would like to congratulate Ashley Weber, a talented young woman who has won gold in three consecutive Skills Canada competitions, not only within the province but, also, at a national level. Once again, I would like to congratulate all of the scholarship award recipients and thank you for your efforts.

**Mr. Kevin Chief (Point Douglas):** I'd like to—and we'd like to, congratulate the recipients of the Motor Vehicle Industry of Manitoba Scholarship award recipients. I'd also like to take the time to congratulate all Manitoba graduates and their families for their exceptional achievements this fall graduation—this spring graduation.

Madam Speaker, Manitoba has one of the youngest and fastest growing demographics in the country, and for Manitoba to continue to have one of the fastest growing economies with one of the lowest unemployment rates, we need to continue to provide education, employment and training opportunities for

young people. We've always recognized the value of education for all Manitobans. It grows the economy and Manitoba's place in the world. It also lifts people out of poverty and provides direction for people who are struggling.

Whenever we invest in education, we always had in mind to create opportunities for young people. That's why we're proud to stand with families and our training institutions to freeze tuition at the rate of inflation and make Manitoba the first province in western Canada to offer interest-free loans. Together we created specialized high school programs where students have access to industry experts and state-of-the-art equipment like the Sisler High School's Cyber Security Academy.

We're proud to take—we have heard and we've always been proud to take the classroom to the workplace and bring the workplace to the classroom. That was highlighted during our time in government when we reached a milestone of almost 11,000 active apprentices; that's triple the number when we came into government. We were proud to work with the business community to make it easier to hire apprentices by increasing the apprenticeship tax credit to up to \$5,000 for every apprentice.

Madam Speaker, young people are proud of who they are. They're proud of where they're from, and they want to have the opportunity to give back. We'd like to thank all the people who support the Motor Vehicle Industry of Manitoba Scholarship and all the award recipients.

Thank you, Madam Speaker.

**Ms. Judy Klassen (Kewatinook):** I request leave to respond to the ministerial statement.

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

**Ms. Klassen:** I always admire anyone who has the determination to work in any skilled trade. I know, personally, I have a white truck, a grey car, a black SUV, and that's as much as I know about vehicles. So today I offer my congratulations to the 22 recipients of this year's Motor Vehicle Industry of Manitoba, their scholarships and the families who support these people.

Attracting and keeping young people interested in becoming automotive technicians has been, and continues to be, an ongoing challenge. Programs like this that bring together all industry stakeholders in the advancement of training and education, as well as

increasing access to industry, should be commended. Thanks to The Winnipeg Foundation, Sobering Auto Electric, Manitoba Motor Dealers Association, Manitoba Used Car Dealers Association, Automotive Trades Association Manitoba and the Automotive Recyclers of Manitoba for keeping up this important work and opportunity alive in Manitoba. And I would also like to extend my best wishes to the recipients in their bright futures.

Thank you, Madam Speaker.

## MEMBERS' STATEMENTS

### Kinsman Club of All Saints

**Hon. Rochelle Squires (Minister of Sport, Culture and Heritage):** Madam Speaker, I am proud to rise today to recognize the Kinsmen Club of All Saints and the great contributions they make in my constituency of Riel and throughout Winnipeg.

They have 22 active members in their club and are celebrating 70 years of service in our community. Their motto is Serving the Community's Greatest Need and, as anyone who knows them can attest, they embody this model to the fullest.

\* (13:40)

Madam Speaker, the Kinsmen Club of All Saints recently announced a project to build 45 additional affordable-living housing units in Riel. The Chesterfield housing development, which is a division of the St. Vital-based Kinsmen Club, is expanding to help provide additional housing for 55-plus individuals living on a fixed income. This \$4.5-million project on Chesterfield Avenue is being built entirely with private money and is scheduled to open in the summer of 2017. It will increase the total number of apartments in the complex to 105.

This recent development is a continuation of the commitment to affordable housing the All Saints Kinsmen made back in the 1950s. Their long-term dedication to helping seniors is commendable, and I'm proud to call the Kinsmen my friends and my neighbours.

In addition to their ambitious goals—housing goals, the Kinsmen Club of All Saints is extremely busy raising funds for communities and charities in need and can be seen putting on barbecues to end—to help end cystic fibrosis, helping out with the Peaceful Village graduation activities and raising money to provide bulletproof vests for the Winnipeg Police Service K-9 Unit, to name a few.

Madam Speaker, the Kinsmen Club of All Saints also celebrate with families in Riel who regularly use the services of the Salvation Army by holding annual Christmas activities, taking kids to the Festival of Lights and having Santa deliver gifts to our families in the community.

Madam Speaker, the Kinsmen Club of All Saints is a wonderful example of the great spirit of generosity that Manitobans are known for, and I wish them many, many years of continued success. And I thank Art O'Donnell for attending the Chamber this afternoon on behalf of the All Saints—the Kinsmen Club of All Saints.

### Emergency Measures Organization

**Mr. Tom Lindsey (Flin Flon):** I'm pleased to rise today to recognize the hard work of Manitoba's Emergency Measures Organization, along with all the first responders and volunteers who are helping to fight fires in the North and flooding in the Whiteshell. The fires near Chemawawin Cree Nation and Easterville have temporarily displaced over 2,000 people, but thanks to the quick response of EMO and the first responders, there have been no fatalities. Despite the fact that the fires came within 100 metres of the community, no houses were lost.

At the same time, the flooding in eastern Manitoba has put hundreds of cottagers on evacuation notice. This is the second evacuation order for cottage country since wildfires ravaged the same area last month.

Madam Speaker, Manitobans are all too familiar with the demands and challenges of natural disasters. Extreme weather can happen at any time of the year in this province, and each experience is a reminder of the importance of preparation and prevention.

We've asked the Minister of Infrastructure (Mr. Pedersen) numerous times about highway spending, particularly in the North. Highways like 392 and 280 are critical to the northern economy but they're also become critical evacuation routes in the event of an emergency. The Minister of Infrastructure has kept quiet about the potential impacts from cuts to the highway program. Emergencies like fires in the North and flooding in the east make those impacts all too clear.

Madam Speaker, this government's cuts to highways amounting to \$48 million spells potentially devastating results for our economy but also for our ability to deal with and prevent emergencies. They've already made it clear that they don't appear to be

interested in prevention. I guess we shouldn't be too surprised.

Thank you.

#### **Brandon Environment Committee**

**Mr. Len Isleifson (Brandon East):** In this sometimes crazy place we call earth, we share our environment with over 7.4 billion people, with United Nations estimating a global population increase to 11.2 billion by the year 2100. I feel very confident that we all share the desire to maintain our environment for generations to come well beyond the next 2,000 years.

On a more local perspective to the constituencies of both Brandon East and Brandon West, one has to look no further than the Brandon Environment Committee to see the passion for sustainability to our environment. The Environment Committee and the City of Brandon have worked tirelessly to ensure the right steps are being taken to ensure that they lead by example.

Madam Speaker, I have had the extreme pleasure of chairing the Brandon Environment Committee for a number of years prior to the election in April. The work this committee does is well recognized in the city of Brandon, but it is so important to the overall environment that I find it important to recognize their efforts here today.

In November of 2007, the City of Brandon created the Environmental Strategic Plan that was developed with the help of the Brandon Environment Committee. This plan has identified clear, conscientious actions that can be implemented both on a community and on a corporate level. This plan was revised and adopted by the city council of Brandon in June of 2013. There are many initiatives and projects supported or led by the efforts of this great committee such as the Solar Light Pilot Project, the Brandon enviro 'expro,' Green Scene TV, Fair Trade Town, Urban Forestry Learning, Clean Sweep and so much more.

I would like to give a special shout-out to Ms. Lindsay Hargreaves, the environmental initiatives co-ordinator for the City of Brandon. Ms. Hargreaves has been extremely instrumental in the city of Brandon obtaining national accolades for their environmental sustainability efforts by completing the Federation of Canadian Municipalities' Partners for Climate Change Protection program. Brandon's environmental

sustainability efforts were also recognized with the 2015 Environmental Action Awards.

Madam Speaker, I ask that all members join me in recognizing the work done by the Brandon Environment Committee, the City of Brandon and Ms. Hargreaves.

Thank you very much.

#### **Constable Kevin Drane**

**Mr. Kelly Bindle (Thompson):** It is with great honour I rise in this House today to recognize an exemplary member of the Royal Canadian Mounted Police in my riding. This member, currently on duty today, Constable Kevin Drane of the Thompson RCMP detachment went above and beyond the call of duty on May 12th, 2016, by risking his own life to ensure the safety of others was not in jeopardy.

Just over one month ago on that day, Thompson had a snowfall of 25 centimetres and the roads were left covered with ice. While on patrol, this fine constable came across a group of concerned Manitobans staring at a vehicle with its front end submerged under the freezing water of the first causeway north of Thompson on Provincial Road 391.

Not knowing if anyone was trapped or endangered within the vehicle, Constable Drane stood on an unstable snowbank in an attempt to look through the window. Unable to see anything inside and with the potential of someone in grave danger, Constable Drane, after removing his RCMP vest and duty belt, dove into the icy water to see if there were any people in the vehicle.

Fortunately, for all involved, the vehicle was empty and it was later discovered that all passengers were able to safely escape and were picked up by passing motorists earlier. The actions taken by Constable Drane that day were truly heroic, risking his own life to ensure no persons or animals were trapped in that vehicle. He braved the freezing temperature of the lake, and we're very fortunate to have such incredible professionals in public safety doing everything they can to keep us safe.

Madam Speaker, I invite all members to join me in thanking Constable Drane for his outstanding service. Manitobans should place great confidence in the members of the RCMP as they work tirelessly each and every single day to keep us safe.

Thank you, Madam Speaker.

### Burrows Graduates

**Ms. Cindy Lamoureux (Burrows):** Growing up there were a few aspects of my father's job that I never fully grasped, one of them being, how could he be so busy when the weather in June was so beautiful and we had a cabin just waiting for us.

Well, I get it now. June is a very busy month and it is graduation season. This is a time to celebrate the accomplishments achieved and to plan for the future. This year, I have the pleasure of attending and presenting at five graduations all in the riding of Burrows. Not as many as my colleague from River Heights, though, he has 16.

So far I have attended The Maples high school graduation, a class of 360 grade 12 students. There was an outstanding valedictorian duo speech, and I was happy to be able to present an award to Simranpreet Dhaliwal.

Just last night I was granted the opportunity to attend the Seven Oaks adult learning graduation. I presented a community citizenship award to Riley Higgins, and I cannot express the amount of positive pride that filled the room.

This morning I was able to witness 32 grade 8 students bid farewell to Shaughnessy Park School as they move on to high school this September.

I still have two more grads to attend this week which I'm very excited for: Andrew Mynarski, where I had the distinct pleasure of awarding the most improved student award; and lastly, Sisler High School.

Now, I would be remiss if I did not mention how this graduation is extra special both to myself and my colleague from St. Norbert. Class of 2009 and 1990, can you guess which year is who? We are both very, very proud Spartans.

And in conclusion, I want to encourage all graduates that even if you do not know your next step, it doesn't mean that you're not ready. With that said, when you do figure out your next step, give it your absolute all.

Thank you, Madam Speaker.

### Introduction of Guests

**Madam Speaker:** Prior to oral questions, I would like to introduce—I see we have a special guest in our loge to my left, and that would be Stan Struthers, the former MLA for Dauphin.

\* (13:50)

And I'd also like to bid adieu on behalf of all of us to Eric Schillberg. Eric was a page in 2013-2014. He is a graduate from West Kildonan Collegiate. He has since filled in as page, gallery attendant and assisted in the message room. Eric has done a terrific job for the Assembly by showing his dedication to this House. Eric often goes to work at a second job before or after his shift, depending on his hours.

Eric entered the U of M in 2014 and is presently taking civil engineering with an expected graduation date in 2019. He is currently a member of the University of Manitoba Institute of Transportation Engineers. In addition, Eric is head director of professional relations for the University of Manitoba Engineering Society. Eric hopes to use his engineering degree to travel abroad and gain valuable work experience. One day, he would like to return to Manitoba and run for a position as a member of the Legislative Assembly.

And on behalf of all of us, we'd like to wish Eric the very best and thank him very much for all of his service.

And on behalf of all of you, I'd like to just say, on behalf of us, to Stan Struthers, we welcome him here today.

### ORAL QUESTIONS

**Madam Speaker:** And now we'll turn it over to question period.

#### Heavy Construction Industry Capital Spending Plans

**Ms. Flor Marcelino (Leader of the Official Opposition):** Madam Speaker, Manitobans are increasingly seeing the degree to which the Premier (Mr. Pallister) cannot accept criticism without responding with the most bizarre comments.

Yesterday the construction industry pleaded with this Premier not to cut investments in infrastructure and to move on to the next round of planned projects. The Premier's response: bah, humbug.

Why is this Premier so insensitive to the threat to the construction industry and our economy by his actions?

**Hon. Blaine Pedersen (Minister of Infrastructure):** I thank the interim Leader of the Official Opposition for that question because it allows me, then, to expand on our predictable, steady infrastructure growth in this province.

That—accessibility is important for all Manitoba municipalities and for our communities, and this is where it takes steady planning and investment on a regular basis. Unlike the previous government, we have committed \$1 billion each and every year going forward, and we will be accountable for that.

**Madam Speaker:** The honourable interim Official Opposition leader, on a supplementary question.

**Ms. Marcelino:** When it comes to infrastructure, the Premier (Mr. Pallister) and this minister are clueless.

When our NDP government came into power, we took investments in highway infrastructure from \$178 million to \$500 million in our first decade. We then targeted a historic increase in investments to more than \$750 million. Virtually every year was a record year for construction.

It is clear that the only reason there will be significant construction this year is because of the tenders that our NDP government issued that even this government can't cancel. But the fact is, they are collecting the one cent on the dollar that is targeted for infrastructure but cutting the highways dollar budget by \$48 million.

Why won't this Premier—

**Madam Speaker:** The member's time has expired.

**Mr. Pedersen:** So much for the better tone in this House from that comment.

But I just want to reiterate that consistently over the last number of years of the previous government, they underspent the infrastructure budget by 27 per cent each and every year until last year when there was an election coming and they tried to buy votes from Manitobans by opening the floodgates on the construction last year. And the only reason that they were able to do that is that we had one of the best seasons for construction over the entire year. That's the only way that they were able to do this.

So I take no lessons from this previous government.

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

**Ms. Marcelino:** If the NDP government was not able to—the NDP government was able to stimulate the economy. The unemployment rate was second lowest in the country because of infrastructure investments.

Madam Speaker, what was particular strange was that this Premier accused the Heavy Construction Association of fear mongering. This is a term he applies to anyone that disagrees with him. The fact is, those who work in this industry know a lot more than what is going on in the construction industry than the Premier and this minister do.

From the Premier's prior statements, he probably now feels there is a Heavy Construction Association and Winnipeg Sun conspiracy against him, but why won't he recognize the need to get on with the historic investment in infrastructure that—

**Madam Speaker:** The member's time has expired.

**Mr. Pedersen:** Well, there is a few—Madam Speaker, there is a few consistencies in there because our \$1-billion annual infrastructure investment is also the same number as the \$1-billion deficit that this government left the people of Manitoba.

And in spite of leaving us in such a financial mess, we realize the importance of infrastructure, and we will continue to invest in infrastructure each and every year, unlike the former government.

#### **Heavy Construction Industry Capital Spending Plans**

**Mr. Kevin Chief (Point Douglas):** We have seen quite a pattern from this government. When they said they found \$102 million in cuts, but when they were asked for details about that, they said, sorry, we'll have to get back to you. On their 97 per cent transparent value-for-money review, when asked for details about it: Sorry, we'll get back to you. When it came down to their plan for CPP and who supports it: Sorry, we'll have to get back to you.

Now Chris Lorenc from the Manitoba Heavy Construction is saying the government has stalled further tenders pending review and this could lead—his words, not ours—lead to devastating results to—for Manitoba's economy.

So I ask the minister: Does he agree with Manitoba businesses that the sorry-we'll-get-back-to-you approach is putting Manitoba jobs at risk?

**Hon. Blaine Pedersen (Minister of Infrastructure):** I was wondering who was supposed to answer this because I think he pretty well went through the whole dictionary of NDP failures on that.



So they're—we will continue—we've been left a financial mess from this previous government: a \$1-billion annual deficit right now that we have—we are facing on behalf of the people of Manitoba. We got a strong mandate from the voters on April 19th to clean up the financial mess in Manitoba and at the same time invest in Manitoba in a \$1-billion annual infrastructure investment.

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

**Mr. Chief:** Well, Madam Speaker, the member says he doesn't know on that side of the House who should answer the question. That's exactly what the Manitoba Heavy Construction Association is saying as well.

The fact is, here's what else they're saying, that this government—that this government's approach—they're saying that their approach will result in laying off workers, reduced hiring, leave companies unable to offer work beyond six weeks and force Manitoba workers to search for work in other provinces.

Madam Speaker, we know that the members opposite really like Saskatchewan.

I have to ask: Do they agree with the Manitoba heavy construction industry that their approach is putting—going to end up putting more jobs in Saskatchewan than they are in our own province?

**Mr. Pedersen:** In a May issue of *The Heavy News Weekly* which is published by the Manitoba heavy construction industry, the industry talked about the meeting that their industry and other groups had with the Premier (Mr. Pallister) and myself.

\* (14:00)

And amongst their many recommendations was a request that project labour agreements, to the extent used, not require any forced unionization. They also asked to amend labour relations legislation to permit secret ballots.

So we have a very good relationship with the Manitoba heavy construction agency. We will take advice from them, and we will continue to meet with them.

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

**Mr. Chief:** The last time the Premier sat around the Cabinet table, Madam Speaker, businesses were closing, storefronts went dark, buildings sat empty. It got so bad the Winnipeg Jets left town.

Madam Speaker, now we've heard again from the construction industry that he's up to it again, hurting businesses, creating—not our words, businesses' words—creating the perfect storm by cutting \$50 million and stalling tenders. And then, when asked about this, the Premier says he can't respond to irrational arguments of fear.

So I ask the minister: Will he stand with the Premier's bah-humbug approach to jobs, or will he stand with Manitoba businesses who say they have a legitimate concern?

**Mr. Pedersen:** Madam Speaker, I think I just heard an irrational argument of fear from the member.

So, and, again, from the meeting that we had, one of the other recommendations that this group had for us was harmonization and transportation weights and measures regulated—related regulations, so that it all spoke to joining the New West Partnership, which the previous government absolutely refused to do, which this present opposition wants no part of.

We have a good working relationship with both Manitoba Heavy Construction and the other industry partners in there, and we'll continue to foster that good relationship that we have now.

#### **Northern Manitoba Communities Capital Spending Plans**

**Ms. Amanda Lathlin (The Pas):** The Minister of Indigenous and Municipal Relations (Ms. Clarke) informed this House this morning that roadway construction is important for economic development. We agree, Madam Speaker, but this leaves us wondering how they think they will create good jobs in the North when they are cutting the highway program by \$48 million. The heavy construction industry is already going public about their concerns about the repercussions for the Manitoba economy.

Our NDP government made record investments in northern Manitoba, but in Estimates we find out the PC plan is to reduce capital spending in the North by as much as 60 per cent.

Will this minister come clean and admit they have no plan for jobs and the North, and that they are massively cutting needed investment in northern Manitoba?

**Hon. Blaine Pedersen (Minister of Infrastructure):** I thank the member for that question because it—again, I will remind the House, I will remind all Manitobans of how this previous government cut the highway budget by 27 per cent

each and every year until the year of an election when they then increased it. They also cut back—from 2006, they cut the maintenance and preservation budget, which is affecting the very roads that this member talks about.

If they had had any foresight, they would've kept maintaining those roads so that they're not in the position that they are now.

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

**Ms. Lathlin:** The Minister of Infrastructure has refused to come clean on the effects of cutting the highway program by \$48 million. We know that, when you care about growth for northern Manitoba, you have to make investments in major northern highways. We made historic commitments to roadways like Moose Lake and Nelson House that would create good jobs that northerners could rely on.

With \$48 million less in the highway capital program and up to 60 per cent less in northern investment, how will the minister invest in the future of northern families and assure that they are able to participate in our province's northern economy?

**Mr. Pedersen:** I thank the member for that question because she talks about commitments and promises.

Boy, Manitoba heard a lot of promises out of this former government during the election campaign, \$600 million worth of empty promises. If they had maintained the roads like they should've over the last number of years we would not be in the position we are. We have a \$1-billion annual deficit courtesy of the former government, and now they want to promise the moon to everyone.

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

**Ms. Lathlin:** There's nothing wrong with investing in our North. We're talking about the future of northern communities and all this Premier (Mr. Pallister) can say is bah, humbug.

This Premier's arrogant and hidden approach to this critical issue means less jobs and less opportunity in Manitoba's North.

Will the minister reconsider his plan to slash the northern infrastructure budget and instead continue our communities—our commitments to good jobs and steady growth in the North?

**Mr. Pedersen:** I thank the member for that question because it just begs the question: 17 years of empty commitments, 17 years of empty promises, 17 years of slashing the infrastructure budget by an average of 27 per cent, and now they stand up and pretend to care about everyone.

They only cared about themselves when they were in government; that's why they're—all the empty promises that they made during the election, but Manitobans saw better of that, of the empty promises that this former government was so full of.

### Midwifery Program Government Intention

**Mr. Wab Kinew (Fort Rouge):** Midwifery students met with the Minister of Education on June 13th regarding the future of their program. He reassured them, saying there will be a program for them this fall. But yesterday, they were told that the midwifery program is gone. The only thing the university could offer them were spots in the nursing program.

Again, in Estimates last Thursday, the minister said that he wanted their cohort to be accredited with the College of Midwives—midwives, Madam Speaker, not nurses. Now these students are left in the lurch with student loans as well as professional and family sacrifices to deal with.

Will the minister admit that he told these students their program had a future when he was really planning to scrap it?

**Hon. Ian Wishart (Minister of Education and Training):** Thank you very much, Madam Speaker, and I know this is an issue you have a lot of interest in as well, as does everyone on this side.

We know there is a substantial need for midwives in Manitoba, but the reality is the existing program was so badly managed by the previous government that there was no program available that the College of Midwives was prepared to certify.

So the reality was we had to provide an option for these students, and we have done so, and we will continue to meet with them if they want to meet further. But I can tell you that the previous government is the one that scuttled their ship.

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

**Mr. Kinew:** I spoke personally with the College of Midwives, and they told me they were prepared to

accredit the joint program between UCN and the University of Manitoba.

Madam Speaker, the only way for the minister to make it up to these students is to reinstate funding for the joint program. Withholding that funding for the joint program amounts to cutting the entire thing.

Will the minister commit to reinstating the funding, allowing the students to continue their education and ensure the future of midwifery right here in Manitoba?

**Mr. Wishart:** I thank the member for the statement, which is at—completely at odds with the statement we have in writing from the College of Midwives. So perhaps he needs to talk to someone beyond the secretary. *[interjection]* Yes. Same—we have it in writing so the member can argue that fact later if he wants to.

But we've been very clear all the way along. We have not cut the funding for this program, and I made that statement in Estimates. I made that statement in answer to questions in the House, really clear on that. So if the member can't accept the facts, perhaps he'd like to write his own history book as well.

\*(14:10)

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

**Mr. Kinew:** Page 1 of my new history book: June 13th, the Minister of Education says there will be a program for them this fall. He withdraws the funding for the joint program; today there is no program.

How can he account for this? His—the minister's actions led to the demise of the program. Therefore, it's his responsibility to make it right.

Will the minister agree to meet with these students after question period and explain why he promised them a program that he actually cut?

**Madam Speaker:** I would just like to indicate to members in the public gallery that there's not to be any applause and any interaction with the proceedings here on the floor, and I'd appreciate your co-operation on that.

Thanks very much.

**Mr. Wishart:** I would hate to start a book out with many factual errors as this member has just done. We have not withdrawn the funding. We continue to work with the university to try and develop a

program that will meet the needs of the students, and we will continue to do that.

The member's statement that we have withdrawn this funding is absolutely incorrect, and I would like to put that on the record.

### **Midwifery Program Government Intention**

**Ms. Nahanni Fontaine (St. Johns):** This afternoon we met with midwifery students who were shocked to learn yesterday that the Minister of Education has gone back on his promise not to cut funding to the joint UCN, U of W, U of M midwifery program.

We know indigenous communities have always had midwives. However, with the advent of colonialism, midwifery was banned. Indigenous women are required to leave their home communities for the south weeks in advance of their due dates and away from the support of their community, family and partner.

The midwifery program was created with the intent to strengthen reproductive health for indigenous women in northern communities.

Can the Minister of Education admit his decision to cut the midwifery program has severely—

**Madam Speaker:** The member's time has expired.

**Hon. Ian Wishart (Minister of Education and Training):** I repeat: We have not cut the funding. We continue to fund the midwife program.

Certainly, we have some issues with the midwife program because the previous government did not manage the program well and did not put it on a sustainable basis, left the students vulnerable and, frankly, Manitobans vulnerable.

Recognize the need for midwives in this province, and we are prepared to work very strongly to make sure that there are midwives trained in Manitoba available to meet the needs in Manitoba. In fact, I would remind the House that it was Manitoba PC government that actually made the College of Midwives an institution in Manitoba.

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

**Ms. Fontaine:** I'm not sure how this government plans to produce more midwives when they cut the programs. Midwives are primary health-care providers, caring for pregnant women, their babies

and their families throughout pregnancy and for the first weeks in postpartum.

Midwives are a key partner in ensuring indigenous rights over their bodies, over their reproductive health and their birthing plans, while also promoting breastfeeding, nutrition, parenting skills and reducing health-care costs.

Can the minister explain why he chose not to invest in Manitoba midwives, despite saying he would, and warned them not to talk to media about this?

**Mr. Wishart:** Well, I repeat that—and the member's statement that we did not fund the program is incorrect. We have continued to fund the program.

I suspect we're seeing a moment of NDP strategy where if you tell the same bit of misinformation often enough, the media might actually begin to believe it. Certainly, they themselves clearly begin to believe it, but—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order. Order.

**Mr. Wishart:** I assure this House that we continue to fund the program. We recognize the value of midwives in Manitoba, whether they be in the North or in the south. We recognize that there is a substantial need for midwives in Manitoba, and we are prepared to work with the college and with the universities to make sure that there is a program.

So please get it right next time.

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

**Ms. Fontaine:** Madam Speaker, I can assure this minister that this is not a strategy. We are talking about people's lives who have sacrificed so much and given up so much to pursue their educational careers that they want and give the reproductive health services that Manitoba women deserve in this province.

Will this minister, after question period, meet with these students and explain his decision?

**Mr. Wishart:** And as I've said earlier, I am prepared to meet with the students. I met with the students earlier, when they were here on—early June, and I'm certainly prepared to sit down with them again.

And as to whether or not this is a strategy on their part, I would repeat, I think that they are beginning to provide misinformation to the public

and I'm afraid that misinformation may actually hurt the students' chances in the future.

### **Children and Youth in Care Children's Special Allowances**

**Ms. Judy Klassen (Kewatinook):** We first see the item called Children's Special Allowances in the 1999 budget revenue Estimates. If we add in all the subsequent amounts, you get a staggering \$266.6 million.

I'd like to table this document. Ninety per cent of CFS kids are indigenous. So this equates to \$240 million for my people's children. If even only half was kept in trusts, kids coming out of the CFS system today as a young adult would have a—would finally have a fair shot in life with a decent nest egg.

What is this government's plan to reinstate these trusts?

**Hon. Ian Wishart (Minister of Education and Training):** I thank the member for the question.

This is an issue that those of us on this side of the House feel very strongly about as well. It was the previous government that began the habit of clawing back or taking the Children's Special Allowances to fund child-welfare programs, CFS programs here in the province of Manitoba, and during the time that they were in government the number of children in CFS grew dramatically to over 11,000. And I suspect that the member shares my concern that that money maybe not was put to the best use.

So, going back, I wish we could rewrite history in this case again and get it right because the government got it wrong before.

**Ms. Klassen:** I've heard many stories of children just turned 18 being dropped off here at run-down bars along Main Street. Those are supposed to be days of celebration with birthday cakes, presents, celebrations, not utter abandonment.

Far too many foster children do not know love. These children can be dynamic members of society.

I'd like to quote Cindy Blackstock: Great governments are not measured by interests or issues. They are measured by whether they stand on guard for the values of our country.

Can we stand on guard for these valuable children? Can we give them their rightfully owed resources?

**Mr. Wishart:** I certainly join this member in expressing her concern. I can share with her some further stories, if she wants, about particular charitable agencies that operate in the city of Winnipeg talking about the CFS dump jobs that appear at their front gate.

It is certainly nothing to be proud of, and I want to be a member of a government—and I know we intend to be a government—that measures its success by how it treats its most vulnerable people.

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

**Ms. Klassen:** I look forward to that conversation.

My federal cousins are doing their part to lift over 300,000 kids out of poverty by increasing the Canada Child Benefit, and I'd like to table this document.

\*(14:20)

According to the report, there's 10,295 kids in care. At an average of \$490 monthly payment at 12 months, equates to \$60.5 million. We need an action plan today because this increase takes effect this month.

I have previously called upon the new government to be proactive rather than reactive.

Can we work today, together, and protect these children by making—

**Madam Speaker:** The member's time has expired.

**Mr. Wishart:** And I certainly share the member's concern. I know the Minister of Families (Mr. Fielding) has already had some discussions with his federal counterpart regarding the changes that have come down from the Canada Child Benefit program and how that might work, and, of course, if the member realizes that Children's Special Allowances agreement that went back to 1999 was actually an agreement that was signed between the federal and provincial governments at the time, and that we expect that there'll probably be a new agreement put in place at some point regarding the Canada Child Benefit.

I know that the minister looks forward to an opportunity to make sure that that is structured in a way that benefits the children of Manitoba.

### **Digital Media Industry Changes to Tax Credit**

**Mr. Jon Reyes (St. Norbert):** Interactive digital media is an important part of the economy for the future. That's why programs like the one at my alma mater, Sisler High School, home of my beloved Spartans here in Winnipeg, are vital that students entering the job market have all the tools they need to succeed.

By the way, Sisler High School was the alma mater to some notable politicians: the former premier, Honourable Gary Filmon; currently my colleague, the honourable member of Burrows; and yours truly.

Could the hard-working Minister of Growth, Enterprise and Trade please update the House on how the announcements he made yesterday at Sisler High School will benefit the growing digital media industry in our province?

**Hon. Cliff Cullen (Minister of Growth, Enterprise and Trade):** And I do want to thank the member for his question and certainly his interest in this important initiative.

I'm happy to say that yesterday, along with the Minister of Finance (Mr. Friesen), I had the privilege of announcing our budget commitment to strengthen the digital media tax credit. Our changes will eliminate the \$500,000 maximum tax credit and the two-year limit for eligible projects.

These exchanges will make the tax credit more available to job creators here in Manitoba, allowing for more growth in this cutting-edge growth sector. These changes will ensure that graduates from institutions like Sisler High School will be able to pursue lucrative and innovative jobs in the tech sector right here at home in Manitoba.

Madam Speaker, another important promise delivered on by this government.

### **Canada Pension Plan Reform Government Position**

**Mr. James Allum (Fort Garry-Riverview):** Last week the government embarrassed Manitoba when they went to a federal finance meeting without doing their homework and wouldn't join the broad national consensus on the CPP.

Now they came late to the party with a bunch of amendments that were tabled nine days too late. The federal government had said quite clearly that the

agreement in principle will not be reopened. That ship has sailed.

So would the Premier (Mr. Pallister) quit posturing, quit grandstanding, and sign the agreement now, today?

**Hon. Heather Stefanson (Deputy Premier):** I want to thank the member for the question.

And, yes, there is already a consensus among provinces that there should be changes made to the Canada Pension Plan, but we believe in Manitoba that we could enhance some of those changes and that's why we have announced several initiatives that we would like to see included in those changes, including eliminating—the elimination of the Guaranteed Income Supplement clawback for widowed seniors, also including making sure that the death benefit keeps up with rising costs and inflation. These are just a couple of the initiatives that we want to see included in the changes of the CPP. We hope members opposite join with us in ensuring that those are included.

Thank you.

**Madam Speaker:** The honourable member for Fort Garry-Riverview, on a supplementary question.

**Mr. Allum:** Well, if the Deputy Premier wanted to put that on the table, she should have done it nine days ago, not start talking about it in her press conference in the theatre of the basement of the Manitoba Legislature. They should have taken that to Vancouver where the meeting was being held.

The fact is they're too late. The feds have said the ship has sailed.

Will the Finance Minister and the Premier simply put their egos aside and admit they were wrong and sign the deal right now?

**Mrs. Stefanson:** I would think that, if there are ways that we can enhance the CPP, which we have offered to Manitobans—this is a made-in-Manitoba approach that the Minister of Finance (Mr. Friesen) and the Premier have introduced. I would hope that—especially when this deals with widowed seniors, Madam Speaker, I would hope that members opposite would stand with us in support of those vulnerable citizens in our society. This is a made-in-Manitoba approach.

We hope that they will support us because we believe it's in the best interests of Manitobans.

**Madam Speaker:** The honourable member for Fort Garry-Riverview, on a final supplementary.

**Mr. Allum:** The Deputy Premier wants me to stand on the dock long after the ship has sailed. What's she talking about?

I think the reality, and I think what's become crystal clear—

**Madam Speaker:** Order. Order.

**Mr. Allum:** I think what's become crystal clear to Manitobans, Madam Speaker, and to Canadians, that this has been a bizarre attempt to throw a wrench into the planned reform of the CPP here in Canada.

Will the Premier simply admit that his efforts yesterday were disingenuous at best and hypocritical at worst?

**Mrs. Stefanson:** It's very disappointing when this member takes that kind of a tone when it comes to—what we're trying to do is stand up for Manitobans.

What we're trying to do—what we are doing is taking into consideration low-income seniors, the indexation of the death benefit, enhance affordability to individuals and to businesses in Manitoba and a commitment to a comprehensive review of other CP benefits, including disability. And these, of course—we believe now is the time to get things right, and now is the time to stand up for Manitobans.

We would just hope that members opposite would join us in doing just that.

#### **WCB Review Committee Terms of Reference Change**

**Mr. Tom Lindsey (Flin Flon):** Yesterday, the Minister of Growth, Enterprise and Trade responded to my question about changes in the terms of reference that will be provided to the review committee at an upcoming review of The Workers Compensation Act. He replied that he's putting together a letter with new terms of reference, adding to the value of that particular review.

Will the minister now tell the House what specifically will be added or removed from the terms of reference provided to the review committee in January?

**Hon. Cliff Cullen (Minister of Growth, Enterprise and Trade):** I do appreciate the question from the member.

Obviously, a 10-year review of the Workers Compensation Board is very important. It only comes around so often, so we want to make sure that we get that initiative correct. And I certainly—I have

a draft letter actually sitting on my desk and I will be reviewing that tomorrow. So the contents of that letter will be available in due course.

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

**Mr. Lindsey:** The minister committed to providing plenty of direction to the review committee short of writing the report for them, I hope.

So I ask the minister again: What specifically will be added or removed from the terms of reference provided to the review committee in January?

**Mr. Cullen:** I appreciate the member's comments.

I'm not sure what the doom-and-gloom party over there is worried about. I mean, this is going to be an open dialogue with Manitobans. This is going to be a consultation with Manitobans. I know that the members opposite aren't used to having a consultation with Manitobans. We on this side of the House, as a new government, are listening to Manitobans and we will continue to have that dialogue with Manitobans.

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

\* (14:30)

**Mr. Lindsey:** The review by the committee also includes input from all stakeholders, which will be considered in the preparation of the final report.

Will the minister outline the form that this public consultation will take place, when the committee will begin its work and when the review will be completed?

**Mr. Cullen:** I do appreciate the question. I do appreciate the opportunity to respond to this.

As I said, it's a 10-year review of the Workers Compensation Board. We think it should be open and transparent. That's why I'm ensuring that we will provide as much input as possible from Manitobans and open it to conversations from Manitobans. So I'm going to spread the dialogue around.

We are asking to—the board to look at very robust areas of the review, and certainly this review will be undertaken very—in the very near future, and results will be open, the conversation will be open and I guess the members will—an opportunity to put input into the consultation period.

### Secondary Suites Program Government Commitment

**Mr. Mohinder Saran (The Maples):** Within Manitoba's immigrant communities, families play a central role in the daily life, having multiple generations under the same roof. Investing in housing that can accommodate three generations in immigrant households helps to relieve stress on Manitoba child care and seniors housing programs.

Will this government commit to the Secondary Suites Program already in place to assist families in renovation of existing homes to accommodate these multi-generation arrangements?

**Hon. Ian Wishart (Minister of Education and Training):** I thank the member for the question.

We share his concern regarding low-income housing and access to affordable housing for—especially for new immigrant families. We know that's something that many of them have challenges with in their early years when they come to Manitoba, and I recognize the point that many of them very quickly become homeowners here in Manitoba, which is certainly something that we all celebrate.

We are certainly working to encourage more low-income housing, and we are prepared to invest \$48 million this coming year in low-income housing here in Manitoba.

**Madam Speaker:** Time for oral questions has expired.

### Point of Order

**Madam Speaker:** The honourable member for River Heights, on a point of order.

**Hon. Jon Gerrard (River Heights):** Madam Speaker, the Minister of Education during question period referred to a letter, and he described in detail the contents of that letter. I would ask the minister if he would table that letter.

**Hon. Kelvin Goertzen (Government House Leader):** I know that the member is trying to extend question period. He should accept the fact that question period is over. He didn't get his chance to ask a question. He might get a chance tomorrow; he should have that discussion in his caucus.

The member for—the Minister of Education didn't quote a letter and is under no obligation to table it, Madam Speaker.

**Madam Speaker:** The minister did not read from a letter, so the minister is not obligated to table any letter.

### PETITIONS

#### Bell's Purchase of MTS

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

The background of the petition is as follows:

Manitoba telephone system is currently a fourth cellular carrier used by Manitobans along with the big national three carriers: Telus, Rogers and Bell.

In Toronto, with only the big three national companies controlling the market, the average five-gigabyte unlimited monthly cellular package is \$117 as compared to Winnipeg where MTS charges \$66 for the same package.

Losing MTS will mean less competition and will result in higher costs for all cellphone packages in the province.

We petition the Legislative Assembly as follows:

To urge the provincial government to do all that is possible to prevent the Bell takeover MTS and preserve a more competitive cellphone market so that cellular bills for Manitobans do not increase unnecessarily.

And this petition is signed by many fine Manitobans.

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

#### Union Certification

**Mr. Tom Lindsey (Flin Flon):** Madam Speaker, I wish to present the following petition to the Legislative Assembly.

Manitobans have benefited greatly from fair and balanced approach to labour relations that has led to a long period of labour peace in this province.

Under current legislation, if 65 per cent of workers in a workplace vote to join a union by signing a union card, then the union can qualify to become automatically certified as the official bargaining agent for the workers.

These signed union cards are submitted to the Labour Board and an independent review by the Labour Board is held to ensure that the law has been followed.

Provincial threshold to achieve automatic certification of a union is the highest in the country, at 65 per cent. The democratic will and decision of workers to vote and join the union is absolutely clear.

During the recent provincial election, the leader of the Progressive Conservative Party announced, without any consultations, that it was his intention to change this fair and balanced legislation by requiring a second vote conducted on a matter where the democratic will of workers has already been expressed.

This plan opens up the process to potential employer interference and takes the same misguided approach the federal Conservatives under the Harper administration took in Bill C-525, which was nothing more than a solution looking for a problem.

The recent introduction of Bill 7 by the provincial government confirmed this possibility by removing automatic certification and the safeguards in The Labour Relations Act to protect workers from employer intimidation during the certification 'process.'

We petition the Legislature of—Assembly of Manitoba as follows:

To urge the provincial government maintain the current legislation for union certification which reflects the balance and fairness rather than adopting the intention to make it harder for workers to organize.

Thank you, Madam Speaker.

**Madam Speaker:** Grievances?

### ORDERS OF THE DAY

*(Continued)*

### GOVERNMENT BUSINESS

*(Continued)*

### House Business

**Mr. Jim Maloway (Official Opposition House Leader):** Madam Speaker, on House business, I'd like to table the opposition list of government ministers to be called for concurrence on Wednesday, June 29th, 2016.

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**Hon. Kelvin Goertzen (Government House Leader):** Madam Speaker, would you please resolve into Committee of Supply?

**Madam Speaker:** The House will now resolve into Committee of Supply.

Mr. Deputy Speaker, please take the Chair.

### COMMITTEE OF SUPPLY

*(Continued)*

#### Concurrence Motion

*(Continued)*

**Mr. Chairperson (Doyle Pivniuk):** Will the Committee of Supply please come to order.

The committee of—will now resume consideration for the motion concurrently—for the Supply resolution related to the Estimates of Expenditure for the fiscal year ending March 31st, 2017.

On June 27th, 2016, the Official Opposition House Leader (Mr. Maloway) tabled the following list of ministers of the Crown who may be called for sequential questioning for the debate on this motion today: Infrastructure, Crown Services, Indigenous and Municipal Relations and Sustainable Development.

The floor is now open for questions.

**Mr. Ted Marcelino (Tyndall Park):** I welcome the Minister for Crown Services in this very good hour for concurrence.

And I just want to take him back to the mandate letter, just to give him a refresher of what he has been quoting for quite a while. The open and transparent style of government that he often mentions, from my point of view and in my opinion, suggests that maybe he should answer some questions a little bit more directly and not in a roundabout, circuitous non-answer.

\* (14:40)

The—first of all, let's deal with Manitoba Hydro. And Manitoba Hydro is a very important crown jewel in our province. It is the largest Crown corporation and it involves public services. It's a utility company that provides the energy to our province. And, philosophically, when it was first envisioned as a Crown corporation, the—Hydro, Manitoba Hydro, was designed to provide the energy needs of the province for the longest time possible.

Now, my question is this: How far along has the Bipole III been under construction, and how much has been spent?

**Hon. Ron Schuler (Minister of Crown Services):** Well, I'd like to thank the member for the question. And he speaks about when Manitoba Hydro was first envisioned. I think I've said to him before, there is an interesting debate that took place right in this Chamber, and it involved, of all people, Premier Duff Roblin. And it was his government that started the whole process of creating Manitoba Hydro, and they certainly had an amazing vision for Manitoba Hydro.

I would even go further back, and I would say to the member for Tyndall Park—I'd like to say to him, if he were to look straight up at the dome, and if we could see through all the building material, we would notice that the Golden Boy on top of this building faces not south, but he faces north, because the feeling was then, already, that the future of this province would be in the North, and how right they were. They were absolutely right that the future of the province of Manitoba lies to the north, and a large part of that is Manitoba Hydro.

The member for Tyndall Park is absolutely correct; it was Premier Roblin and his government of the day, Progressive Conservative government, that created Manitoba Hydro. In fact, Bipole III, already they were discussing where lines would come through. And I would suggest to the member that, already, the genesis of coming down on the east side of Lake Winnipeg was already being discussed at that time, that it would come down on the east side. Bipole III has been under construction for a while. I would point out to the member, interestingly enough, I used to be the critic for Manitoba Hydro, and I can tell him we got very little or next to nothing—nothing—from his government on where the project was, how far along it is, what had been completed, what had been spent. And even at committee we were not given the information that we asked for when we were at Crown corporations committee.

I would say to the member we have a—tasked a board of directors to look into all of those questions. We are waiting for a reply back with recommendations. When those recommendations come forward, those recommendations will be made public and we will know all of those answers. But I think we have to be very careful that we don't do what happened with the previous NDP government,

start the interfering in the Crown corporations and getting them off of what they should be doing.

And currently one of those things is a review of the Bipole line, and, frankly, all bricks and mortar. They—that's their mandate, that's what they're doing, they're looking into it. When they're ready to give a recommendation, that recommendation will then be made public.

**Mr. Marcelino:** So I take it that the honourable minister does not know how much has been spent on Bipole III?

**Mr. Schuler:** If the member is asking for a global figure, I can give him a global figure. But, no, we do not know to the penny what's been spent. Manitoba Hydro is currently still working on the project. There were contracts that were let that have been signed. Those are still being lived up to. I understand that the amount is approximately \$1.2 billion. We will find out at some point in time what the actual true number is.

I would suggest to members in this Chamber, we, as politicians, love to 'banty' around numbers because we don't have the patience to wait for any kind of actual report or an audited statement, because we like the numbers fast, and often we like to be fairly loose with the numbers.

The number so far, and this is, again, just an estimate, of \$1.2 billion. We do not know the exact number.

And I don't want the member, at some point in time, if it's 1.15 or it ends up being \$1.27 billion, he'll get up in question period and say, why did the minister mislead the House, and, you know, he's off by, you know, \$75 on one side or the other. I don't want to get into that kind of discussion.

What we do want to get into is a discussion that we've made it very clear to the Crown corporation board of directors, Manitoba Hydro board of directors that they are to look at the corporation, do a review and come back with recommendations. And at that time we will know what numbers they were looking at.

Back to the member, from what I understand, a global number, an estimated number to date, is \$1.2 billion.

**Mr. Marcelino:** On the basis of the \$1.2 billion guesstimate from the minister, what is the basis of \$1.2 billion? What does that consist? Is it with the purchase of the rights of way, or does that include

the foundation already poured, the concrete already bought, the labour costs that have been involved, the design that have been included? And does he have any documents to suggest that he even knows what that number really means?

**Mr. Schuler:** Well, I thank you very much, Mr. Chair, for being here.

I kind of have this feeling the critic and I are in two parallel universe discussions here. I keep saying to him, we are currently doing a review of a project that for 17 years, leading up to April the 19th, he was personally responsible for. And for the last, now, it's maybe eight weeks that we've been government, we're trying to find out those numbers.

I would suggest to him, why doesn't he look through his notes up until April the 19th? He should know. He had access to this, for 17 years he had access to it. We've been government for nine weeks. Now we are trying to find out exactly what he's asking.

And, you know, I would say to the member, it's interesting. We have 14 NDP members of the Legislature, who used to be the government, who know nothing about what happened the last 17 years, and they're speaking to a government that's been there for nine weeks and that is trying to find out what the facts are. And he is frustrated that after 17 years of NDP knowing nothing about what was going on, that now the Conservatives, after having been there for nine weeks, don't have all the answers yet.

\* (14:50)

You know, this is this parallel universe discussion we're having in the Chamber. I would say to the member he's been with a party that was in government for 17 years that started the fiasco that wasn't defeated until April the 19th—unfortunately not sooner—but why doesn't he look through his notes?

Member for Elmwood's (Mr. Maloway) chirping the whole time—all the time I speak; member for Elmwood is so eager to get into this debate. Why doesn't he consult with the grise éminence of the NDP? The member for Elmwood, why doesn't he ask him to go into his notes? Between the two of them they have probably 25 years in this Chamber. Certainly, after having been the government for 17 years, they should have the answer.

If he's asking for me for the answer after nine weeks, I can tell him we are working on it. As soon as we have the answers, we will let people know, but we are going to allow the Crown corporations to do—it's a word he might want to be interested in—it's called due diligence, and what due diligence means is you look at things, you make sure you got the right numbers, and then you produce them.

If the member has those numbers, why doesn't he table them? If it's not a good enough answer, he has to wait for the Crown corporation board of directors to do the due diligence. That's what's happening right now, and, no, we are not going to undermine that process.

**Mr. Marcelino:** Okay, so what I get from that answer that took about four minutes is that he does not know, and he could have said it in a straightaway—I don't know.

But I'll go to the next topic then. If the honourable minister does not know how far along Bipole III is, and if we are to assume that there has been spent \$1.2 billion on the preparation and construction of Bipole III, is the honourable minister aware that \$1.2 billion is a lot of money?

**Mr. Schuler:** I would like to say to the member for Tyndall Park (Mr. Marcelino), I miss him in question period. That question should have come up today in question period. I think he'd put it out of the ballpark, you know.

Do I think \$1.2 billion is a lot of money? And I would say to him I believe that the billion-dollar deficit that he, the member for Tyndall Park, and each and every one of the 14 NDP MLAs left behind is an unbelievable amount of money to leave in a deficit. How could the member for Tyndall Park, how could the member for Concordia (Mr. Wiebe), how could the member for The Maples (Mr. Saran), how could the member for The Pas—Logan—the member for Logan (Ms. Marcelino), how could they have left the people of Manitoba with a billion-dollar deficit? *[interjection]* And we clearly, clearly know that the member for Logan, who basically broke the Province, she basically bankrupted the Province; she was one of the most senior, one of the highest echelon of the NDP. She helped to bankrupt the Province. A billion dollars, I would say, is a lot of money.

I would point out to the member, the member for Logan, who wants to now get involved in the debate and seems to be debating and forgetting her

microphone's not on. She has to wait for the microphone to go on; then she can put her words on the record.

But I would like to point out to the member for Tyndall Park that the entire Bipole III project was supposed to cost in its entirety \$1.2 billion, and now the estimate, his government estimate, is that it'll breach \$4 billion. Do I think \$1.2 billion is a lot of money? Yes. What frightens me even more is that under the member for Tyndall Park and the member for Logan and the member for Concordia, the member for The Maples, all of them—all of them—drove a project that should have been \$1.2 billion, which is now not the completion number, is actually the starting point. That's the starting point for Bipole III. It's going to potentially hit \$4 billion. Does all of that scare me and concern me as a member of Her Majesty's Cabinet? Absolutely. And we should never take that lightly. The kind of numbers that the NDP drove up in their mismanagement—whether it was the member for Logan when she sat at the Cabinet table and drove a deficit of more than \$1 billion; absolutely, the member for Logan, her deficit, absolutely appalls me.

Now, what about the \$1.2 billion as a starting point? It's not the finishing point for Bipole III; the start point now of \$1.2 billion for the bipole line 3. Does that concern me? Do I think that's a lot of money? Absolutely. And the member for Tyndall Park and the member for Logan and the member for The Maples and all the other NDP MLAs, the first thing they should've done when they walked into this House is they should have apologized for the disastrous policies of the last 17 years.

**Some Honourable Members:** Oh, oh.

**Mr. Marcelino:** Thank you for the applause.

The honourable minister is admitting that \$1.2 billion—or whatever figure it is—is a lot of money. So is it—if it has been already spent and converter stations have been built and all the anchors have been poured, what, then, is the purpose of the review?

**Mr. Schuler:** During the last election, I had two individuals, seniors, call me. They live on Pipeline Road. They've been there for more than 60 years. No fault to their own, their school taxes are going up because the NDP underfunded education, drove up school taxes. Their sewer service charge in front of their house went up because the NDP refused to fund

municipal sewerage–sewage; their sewer charge went up.

They looked at the NDP over the last six years. Their hydro rates have gone up astronomically. Never, never, in the history of this province have we seen hydro rates increase like they did under the last 17 years of the NDP. Fact, it accelerated, was the last three, four years. The member for Tyndall Park (Mr. Marcelino), he was a senior member of that government. Under his watch, never before had we ever seen hydro rates go up like that, ever before. And they—these seniors said to me, in tears, that because of the tax increases, because of the NDP mismanagement, they were now putting their houses up for sale; they couldn't afford to live in their homes anymore.

\* (15:00)

And when the review was recommended, I said to the board chair and I said to the board: Your responsibility is to run a company that provides good service, that provides good rates, that provides a good Crown corporation for the senior living on Pipeline Road, the widow living on Inkster Boulevard, the individual living in northern Manitoba, the person on a farm in southern Manitoba; whether it's in a city, a town, a hamlet, a community, it should make no difference. Run the corporation, keeping in mind that for some people, a \$10 or \$15 or \$20 increase on their hydro bill every month means that they have to make tough choices. And that's how we should be running our Crown corporations, and not sitting around like the member for Tyndall Park, wanting to be the marionette master, pulling strings, and a billion here and, well, if we've spent a billion, is a billion a lot of dollars?

You know what, there are people sitting at their kitchen tables that are talking about that \$30 extra a month is a lot of dollars. And it is for those people that we have to have a heart, and it's for those people that we should be concerned how we run our Crown corporations, and it's for those people that we should be concerned about the mismanagement that went on under the administration of the member for Tyndall Park and the member for Fort Garry-Riverview (Mr. Allum) and the other 14 NDP MLAs. It is those people that are going to bear the brunt of this.

And I would suggest to the member for Tyndall Park—he sits here and has a guessing game on what is or isn't done. He guesstimates at everything and then uses that as logic that's somehow we shouldn't do a review. I would suggest to the member for Tyndall

Park that I will listen to the professionals of the Crown corporation, the men and women who are trained engineers, accountants, architects, the people who do the numbers, the actuaries, all of those individuals, people who have got a lot of training in Manitoba Hydro; I will take their advice anytime above the member for Tyndall Park's guessing game that he's running here in this Chamber today.

We need to make decisions on the facts and on the facts only; not on hypothetical, politically driven guesstimates of the member for Tyndall Park or anybody else in this Chamber.

We need to base our decision on hard facts. We need to know what was done, what's been done, what's been paid for, what hasn't been paid for, how far is the project. That is what a review is necessary for, and not the guessing game that seems to be put forward as something we should be building a company on, the member for Tyndall Park. I'll take the professionals from Hydro any day.

**Mr. Marcelino:** Would the minister be able to tell us, at least, what the Bipole III is—what kind of load would the Bipole III carry from the dam to the converter stations? Is that something that's within his information and knowledge?

**Mr. Schuler:** I would like to suggest to the member for Tyndall Park that we are going to have a Crown Corporations Committee, and I would recommend that if he's interested on what every line is going to carry, what the load-bearing line is for a particular line, I would suggest to him, if he wants to put forward a list of—you know, if he wants it to be a couple pages of questions, if he wants to give those ahead of time, we'll send them in to the corporation, when we get into Crown Corporations Committee, they can answer those questions. There's no state secret on what any of those lines are supposed to carry or what they carry. That's all perfectly legitimate questions, but that is a question that we should really be answering in Crown Corporations Committee. I think the Estimates process really does deal on a global way with the Department of Crown Services.

**Mr. Marcelino:** Let's go to the question about Bipole III and the decision to build it on the west side. If there is a determination on the part of the board of Manitoba Hydro that the west transmission lines is not feasible and the \$1.2 billion will just be wasted—the \$1.2 billion that has been spent will just be wasted, and the design and the and the

construction that has been done will just be abandoned.

Will the minister consent to the construction of the Bipole III on the east side?

**Mr. Schuler:** Well, and you know what? I thank the member for that question, and that is something that's been debated out in the general public now for a long time.

I would like to say to all members as you read different articles in the newspaper, I avail myself from occasion to the comments that are made in the paper, the Free Press or the Winnipeg Sun, and sometimes, not all the time, but sometimes there is a real healthy debate and what the member raises today is part of that public debate.

And I would say to the member opposite that, as the minister, I have to be very careful that I don't prejudice the review that's taking place. And I'll say to the member, absolutely what he raises is an important part of the debate. I think individuals should be asking those questions. I think those questions are legitimate and everything he's raised I don't have truck nor trade with.

The thing is that, as the Minister of Crown Services, we have asked the Crown corporations to do—and I tabled the framework letters—we've asked them to do facility reviews. I cannot, as minister, ask for a review of the facilities—we call it a bricks-and-mortar review—and then be sitting in the House or going in front of the media or going outside of this building and starting to second-guess what's taking place. There are a lot of men and women very professional, and I've met with a lot of them now over the last couple of weeks. You meet them at announcements, you meet them—we had a delegation come in from Bavaria, a great delegation, very interested in what we're doing here in hydro. So I got to meet some of the officials and I'd have to say incredibly highly educated men and women.

And I'd say to the member, very impressive, and if there's something that's unfortunate that we as legislators don't have the opportunity to meet the men and women who actually run these corporations at a high level, I am, like, absolutely impressed by the kind of education, the kind of experience, the kind of seriousness that we get from these individuals. And I would say to the member for Tyndall Park (Mr. Marcelino), it would be disingenuous, it would be unbecoming, of myself to start speculating on what he raises as a debate, and

I'm not saying the member isn't right to raise these issues and I think this is an important debate and people should be debating this. But, as minister, I will exclude myself from this debate because it shouldn't look like I'm second-guessing the boards that we've appointed to these corporations and the professionals that the boards are asking for their recommendations from.

So I will not engage—I would say to the member, one of the other things that I am not allowed to do as minister—I'm actually allowed to buy a lottery ticket; I just am not allowed to win anything. So I don't participate in any lottery of any kind. There are certain things that when I became minister I just don't do and certain things that I shouldn't do. And one of the things that I shouldn't do is second-guess and try doing an end run around the boards of directors that were appointed, and we think we've got an outstanding board of directors for Manitoba Hydro. We think we've got outstanding professionals at Manitoba Hydro and for myself as minister to do an end run around them, I think would be very unbecoming. And that doesn't mean that the minister isn't entitled to his questions, neither do I think the—you know, the member is absolutely entitled to the debate. I just think I should not include myself in that debate.

\*(15:10)

**Mr. Marcelino:** So let us define our terms, then. When the honourable Minister for Crown Services was appointed, and he was given a so-called mandate letter. The question that comes to mind when I was reading this is that there is no mention of the Manitoba Liquor & Lotteries or the MPI, which is the Manitoba Public Insurance. There's no mention that it should be—or they should be kept publicly owned. The only mention that we have, on page 2 of the supposedly mandate letter dated May 3rd, 2016, on the second paragraph of the same page, it says here, as Minister of Crown Services you are the lead in fulfilling the following platform commitments. Above all else, keep Manitoba's largest Crown corporation, Manitoba Hydro, publicly owned. And it goes on with three other bullets, and then it went on to the third paragraph where it says, you will form teams with your Cabinet colleagues to ensure we fulfill the following platform commitments, in particular—and there it's followed by two more bullets.

Now, there's nothing mentioned about keeping MPI and MLLC and the centennial corporation—the

Manitoba centennial corporation publicly owned. Is that a tipoff that those three other Crown corporations could be privatized?

**Mr. Schuler:** I'd like to point out the member—to the member, the election in 2011—one of the most dishonest elections we've seen of late, probably the most dishonest election we've ever seen—*[interjection]* And the member for Logan (Ms. Marcelino) says she doesn't want us to go there, because she's very sensitive. And the member for Logan was one of those individuals who went door to door, canvassed, said, oh, we're going to spend all kinds of money on all kinds of stuff. And when the member for Logan was asked, would she raise the PST, what was her answer? Ridiculous. Read my lips: never, not a chance.

And what did she do? The first thing as one of the senior members of Cabinet, stuck Manitobans with the biggest tax increase and the PST increase. But also in that campaign a very dishonest component was involved in that campaign, and that was a concerted effort by the NDP and—misleading Manitobans on that the Conservatives were going to sell Manitoba Hydro. Manitoba Hydro, which was a Progressive Conservative creation, was created under Premier Duff Roblin, a Progressive Conservative premier, a member of this Chamber who did amazing things. He is known as the father of modern Manitoba, changed the education system, changed all kinds of things, moved Manitoba forward like no premier before, and, certainly, not anything we saw in the last 17 years. And it was very unfortunate the kinds of advertising and the kinds of dishonest things that were taking place in the 2011 campaign.

So I think what the member—and if the member wanted to know the answer, he should probably pay a little closer attention. What the letter is very clear on, it sends a message, because the NDP run campaigns on fear. They never run campaigns on what they believe in, what's good for the future, what's—you know, hope and opportunity. What they do is they run their campaigns on anger and fear. And, unfortunately, they were able to communicate a very—the NDP was able to convey a very negative and dishonest—the Progressive Conservatives were going to sell Manitoba Hydro.

And, even when we came into this House, one of the first questions—first questions—the member for Tyndall Park (Mr. Marcelino) asked was on, are you going to sell Manitoba Hydro. Got up and said—we said: No. No, we would not. *[interjection]* And, in

fact, I would say the member for Logan, who's—always wants to get on the debate, it's just that she never waits for her microphone to go live. She's the one who started the whole process of selling off Manitoba Liquor & Lotteries. She's the one who was part of selling off of all kinds of components within her government.

**An Honourable Member:** Land titles.

**Mr. Schuler:** Land titles being one of those. She's the big privatizer herself, and now she sits there and, oh, oh, we're worried about selling something off. Yes, her and her Cabinet—her and her Cabinet—the big privatizers.

But back to what the letter—the letter that the member was asking about. *[interjection]* And I know the member for Logan keeps wanting to interject with questions. And I have to always answer them for her, because she is the member's boss. So, you know, maybe the member for Logan wants to wait until her microphone is live, and then she can put her questions on the record. But, in the meantime, I'll get back to the member for Point Douglas (Mr. Chief) and his question.

The reason why Hydro was specifically mentioned in the letter is because of the dishonesty of the 2011 campaign. In fact, it was something that even came up in the last election. But, by that point in time, Manitobans had had it with the doom and gloom, negative—negative—dark—dark—sinister NDP kind of approach, where they even went so far as try to scare cancer patients with their statements. I mean, it was just ugly—ugly—stuff that is just unbecoming of elected officials.

So the Premier (Mr. Pallister) put that into the letter to make it very clear to Manitobans that, as the party that created Manitoba Hydro, we are going to make it a great Manitoba publicly owned corporation.

**Mr. Marcelino:** The question that I had was a very simple one. And it's a simple question that could be answered simply. I'll repeat the question, then.

Will the Crown Services Minister attempt to sell MPI?

**Mr. Schuler:** No.

**Mr. Marcelino:** And will the Crown Services Minister attempt to sell Manitoba Liquor & Lotteries Corporation?

**Mr. Schuler:** No.

**Mr. Marcelino:** And will the minister attempt to sell or privatize any portion of Manitoba Hydro?

**Mr. Schuler:** No.

**Mr. Marcelino:** And that no, is that something that's definitely just for today, or is it good—*[interjection]* You could bang your head a little bit harder, and if I sound stupid, you could say it.

**Mr. Chairperson:** The honourable member for Tyndall Park (Mr. Marcelino).

\* (15:20)

**Mr. Marcelino:** I'm sorry.

The promise to maintain an open and transparent government, I think, has been failing with this minister. And the answers to the questions that I have always been very, very straightforward backwards. And it's amazing how we waste our time asking these questions and getting non-answers. And the politicization of the tone and the personal attack that I think should not be part of what the minister should be doing. I have a lot of respect for the minister, but now, that's waning a little bit.

Let me ask another question, then, about not Hydro but Manitoba Lotteries. The head office plan of Manitoba Liquor & Lotteries to go downtown, it was made by a board of directors of that corporation, and it was made with a little bit more than just a decision on a whim.

Would the honourable minister please tell us if there was any needs analysis before the purchase of the downtown location was made and before it was closed in November?

**Mr. Schuler:** I think the member for Tyndall Park is asking—and I don't know why he feels this has become personal. He's asked me questions, and I've answered him more forthright answers than I've gotten from most ministers in the last 17 years. I answered him three—he asked three straight-up questions, and I answered him straight up. And he's frustrated with a straight-up answer.

So what he's asking is, can I tell him what the process was when he was a government MLA, sitting on the board of Liquor & Lotteries. That's correct. He was the government MLA on the board. He was a government member on—*[interjection]* I stand corrected. See, I—even I'm willing to admit it when I was wrong. I believe then it was the member for Assiniboine who was—*[interjection]* Yes. Once in a while, the minister gets it wrong. It was the member

for Assiniboine, Jim Rondeau, must have been the government appointment. And I have to tell members, unfortunately, the member for St. Boniface (Mr. Selinger) fired all the MLAs off the Crown corporations board after the election, before we became government. So I actually am not entirely sure who was on which board, so I stand corrected on that.

But the member was in a government that was part of the decision making on what was going to happen with Liquor, Lotteries and moving downtown. We understand that that was a decision made in conjunction with the Cabinet, with Cabinet ministers and the corporation. Who made the decision? I'd have to defer to the member because I was not sitting in the NDP Cabinet, thank goodness. And that was a decision made by individuals on the opposite benches who made that decision. They made the decision. I'd have to tell the member, he'd be better off going to the member for Fort Garry-Riverview (Mr. Allum) or the member for Logan (Ms. Marcelino). They were part of the disastrous political interference in the Crown corporations, and member for Point Douglas (Mr. Chief), he'd be another individual who could tell the member exactly how that decision was made. I was not minister at the time. I have no idea what process they undertook to come to that conclusion. He'd have to speak to one of his former Cabinet ministers.

**Mr. Marcelino:** So what I get from that answer is that during the last seven or eight weeks the honourable minister has not asked any questions about the purchase of the downtown location for Manitoba Liquor & Lotteries. Is that correct?

**Mr. Schuler:** Well, Mr. Chair, I don't want to be—I don't want to come across as disrespectful to the member because he seems to think he's being disrespected when I answer the questions. So I will answer very respectfully: no.

**Mr. Marcelino:** So there was not even an inquiry or a question asked or an email sent or a telephone call made regarding the reason behind the relocation of the Manitoba Liquor & Lotteries head office on Empress Street and Buffalo Place? Is that what the honourable minister is trying to tell us?

**Mr. Schuler:** I know that this is a really tough concept for NDP MLAs to understand, and I get it. I get it that there's a lot of struggle on the opposite benches on this issue.

If we put in a board of directors and we gave them a framework letter that says facility reviews should take place, why would, then, the minister call up the corporation and do a facilities review of his own or her own of the Crown corporations? Either you trust the people you put on the boards and the boards trust the professionals in the Crown corporation, or you don't.

And, if the member for Tyndall Park (Mr. Marcelino) says that he doesn't believe the government should trust the board of directors or the professionals of the corporation to do a good enough job, that it should be a politician sitting in an office in this building that should be calling into the Crowns and asking for all the information and deciding because—and I take, for instance, the member for Tyndall Park or myself, we could ask for all the drawings, but we're not engineers. We could ask for all the legal documents, but we're not lawyers. We could ask for all the financial statements, but we're not a CPA. And we could go through the list, but what we—rather than the minister calling for all that information and then doing, I can't imagine what with it, what we've done as a government is appointed men and women who do have a legal background, who do have a business background, who do have a financial background, who are individuals who understand engineering and all the rest of it. And they call for the documents, and they work with the professionals in the Crown corporations, and they are the ones that decide what should happen on a go-forward basis and not political operatives bought and paid for from—by—from within the ranks of the NDP.

Why would a NDP political organizer know what should or shouldn't happen with a Crown corporation? That's why you put boards of directors in charge of the Crown corporations and you have them do a review, and they work with the professionals in the corporation, and they come forward with recommendations.

And I know this bores the member for Tyndall Park, and I know members opposite are frustrated with this because what they want to know is can I tell them which political hack gets what information and does what political action to do whatever with the Crown corporation to further the political interests of the NDP party.

\* (15:30)

That's what interests them. But that wasn't in the best interests of Manitobans. That was not in the best

interests of what was taking place in the Crown corporations, and that is what got us into the mess with Bipole III. A line that was supposed to cost \$1.2 billion is now hitting a \$4-billion benchmark and counting. It was because of political interference by members opposite. And no, we're not going to do that.

So the member asked me a straightforward question: Did I by phone, pigeon, email, letter, whatever else—greyhound racing dog or whatever—did I send a message in that I want all this information. No. And I didn't do it for any corporation. I didn't want that information because there are individuals that are qualified that should be doing the review and bringing recommendations to government. And government, then, can go from there. But the recommendations must come from the corporation or, in the case of should they go with a blue pen instead of a black pen, that's a board decision. There is some stuff that needn't come. But what—we're going to do it on a business model, and we've made it very clear to the member, for days and weeks on end, that's how we're running the corporation, and not with political operatives sitting in this building.

**Mr. Marcelino:** So let's chase that tail of the dog; what was said, tail of the dog.

Let me ask the question, then: If the decision to relocate downtown was already made by a board of directors that was supposedly doing their jobs as a board of directors, why is it necessary for the minister to second-guess them in their decision to relocate downtown?

**Mr. Schuler:** The minister is not second-guessing. The minister has made it very clear we aren't taking a position on any of those very controversial decisions. We are allowing the boards to do their job. That's been our position since we got elected.

**Mr. Marcelino:** So the statement that was attributed to the PC Liquor & Lotteries critic, quoted in a news item some time before the honourable minister was appointed, that it seems to me they have done their due diligence, when asked about the purchase at the cost of \$7.9 million by Liquor & Lotteries to relocate downtown.

What did he base his statement that they must have done their due diligence? Is that just flowery words or he didn't mean it?

**Mr. Schuler:** You know, it's amazing that there is a government, in government right now, that has been



consistent in opposition as it is in government. It's a political party that has been consistent.

I would point out to the member opposite that it was Ron Lemieux, the member for Dawson Trail, was the minister at the time. He called in myself—I believe he made the same offer to the Liberals—gave us a briefing on the building, what was done. We were allowed to ask all kinds of questions, which we did, and we came out as a political party and said, very clearly, that we weren't going to second-guess the board. All that we wanted was an assurance that this was in the best interest of ratepayers. We weren't going to second-guess them. The minister gave us a briefing; we asked all kinds of questions. And the minister assured us that it had gone to tender, they'd checked all the different tenders that came in. This was what they considered to be the best option.

And, interestingly enough, we've carried that practice through into government. We're not going to second-guess the boards of the Crown corporations.

**Mr. Marcelino:** Now, dovetailing—another tail-dovetailing on that answer, second-guessing: Can you please—can the honourable minister please define what second-guessing is?

**Mr. Schuler:** One of the worst things you can do to professional people is ask them to get information, do a proper study, do a review, spend a lot of time—when you ask somebody to do something, a professional, you're under the assumption they're going to use a lot of their life, a lot of hours, a lot of creativity, and they're going to put together something that they believe very passionately, very strongly on. And you ask them for that advice not because you're trying to humour them.

I know the member's then going to ask me, well, what do you actually mean by humour, so I'll define that as well. What I mean is you're not playing them for the fool. You're not asking them for advice even though you've already made up your decision. You ask them to come forward with a strong recommendation based on facts, based on what they feel is in the best interest of the organization would—be it a non-profit, be it a government, be it a church group, whatever it is. When you're second-guessing them is when you walk around and you say, you know, boy, I sure hope they know what they're doing. And you undermine them. And that's what second-guessing basically does. It undermines individuals who take what they're doing very serious. And we respected the previous board of Manitoba

Liquor & Lotteries, as we respect the current board of Manitoba Liquor & Lotteries.

And, as critic, we were very careful to never disrespect the board. We wanted to make sure the board made a fulsome decision based on the facts. They had done their decision, what they—with all due diligence. And we were not about to second-guess them. We were not about to undermine their decision-making process, undermine their decision or, if you will, to disrespect who they are as professionals and what they were doing. And that carries over to the new boards. We are not going to second-guess or undermine or disrespect them.

And I would suggest that the critic—he's new to this role—he came in as a government MLA, and this is now his foray—first foray into opposition—that when it comes to the Crown corporations, we always have to remember that the men and women, the professionals in this corporations, should always be above our politics. And I would say to the member opposite, I never, ever attacked individuals who worked in the Crown corporations or who served on the boards.

\* (15:40)

**Mr. Marcelino:** And if the previous board of directors of Manitoba Liquor & Lotteries did their due diligence before the decision to buy the Medical Arts Building was made and the cheque was cut for the purchase price and the deal was closed.

How can the minister now say that he's not second-guessing when he's putting up the whole thing under review? And, if that's not second-guessing, I don't know what that is. Anyway, at this juncture, I will defer the questioning of the honourable minister to my colleague the member for Fort Rouge.

Thank you.

**Mr. Wab Kinew (Fort Rouge):** I was pleased to see in the mandate letter for the Minister of Crown Services (Mr. Schuler) that there was a directive to ensure that Manitoba Hydro remains public over the course of this mandate.

So I would like to ask, just for clarification on that, is it the minister's intention to ensure that all the subsidiary business units of Manitoba Hydro remain public during this government's mandate?

**Mr. Schuler:** Too bad the member wasn't paying better attention. I think we've answered that question in its totality and its fulsome. We have no

intention on selling off Manitoba Hydro, and that would include its subsidiaries.

**Mr. Kinew:** So all the business units that are currently a part of Manitoba Hydro will remain public?

**Mr. Schuler:** Yes.

**Mr. Kinew:** So there's a specific part of Manitoba Hydro called Manitoba Hydro Telecom, which potentially could be very valuable, because what this part of Manitoba Hydro has done is they've installed a broadband fibre-optic backbone along the portion of the transmission lines that Manitoba Hydro operate in the province here. And so Manitoba Hydro Telecom, you know, as an operator of broadband is, you know, potentially a portion of the Crown corporation which has a great deal of value.

We know that they sometimes sell bandwidth to private Internet service providers, and therefore there is, you know, a market demand for the specific activities that this subsidiary unit of Manitoba Hydro undertakes. So, therefore, I'd just like, you know, to have on the record the question to the minister as to whether Manitoba Hydro Telecom specifically, as an operating unit of Manitoba Hydro, will remain in public hands.

**Mr. Schuler:** Well, first of all, I think one of the first things we'd like to do is ensure that the fire-sale price that the NDP sold Manitoba Hydro to all kinds of pension funds in American financiers—we want to stop the bleeding of Manitoba Hydro because the single worse thing that Manitoba Hydro is facing is its enormous debt. And the member opposite should apologize along with the rest of his colleagues for what the NDP did to Manitoba Hydro.

And the member talks about all kinds of stuff and doesn't talk about the real issues facing Manitoba Hydro, and that's its enormous debt that they have left us and the kinds of projects that are way over price. We won't even talk about projects that are now complete that were supposed to be in the \$800-million range and ended up being 1.2–\$1.3 billion and won't make money for 20 years.

So I would suggest to the member that there are far more serious issues facing Manitoba Hydro than their telecommunication's component of it, and I think we've made it very clear it's not our intention to be selling off pieces of Manitoba Hydro.

And, you know, never before—certainly not under his party ever was a mandate letter ever

published, never was a framework letter ever published for a Crown corporation. It was the most secretive—you know, what they might as well have put the NDRP for redaction in their political party because that—every document we got was 90 per cent redacted.

The member for St. Boniface (Mr. Selinger) sits there and scowls. You know what, they ran out of more black Sharpies than any jurisdiction in the world. That's all they did is sat and redacted everything off of documents. This has been the most open and transparent government ever, and certainly the last 17 years, where they might as well have just tabled what they didn't redact, and that would have barely have made it on a half a piece of paper of—foolscap paper. You'd been lucky to have gotten that much on one piece of paper what they didn't redact.

So I'd suggest to the member, you know, why doesn't he listen to the answers? We've made it very clear that we are going to preserve and protect Manitoba Hydro for future generations, something that they didn't do—they didn't do—in the entire 17 years that they were government, and they should have done it. They never protected the ratepayers, nor did they protect the taxpayers. And they sit and they spin themselves in circles about privatization when they went and they sold Manitoba Hydro to all kinds of American financiers for the debt load that we are holding with Manitoba Hydro. It's going to take generations to get us out of that debt, and they should, each and every one of them, starting with the member for St. Boniface, should apologize to the people from—of Manitoba for the debt load they put on top of Manitoba Hydro.

**Mr. Kinew:** Yes, I—you know, I wonder whether the member would apologize for stealing Justin Trudeau's playbook in releasing the mandate letters to the public. I certainly enjoyed it when Justin Trudeau did it first, and so to see the PC government now following the federal Liberal playbook in attempting to claim openness and transparency, you know, it's always amusing and interesting. But I digress on that point, Mr. Chair.

Again, I did have a question that was germane to Manitoba Hydro Telecom, and I'd like to know why the minister wouldn't answer the question about keeping Manitoba Hydro Telecom public. Why wouldn't he answer that with a yes or a no?

**Mr. Schuler:** Mr. Speaker, we've answered the question, now two different critics. You know, it reminds me of the Jean Chrétien: when the proof is

in the proof, then the proof is the proof when the proof is in the proof. I mean, we've said we have no intention on selling off any component of Manitoba Hydro. In fact, I—we look across the way; that's the privatization party.

They sold off more departments out of their government, and we come into office—and so far as the mandate letters, maybe Justin Trudeau could take a page out of our playbook and release the framework letters that they gave their Crown corporations, and they could actually live up to a standard of openness never seen across this country, certainly not under when the member for St. Boniface (Mr. Selinger) was a minister. We never saw anything out of him, never a framework letter. I mean, the only thing he did was send letters—political letters of direction to the Crown corporation telling them what they should or shouldn't do. We never saw any kind of a mandate letter from a minister, certainly not when the member for St. Boniface was a minister and certainly not when he was a premier.

And, actually, you know, when it comes to openness, I think Justin Trudeau could learn a lot from us, because we've done a lot more for openness in these last nine weeks than any other government has, including the member for St. Boniface's government in the last 17 years. We are the benchmark in this country when it comes to openness. We need no lessons from member at—members opposite, but thank you very much.

**Mr. Kinew:** So will Manitoba Hydro Telecom remain public? Manitoba Hydro Telecom. Public.

**Mr. Schuler:** I think they have to listen very clearly. Are they listening? Yes.

**Mr. Kinew:** I thank the Minister for Crown Services for his frank, clear and forthright answer. *[interjection]* And, yes, well, you know, other people can comment on the tone of the answer, but I do recognize that there was a factual answer in that statement. Interesting to me, Mr. Chair, because the same question posed to the First Minister, the Premier (Mr. Pallister), received no factual answer. In fact, several follow-up questions proved to show some very strenuous evasion and counter-challenges. In effect, I would say that the First Minister refused to answer that question.

\* (15:50)

So my follow-up question would be to the Minister of Crown Services (Mr. Schuler): Will he

now take his very strong and clear commitment to keep Manitoba Hydro Telecom back to the Cabinet table and argue and strenuously underline to the First Minister the importance of keeping Manitoba Hydro Telecom public?

**Mr. Schuler:** You know, once in a while, you actually think people in this Chamber are taking things serious, and we're having a serious discussion, and then we have the kind of silly and gratuitous question of the member opposite, which, I would say, doesn't look that good on him.

He asked questions and he got the answers. And it's in my mandate letter. He got a copy. We've been public and open and transparent. He got his answer, but that's not enough. Now he has to go and now he's going to start playing silly games, not because he's interested, not because he wants what's best for Manitobans but because he wants to play silly games.

And, you know what, I would encourage him to play those silly games all he wants. But what we're going to do, as a government, is we're going to build Crown corporations. We're going to build an economy. We're going to build a province that Manitobans are proud of. It's going to be the singularly most improved province in the country—in our mandate. And we're already on our way there. And we're not going to do it by playing silly games.

Answered the questions—and I would say to the member, in 17 years sitting here, I—rarely did you ever get an answer to a question. And, certainly, not the way we've done it today. Steve Ashton was one of the very few guys who would actually give you a straightforward answer. And the rest of the group, it was just silly, in-circles nonsense.

The member got his answer. I'm not interested in his little political gamesmanship and how he's going to further his leadership career by whatever. Answer was given; it was given straight up. I would ask him to ask something that actually would further what we're trying to do as a province.

And I would say to him, I can't imagine, you know, if we went back in time in the debate, and I read the debate that took place when Duff Roblin and the opposition was debating Manitoba Hydro. It's interesting how they would cede the floor to one another, and the discussions. And the NDP, at the time, had some questions about what Hydro would be. And it was all very straight up. And they got straight-up answers. And it's a really good read. And

I'd recommend members opposite, all members, for that matter, to read it. It's a very interesting historical read.

And, you know what, people at that time didn't sit around and play silly little political games. Gave the answer, and I gave it straight up.

**Mr. Kinew:** Can the minister explain why he was able to give a clear and forthright answer to the question of whether or not Manitoba Hydro Telecom will remain in public hands, but the Premier (Mr. Pallister) would refuse to answer the question, that the Premier never did provide a clear answer to the question?

Can he explain that discrepancy?

**Mr. Schuler:** Premier appointed a minister with a mandate letter, something we never got from members opposite ever-ever. We got nothing from members opposite. You know what, they might as well just have sent us over a big box of Sharpie pens and some blank paper, and we could just draw lines on it, because that's all we ever got from members opposite. The-

**An Honourable Member:** Not answering the question.

**Mr. Schuler:** I've answered every question that has been produced so far. And the member for Logan (Ms. Marcelino), who has spent her entire time on her little iPhone, never paying attention, should actually turn around, pay attention, so I don't have to answer all the same questions again. Maybe she'd like to focus in. These are serious questions. And serious answers are being given.

The First Minister appointed a Minister of Crown Services, and in the letter, the mandate letter, makes it very clear what the responsibility is for the minister. I would suggest that the member for Fort Garry-Riverview (Mr. Allum)-no; I'm struggling with the member asking it-Fort Rouge-member for Fort Rouge (Mr. Kinew), that he makes himself-gets himself a copy of the mandate letter. It's there; it's clear. The member for Fort Rouge should read the letter. It states very clearly that Manitoba Hydro is to stay public.

**Mr. Kinew:** The question again is can-will the minister explain the discrepancy between his answer on the Manitoba Hydro Telecom issue and the First Minister's answer on Manitoba Hydro Telecom issue? The reason why I'm asking is because I think it is germane to the proceedings that we're currently

in right now. If there is disagreement in Cabinet I'd like some insight onto the matter. It seems that the Premier wants to reserve the ability to manage Manitoba Hydro Telecom in whichever way he sees fit, which may include privatization. However, the minister has taken a very unequivocal stance far beyond what the First Minister did in the Estimates, and so I'd like him to, you know, please, you know, illuminate us, provide us with a greater insight into the tension between those two positions. So, if he could please explain that would be greatly appreciated.

**Mr. Schuler:** The member has to, first of all, get himself a copy of the letter-of the mandate letter given to the minister, and he should read it. Probably be a lot more knowledgeable in his questions if he actually read the letter and would see that the Premier gave the mandate to a minister and often the Premier-I know this comes as a shock because, unlike members opposite, this is a team on this side; the Premier will often say to the media that when it comes to issues with the Crown corporations they should go and speak to the minister. That's the way things are done.

The Premier can decide he wants to defer that issue to one of the ministers and then I suspect that might have been part of the conversation. I suspect the Premier, often in his Estimates, said that would be better brought up in Estimates of Families, or Health, or Infrastructure, or Crown Corporations. That's where that would take place, and the discussions taking place, I would suggest to the member, you know, I know he comes from the entertainment world. This isn't entertainment world; this is Estimates here. He asks a question and, like his colleague from Tyndall Park, then he gets the answer and he's frustrated. And then he gets an answer and then he's angry, and then he gets the answer and he doesn't know what to do with it because, seemingly, NDP MLAs can't handle when they get straight-up answers.

And I would suggest that the member go and look in the mandate letter, and it states there very clearly what the role is for Crown Services, and seeing as it's the Premier's signature at the bottom of the letter, seeing as it is the Premier who wrote the letter, and seeing as it's the Premier who presented the letter, I don't see where in this member's-the member for Fort Rouge-why he has to go into his grassy knoll conspiracy thing, but I guess that-that's the kind of politician he is and so be it.

But, the Premier has been clear in his letter to the minister where we stand on Manitoba Hydro, and I know members opposite struggle with the team approach and they struggle with straight-up answers because 17 years, we never got one other than the occasional one from Steve Ashton, but other than that, they just can't handle the truth.

\* (16:00)

**Mr. Kinew:** I appreciate the minister's best Jack Nicholson impersonation at the end of his statement there.

So on a related point, would he consider intervening to keep Manitoba Hydro Telecom public, would he consider that if, you know, he was—if the board came to him with a recommendation regarding privatization, if he had to intervene to keep the asset public, to keep the Crown corporation public, would he consider that an example of political interference?

**Mr. Schuler:** Actually, what I would consider political interference is sitting here and second-guessing what the board's going to do and not going to do. We have sent a clear framework letter over to the Crown corporations. They, very successful business people, they know how to run successful businesses.

I would suggest Sandy Riley is one of our stellar business people in this community, and others on that board. We trust the individuals we've placed on the board. And, if they meet and come to us with recommendations, we will have a look at those recommendations. But we are not going to second-guess what they're going to send, or what recommendations, or what the boards are going to do, or what colour pen should be—what kind of ink should be in a pen, or what kind of lines should be on paper. We're not going to micromanage.

And I know this is shocking for NDP members who, each one of the Crown corporations, if members can imagine this, every Crown corporation paid for a political operative—an NDP hack, basically. An NDP organizer was paid for to sit in the minister's office and run interference in the Crown corporation. And I know for the NDP they can't understand that you'd actually respect a board of directors or that you would respect professionals in a Crown corporation, because when it comes to all-being, all-knowing, all-seeing, when the NDP viewed themselves as that—and I would say that's what got us into this trouble.

That's what got us into the mess in the first place, is that the member, and his political party, and each one of those NDP MLAs couldn't help themselves, and I would say to the member the whole Jets tickets thing was actually the pinnacle of where NDP MLAs and Cabinet ministers viewed the Crown corporations as basically just a wing or an arm of the NDP. And they got so caught up in their own entitlements, that they were entitled to their entitlements and they were entitled to walk into a Crown corporation and demand front-row seats. Each and every one of those MLAs made themselves available to Jets tickets.

And how unfortunate, how unfortunate that they felt that they had a right, that they had gotten themselves to the point where they believed that they were the owners of the Crown corporations. And we've reversed that in nine weeks to where we respect our boards, we respect the professionals and we respect the Crown corporations.

And what they bring forward, that we will leave up to the boards and the professionals in them. And we will not second-guess, nor will we disrespect them by running interference in the Crown corporations.

**Mr. Kinew:** So, if the board of Manitoba Hydro comes forward with a recommendation to privatize a subsidiary, then the minister will take a look at it, is that what I'm hearing?

**Mr. Schuler:** What I'm hearing is an opposition that's run out of any substantive questions. What I'm hearing is an opposition that is tired, a tired, old NDP party, that if the only thing they want to do here now is sit and play silly speculation games—you can't govern that way. We don't govern on speculation. We're not going to interfere in our Crown corporations and second-guess them because somehow we—the critic has some what-if questions.

I would suggest that we allow the corporations to serve the people of Manitoba, that they should serve the ratepayers of Manitoba and do the best job they can, whether it's the senior living on Pipeline Road, whether it's the widow on Inkster Boulevard, whether it's the farm family, whether it's somebody living in one of the towns and hamlets, whether it's a northern community, it shouldn't matter where they are, but they should know that they have a board of directors and a corporation that's looking out for their best interest.

And I'm not going to get into, well, what if, and 'speculative' questions. I'm not going to get into those. The member can ask them all he wants, it's—this isn't a child's game where we—this isn't a board game where you play these games at a party. This is Estimates. We will deal with the concrete here and now. And I think we've done that, and we've provided the members opposite with straight-up, straightforward answers.

**Mr. Kinew:** Well, the minister still hasn't provided an answer as to why there's the discrepancy between his clear position on keeping Manitoba Hydro Telecom public and the Premier's (Mr. Pallister).

So I would like him to answer that question, and specifically, to say whether or not intervening to keep Hydro Telecom public would amount to political interference in his view.

**Mr. Schuler:** Mr. Chair, these are silly questions, and I would like to wait and see if the member could actually start asking substantive questions on the Crown corporations, on Crown services, on the finances of Manitoba, on how we're going to deal with \$1-billion deficit that the member opposite and the rest of his colleagues left us.

*Mr. Dennis Smook, Acting Chairperson, in the Chair*

The Crown corporations, which are in financial difficulty—we saw at MPI, because of their mismanagement, lost money the last quarter, and we know there's issues. And, you know, those are issues we should be dealing with. They—the concocted and grassy-knoll kind of conspiracy theory kind of stuff, I would suggest to the member he should move on. I think he's proven that he's become tired. Maybe it's time he reconnect with his community. Take the summer and listen to Manitobans and what issues are important to them, what issues are important to their families and where they are in life.

And the kind of grassy-knoll questions that members are asking is unfortunate, but we're not going to engage in that kind of discussion. And I'd suggest the member get onto the real things that impact Manitobans, that Manitobans are concerned about.

**Mr. Kinew:** Sure, can the minister table his itinerary for the past week, and let the committee know what he's been up to?

**Mr. Schuler:** I believe there's a very healthy process that the member can 'invail' himself. It's called the freedom of information. I understand there's a very

good process. I would suggest that he do that, that he make himself available of it, and he should avail himself of all that. And there's nothing on there that I would be concerned about. He's absolutely entitled to ask for it, and I'd suggest he does that.

**Mr. Kinew:** If there's nothing in there of concern, why not table it?

**Mr. Schuler:** We have a very healthy and robust process, a process that we all live by, and I would suggest to the member that, seeing as I'm sitting in Estimates, I wouldn't even have a copy of it with me. He's got—he—any time he has any of those kinds of questions, it's called a freedom of information request. He can send it in and it will—within 30 days or whatever the time frame is, he will get a response back. And I suggest that he avail himself of that. And it's—certainly, in the years that I was a critic I used to.

The only thing is, I would say to the member, almost everything we got was redacted. You'd pick up the piece of paper and hold it up against the light and see if there was a little bit of non-redacted something on that piece of paper because it was basically all black ink.

And we've made it clear, and we've been the most open and transparent government in the last 17 years. We've already been more open and transparent on basically every file than the member when he was—his party was in government. And if he wants something he should go through the process. There's a very good and healthy process he should go through. And I would recommend he avail himself of that process like everybody else does, and just—I would strongly recommend he does that.

\* (16:10)

**Mr. Kinew:** I believe that Estimates and concurrence are actually one of the processes that we have to be able to solicit information like this from the government. And, again, it seems to me that there's a contradiction between voluntarily disclosing mandate letters and then turning around and saying that another piece of information, that we should go and FIPPA request that.

So I'd ask, again, the minister to table his itinerary for the past week. Let us see what he's been up to and all the, you know, hard work that he's been undertaking on behalf of this government.

**Mr. Schuler:** I'd like to thank the member for that question.

First of all, I don't have my calendar in front of me. I don't have any—don't have it to table. And I think the member has gotten far more in the last six weeks—far more in the last six weeks—than he's ever gotten.

And, yes, there is a process for getting information. It's a process that everybody avails themselves of. I know the member's one of those who feels sometimes he might be above the process; he's not. He just has to go the right process. It will be made available to him. He has to go through freedom of information request, and, yes, that is part of open and transparency. In fact, I would suggest to him he'd be very careful how he chooses his words because I have a feeling there were a lot of his colleagues currently sitting on the benches with him who might have said far more about the freedom of information than the member who now seems to disparage the whole process of going to freedom of information requests.

And there is a process to getting information. We have gotten into self-disclosure of a lot of stuff. And if he feels that this is something that should be done, maybe he should, you know, suggest to himself and his colleagues that one of the things they're going to do is make all their calendars public. You know, he should—maybe he should lead by example. Leader of the Opposition and all NDP MLAs should make all of their calendars public. In fact, maybe they should use it—have one of those where the public can view it all the time, all of the places.

The thing is is that there is a process. And the member can avail himself of that process. It is part of an open and transparent government. There might be some constituents who might have come in and visited with me who, like the member opposite—and I know there—his colleague on the second bench who—there are people who come in who have serious personal issues. We would want to make sure that their names are removed, that their privacy is protected. I would say to the member that we get individuals into our offices who have sometimes very heartbreaking, gut-wrenching issues, and I would think that the member would want us to protect those individuals. I know the member who sits in the second row, she would also want us to protect those individuals. We get people coming in who have serious concerns, whether it being family related or whatever, and I think those individuals would appreciate it if we would protect their privacy. And that's why we have a process whereby we

protect them. And I would suggest to the member that maybe he should look at that.

**Mr. Kinew:** It's interesting that I hear the minister citing some of the grounds for redaction under FIPPA—essentially, privacy concerns—just a short time after he's been, you know, sharing his harangue over all the redactions that he was forced to bear witness to under the previous government. So that's interesting to note.

So I'd return to my earlier question about keeping Manitoba Hydro Telecom public and share with the minister the following. I asked the First Minister, the Premier (Mr. Pallister) in Estimates on 15th the same question: Would he commit to keeping Manitoba Hydro Telecom public and, at that time, the First Minister said, and I quote: ". . . it would be a contradiction for me to give the member assurance of the type he's asking . . ." End quote.

So I'd like to know whether or not the minister feels that he's now boxed himself into a contradiction by assuring this committee that Manitoba Hydro Telecom will remain public.

**Mr. Schuler:** I'm concerned the member for Fort Rouge (Mr. Kinew), in his statement, in which he said, inferring that being open about a mandate letter, was never done before, a letter of—framework letter for Crown corporation is the same thing as releasing a calendar that could have someone's private name and phone number on it that might have come in with a family issue. And I'd like to know: Is the member for Fort Rouge in sync with the member for St. Johns (Ms. Fontaine)? Has he listened to the things that the member for St. Johns has spoken about in the last few weeks, some of the concerns she has?

Does the member actually ever listen to what goes on in this Chamber? Is he suggesting somehow that we should release private information when I've had women come into my office, talking to me about issues with Maintenance Enforcement, and somehow that should all be made public, that they're not entitled to any kind of privacy, that that should be equated to the same level as a mandate letter? I'm not too sure I heard the member correctly, and it'll be on Hansard. And I reject that one hundred per cent.

Yes, there are things in a calendar that all of us have in there that should be redacted, because people come in, and there's been issues of DUIs. There's been 'dissues' of violence. There have been all kinds of issues over the years, and never—never—would

I recommend that anybody would ever table something with that kind of information. And, yes, we put the names in, and we often put the person's personal phone number in it, that if I'm running late because sometimes we—they don't even want to meet us in our offices, because they're scared; they don't want to be seen going into an MLA's office. We meet them somewhere, and the phone number's in there that if I'm running late I can just click on it, and I can call them. And I wouldn't want that made public. Is that what the member is suggesting, that somehow we should be making all of that public, and criticizing myself as a minister that I wouldn't make that public? I would say to the member that maybe he should sit down and talk to the member for St. Johns (Ms. Fontaine) a little bit so that he would get some sensitivity training on what goes on in this place. I have had—I had a week or two, and I went home. I was heartbroken. I was crestfallen, because I was carrying my job home with me, the kinds of concerns that were coming into my office.

And the member should be careful what he asked for: just table it all, and, oh, you're going to redact stuff off a calendar. Yes, we should redact stuff off the calendars. We should redact stuff that protects individuals. In fact, they were—members of this Chamber who had family members come to me and talk to me about issues that were going on in their communities and that kind of stuff. I would protect each and every one of those individuals. In fact, there was—a lot of individuals, under the last few years of the NDP, who were worried about being seen in any kind of an MLA's office, whether it was in this building or a constituency office. And I would take them in—and we would meet in a café somewhere, very privately, so they—because they were scared. They were scared and feared the NDP. Yes, that's exactly what they told me: they were scared for their jobs. They were scared to be seen, because they wanted to tell us what was going on, the kind of nonsense and shenanigans that was going on in the NDP government. And I would never release that kind of stuff.

I would—never would I suggest a member of this House would release a calendar with not going through and protecting those individuals. And, for the member for Fort Rouge (Mr. Kinew) to even suggest that, clearly, means he's not thinking very straight with his questions. And, you know what, I would suggest to him that he stop trying to be a Columbo, the TV show and that kind of thing.

\* (16:20)

And let's get on with the serious business of Estimates. Let's talk about the great things that Manitoba Hydro is going to be doing, and the great things we have in this province, and some of the challenges we have in this province, and stop just trying to be so negative and so divisive.

I—you know, I think people voted against that on April the 19th. They've had it with this negativity and all of this division. Move on to something a little more positive.

**Mr. Kinew:** It's quite a feat to, you know—the type of torquing that we witness when he attempts to say that I'm in some way against redacting private information. Quite the contrary, I'm in favour of upholding the freedom of information and, you know, privacy provisions, you know, in full accordance with Manitoba law. I was merely pointing out, Mr. Chair, that we have heard this minister a number of times this afternoon criticize some of my colleagues for redacting information and, yet, he also acknowledges that, as everyone in this House acknowledges, there is a need to redact information on occasion. So to hear him get up in arms, and to get his colleagues worked up as well, you know, it is quite a show to witness.

But I do appreciate the Columbo comparison. And, with that in mind, there is just one more thing. In his last answer, I noted the minister say that if he's running late for a meeting on his calendar, he can click on the phone number. Click on the phone number. Assuming that that means that his calendar is on his phone. Clicking on the calendar app within the phone would cause it to ring, putting him into touch with the person who he had the upcoming meeting with. However, a short time ago he told this committee that he did not have his calendar in the House with him today. I see an electronic device in his hands.

Is he contradicting himself? Can he tell the committee: Is his calendar on his phone?

**Mr. Schuler:** Actually, probably—this—to be very, very good for all members of the House, those who have been in Cabinet. First of all, you're provided with a Cabinet phone. It's a departmental phone. And, on that phone, you have access to a calendar. And I now am only allowed to run one calendar, and that's my departmental calendar. And that I have to access off of my departmental phone. I'm not allowed to run it off of my constituency phone. I have, in front of me, my constituency phone because I just came from a graduation where we take



pictures; where I was there as the MLA for St. Paul. So I have a different duty, that's MLA of St. Paul. And on that phone I can take pictures as the MLA for St. Paul, which I can't do with my departmental phone because that is ministerial work.

So there are actually—most ministers carry two phones, one is a constituency phone which I can take photos on for constituency-related work, and a departmental phone which I use to access the calendar, and I can access my departmental email. And I do not have that phone with me. I carried my constituency phone because I just came from Springfield Collegiate institute's graduation.

But I do want to put something on the record, and this is a concern I have with members opposite, because what they put on the record is usually not quite factual. I want to put on the record the Premier's (Mr. Pallister) full quote. And I'm quoting direct from the Premier from Hansard: "So it would be a contradiction for me to give the member assurances of the type he's asking because, in so doing, I would be saying these are politically motivated decisions and that I would be giving him guarantees which contradict the very guarantee that I have endeavoured to give him and other Manitobans in terms of the stronger operational futures of these Crown corporations without political influence".

That's actually the answer the Premier gave, and the Premier, again, wants to be very respectful to the Crowns that we not be seen as second-guessing, that we not seem to be seen as running interference in the Crown corporations, and the Premier laid it out very clearly to the member, which the member then misquoted because he wouldn't read the full quote.

The Premier made very clear the reason why he wasn't answering these questions is because he didn't want to, as Premier, to be seen as politically interfering in the Crown corporations. And I think that clarifies a lot of what the member across the way is trying to say.

And I would hasten to point out to members that they be very careful when they're quoting, that you quote accurately and you reflect best accurately what individuals say, because there is a public record, and it is called Hansard, and in the end you do get caught up in this kind of thing.

So, again, the Premier made it very clear: "I would be saying these are politically motivated decisions and that I would be giving him guarantees which contradict the very guarantee that I have endeavoured to give him and other Manitobans in

terms of the stronger operational futures of these Crown corporations without political influence." That is the quote.

*Mr. Chairperson in the Chair*

**Mr. Kinew:** I presented the quote within an accurate context.

The minister has read a longer passage from the same exchange in Estimates, but the context is the same.

And so I would return to my initial question, which he evaded, when I first shared the quote, so reading the words of the Premier in front of you—sorry, I withdraw the last comment—with the words of the Premier in front of him, would the minister please explain to this committee whether he has put himself in a contradiction by answering the question: Will Manitoba Hydro Telecom remain public?

**Mr. Schuler:** Well, first of all, the member misquoted, and that's—that happens around this place from time to time. And the Premier answered the member very clearly that he wasn't going to answer his questions because he didn't want to be seen as politically interfering in the Crown corporation.

The same member asked me about keeping Manitoba Hydro public. And I pointed out to him it's very clear in my mandate letter that it is my duty to keep Manitoba Hydro a public corporation. And I know members opposite just can't handle the answer. They just can't stand the answer.

Because, in fact, even friends of mine, former MLAs who used to be on the NDP benches, they used to drink the Kool-Aid, and they would believe stuff that was so fictitious. It was started, in some respects, as a joke by NDP politicians, and it became folklore within the NDP. And it is simply not true. And, when they would find out that there was no truth to it, they'd say—like, in fact, one of the NDP colleagues who's not here anymore was at an event, and Gary Filmon spoke, and she leaned over to one of our colleagues and said, wow, he actually seems like he might have been a nice guy. And she was led to believe that he was just this horrible individual. And that's within the NDP. They love to do this kind of stuff.

And the NDP now have bought into this that somehow the Conservatives, who have created Manitoba Hydro, who have always built Manitoba Hydro, who have strengthened Manitoba Hydro—they were the ones, it was Gary Filmon who brought

Centra Gas into Manitoba Hydro; they're the ones who have developed this big corporation, have ensured that it, up until '99, that it was cash rich, our debt equity ratio was just doing great, like—unlike what's happened under the NDP, where it's in a freefall. And the NDP just can't handle this. They just can't believe that the Conservatives, you know, are going to keep it a public company.

And it's in writing. It's in the letter from the Premier (Mr. Pallister) to the minister. It's said in Hansard. It's said in question period. It's, basically, other than chiselled into stone tablets for them—they don't get it.

\* (16:30)

So, you know, and you could just see them around their caucus table: So, do you think they're going to, you know, sell Manitoba Hydro? Well, they did produce that mandate letter. Yes, but, oh and you could see the brain trust around the NDP caucus table, yes, but, you know, oh, but they've put it on the Internet; yes, but, no, but they said they, you know, they said it in question period—oh, but, it's got to be—no—it's—they did it in Estimates—and it's as if the 14 NDP MLAs can't get it. It's—we've been clear all the way through. We've been clear for 17 years in opposition. We were clear in the 12, 13 years of government before that and before that up until the moment where it was created. Manitoba Hydro is a Progressive Conservative government creation. It was created by the honourable Duff Roblin, one of the greatest premiers we've ever had, created Manitoba Hydro.

And yet somehow the 14 NDP MLAs that are left can't seem to grasp that it's in writing, it's on the Internet, it's in Hansard, it's been answered in question period, it's been answered in Estimates over and over again, it's been answered in the media, it's been answered publicly, and somehow they keep coming back, yes, but, like, are you going to keep it public? Like, for sure going to keep it public? Yes.

And we've just gone through hours of Estimates and we're still at the same point. Yes, the mandate letter given by the Premier, the member for Fort Whyte (Mr. Pallister), to the Minister for Crown Services, the member for St. Paul, states clearly that you are to keep Manitoba Hydro a public company.

Yes. I've answered it for the member for Tyndall Park (Mr. Marcelino). I've answered it for the member for Fort Rouge (Mr. Kinew). I've answered it now the—for the member for Point Douglas

(Mr. Chief), member for St. Johns (Ms. Fontaine). I've answered the question over and over again. Yes.

**Mr. Kinew:** The minister errs in one respect. When he says that his party has consistently been clear on Hydro remaining public, that does—that is not true with respect to the Premier being asked directly in Estimates about keeping Manitoba Hydro Telecom public. When he was asked in Estimates whether he would commit to keeping Manitoba Hydro Telecom public, the Premier refused to answer and he provided the following quote, which again I will read into the record for, you know, the benefit of the minister.

Again, he said, it would be a contradiction for me to give the member assurances of the type he's asking, because in so doing I would be saying these are politically motivated decisions and that I would be giving him assurances which contradict the very guarantee that I have endeavoured to give him and other Manitobans in terms of the stronger operational futures of these Crown corporations without political influence. End quote.

So does the Minister of Crown Services believe that the Premier erred in saying that it was inappropriate to give an answer, or does he believe that he erred in giving an answer to the question of will Manitoba Hydro Telecom remain public? And, because this is a place where words are carefully parsed, I would invite the minister to use the specific words Manitoba Hydro Telecom in his answer rather than just the parent corporation Manitoba Hydro.

**Mr. Schuler:** Mr. Chair, the Premier of Manitoba, the member for Fort Whyte, crafted a letter. In it he says to the Minister for Crown Services, the member for St. Paul, that your duties are to keep Manitoba Hydro a public corporation. It's clear. We've also made it very clear we're not going to politically interfere, so when the member for Fort Rouge started his interrogation of the Premier about things that may or may not happen, the Premier was very clear. And I'll quote for the member the Premier's answer to his question.

When he—when the member for Fort Rouge asked him if he would want to get into the game of what if about getting into talking about things that are not real or imaginary, so and so forth.

The Premier made it very clear. And he says—in Hansard, he says: So it would be a contradiction for me to give the member assurances of this type he's asking because, in so doing, I would be saying these

are politically motivated decisions and that I would be giving him guarantees which contradict the very guarantee that I have endeavoured to give him and other Manitobans in terms of the stronger operational futures of these Crown corporations without political influence.

The Premier (Mr. Pallister) makes it very clear in his letter to the Minister for Crown Services that Manitoba Hydro is to be a public corporation, and he says to the member for Fort Rouge (Mr. Kinew) that he's not going to get into this what if kind of a game.

It's silly. I would suggest to the member for Fort Rouge to what if questions because I can remember being in Estimates with Ron Lemieux and Steve Ashton and Becky Barrett, the list goes on and on and on. And any time we got into what if questions, they shut it down because no government, no minister, is going to start getting into what if questions. That kind of stuff does us no good in Estimates. We have before us Estimates books. We have before us concrete numbers. We've tabled like no government before, not like the dark days of the last 17 NDP years where the member and his colleagues redacted everything. We've been open and transparent. We've given straightforward answers unlike ever before.

I mean, this kind of stuff would even make Steve Ashton blush, and Steve Ashton was the most forthcoming member on that side. I mean, he would have never, ever imagined that a government would give these kinds of straightforward answers. And, in fact, where are the answers for Tiger Dams? Why does the member for Fort Rouge not be open and transparent about the Tiger Dams situation, which still hasn't been clarified in this House?

So back to the original answer. The question is about Manitoba Hydro. We've been very clear and transparent that Manitoba Hydro is to stay publicly owned. We've put in a board of directors and we've given a framework letter where we're very clear in the framework letter that we would like to see a company that is run in the best interest of all Manitobans, best interest of the ratepayers, that we keep in mind that there are individuals who struggle in their daily lives, and they shouldn't have to be making decisions between food or keeping their apartment or their house warm. Those aren't decisions that should be made in—on the kitchen tables in people's kitchens.

And under the NDP, under this member, the member for Fort Rouge, the kind of political

interference and mismanagement basically has brought the corporation to the point where it is now struggling with heavy debt load. And each of the Crown corporations has serious decisions to make. And we want to get back to where the companies are run in the best interests of the ratepayers and the taxpayers of Manitoba.

**Mr. Kinew:** I'd remind the minister that I've only been in this House for some seven or eight weeks, and as a result, the only government ineptitude that I've seen during my political career were examples perpetrated by a Progressive Conservative government. So I'd just put that on the record.

With respect to the question and the answer that the minister just provided, there's a logical inconsistency between saying that—promising that Manitoba Hydro remains public is fair game and then saying that promising that Manitoba Hydro Telecom will remain public is the realm of the imaginary, is the realm of what ifs, is the realm of conjecture. And yet that is the two self-contradicting positions that the minister has shared.

\* (16:40)

And it's even more puzzling because in his most recent answer, Mr. Chair, the minister says that answering the question about whether or not Manitoba Hydro Telecom will remain public is imaginary, is the realm of what ifs, and yet he himself just a short time ago answered that very question. So it can't be, at least to, you know, my eyes, that the minister believes both of those things. Rather, I suspect perhaps the minister, having read the words of his First Minister and seeing that he's been caught in sort of a contradictory position between those words which he shared to this committee earlier this afternoon and the words which were shared in the Executive Council Estimates committee a few weeks ago, that he's now trying to double back and provide himself with some cover.

So I'd ask again: Can the minister just tell this House explicitly that Manitoba Hydro Telecom will remain public while his government is in office?

**Mr. Schuler:** First of all, I love to see the member for Fort Rouge backpedalling from his government's record—great to see. You know what? There's a smart politician; take absolutely no—no—responsibility for the last 17 years; take—oh, you know what? He woke up on April the 19th and he broke open that egg and

came out and—oh, that's the only world he recognizes because the last 17 years they don't exist somehow.

But, you know, the fact that there was this—this Tiger Dams fiasco that, you know, contracts went untendered to buddies of the NDP. Oh, no, he knows nothing of that, no; way before his time. He ran under the NDP banner while they were still in government. In fact, it was the premier, the member for St. Boniface (Mr. Selinger) who stood next to him at his nomination meeting and defended him for his less-than-stellar record on Twitter field, and, oh, but he doesn't remember—doesn't remember ever meeting, you know, the former premier, the member for St. Boniface. He's completely walked out on his party's record, and, you know, we can understand why; it's an appalling record.

You know, given the same circumstance, I could see where a lot of other members of this Chamber would also run from the NDP record and run fast because it is an appalling record what the NDP have done. We've spent so much—so much money in the Crown corporations, and it just seems to be a never-ending disaster. The Bipole III, which was supposed to be \$1.2 billion—that was the original estimate, and now I know the member finds that, you know, oh, was it back then? I don't remember back then.

Yes, it was supposed to be \$1.2 billion. It's now broaching \$4 billion. And, the better part, I'd like to say to the member for Fort Rouge (Mr. Kinew), the best part about that whole announcement—and it was supposed to pay for itself. If you haven't heard anything so ludicrous in your life. We just had a rate increase the beginning of June, a 3.6 per cent rate increase which, you know, the members opposite probably would have seen on their bill. And was that rate increase to go for Manitoba Hydro? No, no; that rate increase goes to pay for Bipole III costs because it has so spiralled out of control that the Public Utilities Board actually put in this rate increase that has to go to pay for Bipole III, and the member obviously wants to run away from that record.

Who wouldn't run away from that record? And I understand. You know, I'm an elected official and I can understand why he'd want to run away from all the different things that went on. I mean, the PST increase. I suspect he probably hasn't heard of that either or maybe he has. There's this PST thing that happened. See, the NDP, last 2011 election, went door to door and said to everybody: We're going to spend billions of dollars. You're not going to have

to pay for it; someone else will, and no, no tax increases.

In fact the member for St. Boniface got caught walking out of the debate, and the media cornered him and said, well, aren't you going to have to raise the PST? Oh, he said, read my lips: No new taxes. Nonsense. Inconceivable that we'd have tax increases. They had talked about it at Cabinet before the election about raising the PST, so they really knew before the election that they were going to have to do it after the election. Anyway, there was that little thing. I understand, and I think we all have great empathy for the member for Fort Rouge that he would want to run away from that record.

The first thing they did is increase the PST to apply to a lot of other things, like, for instance, home insurance. You know, that luxury which some people, you know, feel they have to have on their houses, you know, in case their house burns down you actually have something left for your family. Well, of course, they had to tax that luxury too.

And then, if that wasn't bad enough, the next year they didn't just leave it at 7 per cent, they moved it to 8 per cent PST. So they hit all those homeowners who might be struggling, they hit them twice: (1) they hit their home insurance with a 7 per cent PST increase, and then went and moved it up to 8 per cent. I understand fully why the member for Fort Rouge would want to backpedal and run away from his party's record of the last 17 years.

**Mr. Kinew:** I thank the honourable minister for his gracious compliment calling me a smart politician. I do believe those heartfelt words, you know, were probably a sincere gesture on his part, so I do thank him for that.

You know, I—he seems to be outraged—you know, he seems to feign outrage, rather, over the PST increase in the past, but the reality is that his government is committed to continuing to collect those revenues, likely about \$1.2 billion over the course of a mandate.

So, you know, if he was genuine in his, you know, admonishments and hand wavings that we see in the committee here, perhaps he would commit to waving his hands in a similar fashion around the Cabinet table and demanding an immediate rollback of that PST increase.

I—you know, I recall, you know, he making some remarks about, you know, my position on the matter, but actually the First Minister read some of

my remarks on the PST in committee, and so it was interesting to see that the Premier (Mr. Pallister) has been paying close attention, though perhaps the Premier did not share that information with this minister who is now answering.

By a similar token, I don't believe that the Premier shared his position on Manitoba Hydro Telecom with this minister, and so again I would ask this minister can he say explicitly on the record the words Manitoba Hydro Telecom will remain public under this government.

**Mr. Schuler:** Well, and we as politicians obviously have to do a lot to get here, so—to have survived the onslaught of bad decisions that his party made in the last 17 years, culminating with the last four which were just disastrous. And, yes, you know, 57 individuals walked out of the last election as successful MLAs, and I guess that would make 57 smart politicians. Somehow they figured out how to get themselves elected.

And I would say that the 29 new members—I think I might have mentioned this before—are a healthy, healthy addition to this Chamber. The Chamber needed renewal. This Chamber needed some new dynamic individuals. I don't particularly like the fact that the member for Fort Rouge (Mr. Kinew) is—doesn't understand when the question is answered over and over and over and over again that that's actually the answer, but you know what? It's still great having some new blood in the Chamber, and I—it was long time in coming.

I knew his predecessor and his predecessor before that, that was Tim Sale before him and then it was Jennifer Howard came in. And, in fact, I was roles reversed with Tim Sale and we sat in a lot of Estimates. I was his critic when he was the minister responsible for the whole Kyoto Accord environment, and we spent a lot of time talking about environment and those kinds of issues. And one thing about his predecessor Tim Sale, Minister Sale was very passionate and really believed in a lot of things, and it's interesting Minister Sale ended up taking a contrary view on the NDP and the way they were dealing with Manitoba Hydro.

And I would say to the member for Fort Rouge maybe he'd like to sit down with former Minister Tim Sale and ask him, you know, why he disagreed with the way the NDP were doing things with Manitoba Hydro. He and I certainly did not agree on everything, but we worked together on a lot of different files and I got to know him a little bit better

and he finally decided he'd had enough and wanted to move on.

\* (16:50)

So, anyway, I would say to the member we've answered all these questions. The Premier has answered all these questions. He's gotten more answers than any critic has ever gotten at any time, and I know he's—he just wants to go in circles and he wants to keep asking same question and, I guess, at some point in time, he thinks he might end up getting a different answer, and he keeps getting the same answer. The Premier wrote a letter, a mandate letter: Manitoba Hydro is to stay public. I've answered all the questions and we're going to keep our Crown corporations public. We're going to ensure that they are run in the best interest of the ratepayers and the taxpayers of Manitoba, something that the member for Fort Rouge and his party should have done. And, although he may not have been exactly a member in this Chamber, I'm sure he was one of their big advisers. He probably had a lot of sway in this building, and he should take some responsibility for some of the poor decisions that were made.

In fact, I was at a reception for the Bavarian delegation that came in last week, and the Honourable Ed Schreyer, the Right Honourable Ed Schreyer, came in and I was able, as the emcee, to recognize him. It was great to see him, and there's another individual who really had passion for Manitoba Hydro and for what it does. And, if the member would google Ed Schreyer Manitoba Hydro, he'd find out that Ed Schreyer took direct contrary positions to the way the NDP were managing Manitoba Hydro.

And I'd say to the member that, you know, maybe he should, you know, come on over. You know, this is the party that represents, you know, the views of a Tim Sale and of an Ed Schreyer and the kinds of positions that they believe. They would be exactly here with us, saying, absolutely, Manitoba Hydro should be run as an effective corporation to represent the ratepayers and the taxpayers of Manitoba, and that's exactly the way—when both of those individuals—and there were others there. I think it was Len Evans was another one who took a absolute contrary view to the NDP.

**Mr. Kinew:** I share the minister's admiration for Mr. Sale. He was a, you know, great source of advice and, you know, somebody who introduced me to many people in his network. And so, you know, maybe not quite a mentor, but definitely somebody

who's, you know, a person who I look up to with admiration and respect. Leave those words on the record.

To use the minister's words, we keep asking the question because we have received a different answer. We heard an unequivocal, yes, Manitoba Hydro Telecom will remain public from the minister this afternoon, and we heard no answer from the Premier (Mr. Pallister) a few weeks ago.

So I'd like the minister to clarify for us who is right and who represents the position of this government. Is it the answer that the Minister for Crown Services provided today, or is it the obfuscation and equivocating answer that we heard from the Premier?

**Mr. Schuler:** And I would say to the member for Fort Rouge (Mr. Kinew), if he happens to bump into former Minister Sale, make sure he tells him I send my regards.

Like I mentioned to the House, I've spent a lot of years in committee with Minister Sale and had an opportunity to talk to him about a lot of different issues. I, you know, should maybe one day take the opportunity to call him. There were different initiatives that he had undertaken, and the thing is I don't—not too sure all of them were as successful or went as he thought they were going to go, and be interesting to get his feedback now and his views on some of those. And he—yes, he certainly served here for many years.

And back to the member's comments, I don't think the member knows quite how to handle the truth. He can't handle the truth. He asks the question over and over again. He can't handle the—a truthful answer. He asked a straight-up question. The member for appoint—the member for Tyndall Park (Mr. Marcelino), you know, asked: You know, do you intend on, you know, do I intend on selling, and he went through the whole list Crown corporations, and the answer is no.

And insofar as Manitoba Hydro goes, Manitoba Hydro is mentioned explicitly in the mandate letter for a good reason. And, if the member for Fort Rouge would have maybe paid attention, I mean, I laid out for the member why it was that we mentioned Manitoba Hydro explicitly in the letter. It was because of the kind of misinformation, the kind of bad politics—dirty politics that was played in the 2011 election campaign. And it was unfortunate what the NDP did during that election campaign.

And it's—the NDP goes through and they try to frighten people, they try to scare people. And they did that in this election campaign, too. And it's this negative, American-style campaigning; this terrible, negative US politics that the NDP have brought to Manitoba. And I would make the argument that there probably isn't a provincial party that has more affected the negativity of politicking in the country than the NDP provincially here in Manitoba.

Now, eventually, people do grow tired of it. I think people do get disgusted with it. And they tried it in last election, you know, just trying to scare people about—they were going to lose their jobs, they were going to lose—no more—they were going to lose their jobs, they were going to lose their cancer treatment, they were going to lose all kinds of stuff. It was just terrible, terrible campaigning. And we see the questions continuing with this member. And this member's continuing that kind of negative scare tactics, scaring people that somehow they're going to lose their livelihood, they're going to lose their homes, and they're—I think Manitobans rejected that, and I believe that Manitobans have had enough of that kind of politics.

And we've made it very clear, we made it clear for the last 17 years we were not going to privatize Manitoba Hydro. We got into office, the first thing the Premier did is wrote a letter to the minister responsible, we're not going to privatize Manitoba Hydro. The member went into committee, and the Premier—very clear that, you know, we're not going to get into second-guessing, we're not going to politicize the Crown corporations, we're going to respect our Crown corporations. And yet members opposite, they have all of it there. It's all in front of them and, yet, somehow they can't seem to understand that we've made it very clear Manitoba Hydro is going to stay a public corporation. It's going to be strengthened under our government.

The Premier's been very clear that Manitoba is going to be the most improved province in the country, and I would suggest to the member for Fort Rouge that the Crown corporations are going to be the most improved corporations in the province by the end of this term. We are going to ensure that those corporations are run efficiently, are run effectively, are run in the best interest of the ratepayers and the taxpayers of Manitoba, and we're on that path already. We believe that the Crown corporations are instrumental and important to Manitobans, and we're going to run them accordingly.

**Ms. Judy Klassen (Kewatinook):** The Forks Market is a favourite Winnipeg tourist attraction. I went in there recently to escape from the rain, only to find it was raining on the inside as well. There were literally buckets everywhere filling up.

Some background information: I have already asked Minister of Indigenous and Municipal Relations (Ms. Clarke), and she was the one who was referred me to yourself as the Minister of Crown Services (Mr. Schuler) for the answer. Her initial response was that it was from condensation, and if I would encourage the member to go to The Forks and see for himself it is not condensation.

I want to know: Is there commitment to fix the roof of—at The Forks Market?

**Mr. Schuler:** Well, I'd like to thank the member for the question. And, unfortunately, the members for Fort Rouge (Mr. Kinew) and Point Douglas (Mr. Chief) so—and Tyndall Park (Mr. Marcelino), pardon me—so dominated the time that I believe I've got 30 seconds to answer the question.

I'd like to tell the member The Forks has a very soft spot for me. That's where I started my business career. *[interjection]* We seem to have an hour and 30 seconds left to answer that question. We are—*[interjection]*—with leave, if the member wants to give me an hour, I could answer her question.

\* (17:00)

I'd like to say to the member that The Forks has a very soft spot. That's where I started my business career. I opened up a—well, partially—I'd gotten into business a little earlier than that, but insofar as a retail business, I opened up a retail operation—I think it was '92 or '93—at The Forks in the Johnston Terminal. I was very, very involved in the whole market and what was going on there and how that's being run. And so it—I remember when it was just a mud patch. It was just a disgraceful, ugly place. And the first building that was redeveloped—the first building that was developed was the market and then the Johnston Terminal, and then after that came the Children's Museum and then the power house which is now, I think, a TV station.

And, in fact, outside of the market there had been a discussion of ripping down all the buildings. And I'm glad they preserved them because when you go into the Johnston Terminal, that—the market was where they stored the horses. The Johnston Terminal is where the freight was held. And then there's the Children's Museum, that's where the locomotives

would go through, be repaired and then they went out and there was, like, a round, circular thing where they would turn the trains around and then they would—they'd face them the other direction and they would head back out, collect their trains and leave.

So I will look into this for the member. I'm surprised to hear that because The Forks Market is, of course, a great place, and we will endeavour to find out what's taking place there. I understand there was a—quite a renovation taking place at The Forks Market. They were looking at doing a lot of different changes insofar as the businesses and the look of the building. So I will get back to the member and get her an answer on that.

**Ms. Klassen:** I appreciate the promise of an answer to come.

My next question has to do with dual meters. On some communities that I've gone to, I noticed that Manitoba Hydro employees are privy to getting a—*[interjection]*

**Mr. Chairperson:** The honourable member for—the honourable minister.

**Mr. Schuler:** I hate to interrupt the member. I have been sitting here for a lengthy period of time. Would it be—would the committee allow me to take about two, three minutes and go freshen up?

**Mr. Chairperson:** Well, we'll take a break for three—leave for three minutes? Is—there's—agree with the recess? *[Agreed]*

The committee is in recess.

*The committee recessed at 5:03 p.m.*

*The committee resumed at 5:09 p.m.*

**Mr. Chairperson:** Okay, the honourable minister still has four minutes and 40 seconds to answer his question. Or—is there—oh, you already answered the question. *[interjection]* Oh, you're still doing it. Okay.

**Ms. Klassen:** So, my question was: In many northern communities, you see on houses dual meters, one for Manitoba Hydro employees. What is the process for me finding out why these employees pay the same rate as somebody from down south and our northern residents pay the higher bills from Manitoba Hydro?

**Mr. Schuler:** Before I answer the question, I'm going to defer to the Minister of Agriculture who wants to table something for the House.

**Hon. Ralph Eichler (Minister of Agriculture):** I do have a response to a question rose yesterday by my critic, the member for The Maples (Mr. Saran). I'd like to table that answer.

**Mr. Chairperson:** Tabled. Thank you.

\* (17:10)

**Mr. Schuler:** I appreciate the member's question and, before I get into her very serious question, I just wanted to make it very clear I no longer have an interest in any business at The Forks, just to be very clear.

I used to be partner in the cappuccino bar and the Christmas store and sold out all my interests there, a very exciting time. Maybe another day we could sit and I—just the developing of a business and creating a business and how family was all involved. We used to have the Christmas store, and I'd bring my oldest, who's now—she's probably appalled that I'm telling any of these stories—she was maybe six months old, nine months old. And she was just sitting—I used to sit her on a tissue paper and—because I used to, when her mother was working half time, I always had the kids the other half time. And so I would take the babies with to work, and that's what we did, and my oldest would sit on the tissue paper and just loved the crinkling feeling; it would just be so enthralled with it all, and we could have meetings and work in the business and just give her a piece of tissue paper. If life was only so simple now.

But The Forks is a very important place and I appreciate the member raising that issue.

I do want to say to the member that with the dual-meter issue, if she would put that into a letter and send it to my office, I would be more than willing to get her an answer for that, and we'll send that right into the corporation and get an answer back from—and I would suggest to all members, and we're trying to work through this as an office. We're trying to bring MLAs in, and we're going to make the same offer to the Liberal caucus. I've already spoken to the member for River Heights (Mr. Gerrard) and I've spoken to some on the NDP benches. We'd like to do the same thing as have the MLAs come in, in groups, and then explain how we take care of constituency case work because a lot of our work as MLAs does involve Crown corporations and more so the kinds of

stuff, you know, my licence, my insurance, Manitoba Hydro, that kind of thing.

And we'll endeavour to bring all the MLAs in over the next few months and sit down, explain how we do it and because it's important for every MLA to understand that we're being very careful that no politics is played with this and—but to this issue, that's, again, not even a constituency case issue; that's even bigger than just that. If the member would send that in a letter, we would be, you know, more than willing to get an appropriate answer for the member.

**Ms. Klassen:** I just wanted to say thank you for that answer.

**Mr. Tom Lindsey (Flin Flon):** Just want to get the minister's opinion on public-private partnerships as they relate to Crown corporations.

**Mr. Schuler:** As far as Manitoba Hydro's concerned, it's a public corporation. As far as Manitoba Public Insurance Corporation's concerned, it's a public corporation. Far as Manitoba Liquor & Lotteries is concerned, it's a public corporation.

I don't see any public-private partnership in the Crown corporations.

**Mr. Lindsey:** I guess maybe the minister didn't quite hear the question correctly or perhaps I didn't word it correctly. But what is the minister's opinion about public-private financing when it comes to Crown corporation projects?

**Mr. Schuler:** Well, I'd have to say to the member that I think we've been really clear. The corporations are public. When we go to the market—for instance, Manitoba Hydro, when they're going to build a dam, they go to the market and they get private capital. It's not government capital; they go to the markets, and they get bonds or, you know, wherever they go to get their finances, whether it's from a mutual fund or whoever, but they borrow money, and it's considered private money, but it—the corporations are public.

**Mr. Lindsey:** I appreciate the member's answer. However, I understand that if Manitoba Hydro, for example, goes to build a dam, they borrow money. They don't necessarily borrow it from the government; they borrow it from a lending institution, which isn't the same as a private-public partnership where a private entity would, perhaps—if you're building a highway, for example, the private entity would want to have a toll road at the end of the



day to potentially not just recoup their investment, but to make a profit on the investment.

Does the minister have any concept of any type of public-private partnership for any construction projects within the Crown corporations that he's responsible for in that light?

**Mr. Schuler:** I've never heard of this before, and I don't know if the member is referencing, maybe, the—*[interjection]*—Yes, that we've got First Nations partnerships with Manitoba Hydro. I guess that could be public-private partnership. I don't know if the members would view that as privatization. I don't think that's the way it's being viewed. The other thing is we've got Manitoba Liquor & Lotteries going into some grocery stores and having kiosks. I don't know if that's what the member's referencing, but I've never heard of private-public partnerships in the Crown corporations, certainly not as it relates to our Crown corporations here in Manitoba. I've never heard that reference before. That's news.

**Mr. Lindsey:** I appreciate the minister's answer, and I guess we'll have to explore clarity on those particular issues with someone else on another day, perhaps. The minister's been in the chair for a long time and even though he's had a little break, it's probably wearing on him at this point in time. So, having said that, I don't believe I necessarily have any other questions for this minister. If anyone else does, they're free to—welcome to ask them. If not, we'll move on to the next minister, and that would be Infrastructure.

**Mr. Chairperson:** Okay, so, we're going to go on to—is it agreed by the opposition to change ministers—a different—Infrastructure, you said?

**Mr. Lindsey:** Just one minute, please.

**Mr. Chairperson:** One minute, please? Okay. Have a break here.

So, we're going to go on to Infrastructure, and if—*[interjection]* One of the members have a question. *[interjection]*

Okay, sorry. One second here.

**Mr. Ted Marcelino (Deputy Official Opposition House Leader):** The honourable minister for Crown Services will be called back tomorrow.

**Mr. Chairperson:** Okay—*[interjection]* He's on the list already for tomorrow, yes, so he—we already have him down.

**Mr. Marcelino:** We will proceed with Infrastructure for now.

**Mr. Chairperson:** Okay. Thank you.

**Mr. Lindsey:** I welcome the honourable Minister of Infrastructure (Mr. Pedersen) back into the chair again, and, hopefully, he's had a nice break from questioning and got his head clear and ready to go again.

This morning, the minister had said something about, he didn't believe that PLAs were forced unionization and yet, in his opening statement on June 21st, he did, in fact, say that he believed that. So, I'll just quote from what he said from Hansard. Give me a minute.

\* (17:20)

Also, in that letter, as Minister of Infrastructure, I will work to open up government tendering by eliminating the old forced-unionization approach by ending project labour agreements.

So, does the minister stand by his statements this morning or the statement he made the other day that PLAs were a form of forced unionization, whereas this morning he said they weren't? Is the minister just confused? Perhaps he could clarify his stance on that statement.

**Hon. Blaine Pedersen (Minister of Infrastructure):** To the member for Flin Flon (Mr. Lindsey), project labour agreement—under a project labour agreement, all workers are forced to pay union dues even if they belong to a union or not. In fact, and my colleague from Flin Flon will correct me if I'm wrong, but even—you may have to pay union dues to a different union than what you belong to is—and I believe that's what happened in the Floodway project.

So there is union dues being forced upon workers whether they belong to a union or not. So, you know, the member can play with his words, whether that's forced unionization or not. If I am forced to pay union dues, I am paying those against my will because it's being forced upon me.

And I will just go back to the meeting that the Premier (Mr. Pallister) and I held with the Heavy Construction Association and some other stakeholders that were at that meeting back in, I think—May 11th that meeting was held. And, as a result—and this is reading right out of the Manitoba Heavy Construction Association's The Heavy News Weekly, dated May 12th—I don't need to table it

because it's online and you can get it—if you haven't—you probably got it in your mailbox in the Leg. And, amongst the general discussion that was held there, points made by the attendees included a request that project labour agreements, PLAs, to the extent used, not require any form of forced unionization provision. They should also respect the right of workers to choose for themselves how they wish to organize or be represented in the workplace. Moreover, where used, they should support competition to the—benefit project costs through open, competitive bidding.

So I don't know what the member—why he would have concerns with having open, competitive bidding, why he would not support competition to benefit project costs and those—by benefiting project costs that would be lower cost to the taxpayer, better return on investment for the taxpayer.

And perhaps the member is not interested in that, but it—we got a clear mandate on April 19th that the taxpaying public in Manitoba were sick and tired of the NDP using their savings, their tax dollars like it was their personal cash machine to spend however they want to whomever they want, including their friends, including non-tendered contracts to friends, payments to friends and non-disclosed payments—severance payments to staff from the former premier's office if, through the April 'eleventeenth' election that—April 19th election—that came very clear that Manitobans were tired of that. They want better value for their tax dollars.

And, if the member from Flin Flon is opposed to that, perhaps he needs to go back and talk to his own constituents and ask them if they really do enjoy having the NDP waste their money, or whether they really do want better value for their tax dollars in terms of whether it's infrastructure or health care or education or you pick your place, wherever the tax dollars is. They—Manitobans told us that they were tired of commitments and false promises. They wanted real value for their tax dollar, and that's what we will deliver in the—in this mandate, in order to make Manitoba the most improved province of all of Canada.

**Mr. Lindsey:** I thank the minister for his non-answer to the question.

The question was: Earlier, on June 21st, he said that his mandate was to end forced unionization by ending project labour agreements. This morning he said something completely different.

So which side of the coin is the minister on? Does he believe that project labour agreements caused forced unionization, or does he accept the reality of the fact that nobody in a project labour agreement was forced to join a union?

**Mr. Pedersen:** Well, I'm on the side of the taxpayer in Manitoba, because the tax-paying public is sick and tired of the NDP's wasteful spending, the billion-dollar deficit that we now find ourselves in because of the complete lack of respect for the taxpaying public in Manitoba. And so I am on the side of the taxpayer in Manitoba, and I will remain on the side of the taxpayer in Manitoba to bring fair value and to get the best return on their tax dollars. And, in order to help us help Manitoba move forward and become the most improved province in Canada, and given where the NDP have left this province, they've set the bar fairly low, so we will be—we will keep raising that bar to improve Manitoba to make it a better place for all Manitobans so that we can keep our kids at home here instead of having them look to other provinces to move to find job opportunities, further education, whatever the case may be. We need to make Manitoba the place to be, and that's what this government is all about. And we will continue to work on that.

**Mr. Lindsey:** So the minister doesn't know where he stands on the issue of forced unionization, because, clearly, he hasn't answered the question, because, clearly, he doesn't understand the concept involved. So he stands on the side of Manitoba taxpayers.

Does the minister admit that construction workers are Manitoba taxpayers? Does he stand on their side as well?

**Mr. Pedersen:** Well, of course, union members are taxpaying Manitobans. Why wouldn't they be? We're not segregating our population here, as much as the member from Flin Flon wants to. There is every right in this province to form a union. There is every right in this province—however, we want to see secret ballots for those, not the card signing, which this member likes to promote and somehow says it's not democratic, to have a secret ballot. But we're in favour of secret ballots and democracy within this.

But every Manitoban, whether they belong to a union, whether they don't, whether they work for someone, whether they are an employer, whether they're a child, whether they're an adult, whether they're a senior, they're all Manitobans. And every Manitoban wants to see better value for their tax dollars. That's why they voted as they did on

April 19th, because they were tired of the waste and mismanagement of this former government.

And the member from Flin Flon can either decide he wants to get value for the taxpayer, or else he can stick with his party's mandate of working against the taxpayer, then against the incredible opportunities that we have in this province by being more competitive, by opening up business—and so that either people can work for businesses or they can open their own business, because that's how Manitoba will grow. It will not grow by an NDP government that considers it's the only one out there who can create jobs.

\* (17:30)

**Mr. Lindsey:** Thank you for that, I guess.

Before we leave that project labour agreement, how does the minister believe the Conservative government's stated intention to join the new west trade partnership plays out against project labour agreements that were specific in Manitoba that provided protections for Manitoba workers? Does the New West Partnership—is it against those kind of protections for Manitoba workers?

**Mr. Pedersen:** That's an intriguing question because if we listen to the member for Fort Garry-Riverview (Mr. Allum), during the campaign, he said there was no such thing as the New West Partnership. He said it was our imagination. So I'm not sure whether the member from Flin Flon has talked to the member for Fort Garry-Riverview so that maybe—you know, I—it's really difficult to keep up with the various positions within the NDP caucus because one—the member for Flin Flon (Mr. Lindsey) now says there is a New West Partnership. The member for Fort Garry-Riverview still says, from his seat, there is no such thing as a New West Partnership. So, you know, maybe they—I can understand they don't have caucus meetings because they just don't get along, and, by golly, I just came from a meeting where I saw that evident again, but I'll leave that one.

But, you know, the New West Partnership offers advantages to Manitoba, and we are certainly pursuing that as a government. It remains to be seen what happens there, and we will—we believe that fair and open competition is good for Manitoba. We believe that Manitoba really can compete. This government really does believe Manitoba can compete. The former NDP government was trying to—it's a bit like a turtle. They were trying to pull Manitoba inside the shell and keep everyone away

from Manitoba. And that was not good for our province. We saw that in how taxes were hiked. We saw that on how they opposed everything when it came to trade. And, you know, the free trade agreement from many years ago, the NDP came out opposed to that and then all of a sudden saw the light and thought it was a good thing. So, you know, I—in some ways, I kind of understand why the NDP can't seem to get their act together on this.

We certainly are excited about the potential of joining the New West Partnership, and we will continue to pursue that. Perhaps the member for Fort Garry-Riverview can maybe pick up the phone and ask Rachel Notley, Premier Rachel Notley in Alberta, about the New West Partnership. I'm sure she's aware of it and the advantages of it.

So we'll just keep working on this. Despite the statements made by the member for Fort-Garry Riverview about the so-called non-existence of a New West Partnership, we know that it's there. We will continue to work towards it. It will be good for Manitoba. It's good for western Canada. And it will help increase our trade and help increase our competitiveness around the world. We can't live inside a shell. We must trade. We are a trading nation; we're a trading province. And this is just the beginning of it by joining the New West Partnership. And we will continue to build on that going forward.

**Mr. Lindsey:** I guess you and the other member could have your debate about whether there is or there isn't a new west trade partnership.

Having said that, do you believe that having project labour agreements is contrary to what would be contained in your signing onto a new west trade partnership? Do you believe that protecting Manitoba workers would be against what you would sign onto with the new west trade partnership?

**Mr. Pedersen:** We would be protecting workers by signing onto the New West Partnership. Contrary to this former government, who wanted to live in their shell and stay away from everyone, joining the New West Partnership would, in fact, help workers across this province. It will enable them to be able to move freely, to be able to compete in order to bid on jobs that right now are being shut out from us because we are not in that partnership. Any time we can bid on jobs and gain a contract means that we will also be competitive, and when you get a contract, you will have employees working.

So how the member figures out that joining the New West Partnership is not going to be good for workers is something the NDP caucus can maybe, you know, like, have a meeting and see if you can agree on at least one position, you know; get the member from Fort Garry-Riverview to convince you that it really doesn't exist, and then it, you know, it becomes a moot point for the member from Flin Flon.

We believe it's a good move. It's going to help workers, and what we need to do—and that's workers whether they're unionized, whether they're not unionized; whether it's a unionized company that operates within the union or without; it doesn't matter. It's good for workers no matter what their job position is.

And we will work forward to that because that's what helps build the economy of Manitoba, unlike this previous government who thought they were the only ones who could employ people and they did everything they could to dissuade business from expanding in Manitoba.

**Mr. Lindsey:** Well, I guess the minister can have his opinion. Various other people expressed opinions about Manitoba's growth, Manitoba's economy, Manitoba's job growth, that are contrary to what the minister's statements or beliefs—or maybe he doesn't read other people's opinions; he just runs with his own. I don't know.

Clearly, these trade agreements, and the New West Partnership being one of them, are not always good for working people, as evidenced by recent reports in the Regina Leader-Post that talked about Saskatchewan contractors being cut out of bidding on projects in Saskatchewan, specifically because contractors from other locations—labour costs were so dramatically less because they brought in unskilled, low-wage workers.

Is that the kind of worker that this minister believes will build Manitoba to be the best province ever, is low-skilled, low-paying workers?

**Mr. Pedersen:** Perhaps the Minister of Growth, Enterprise and Trade (Mr. Cullen) will—can bring the member from Flin Flon up to speed on his announcement yesterday, but as the minister was telling me today, that there are a good number of very high-paying jobs potentially coming to Manitoba by attracting this business here to Manitoba.

\* (17:40)

That's how you will build up the economy. That's how you will encourage growth because those—that business will continue to grow. It will attract other businesses. And we need to have a competitive tax regime in order to attract businesses. We are—our sales tax is much higher than Saskatchewan, and I know the member from Flin Flon will know that because he just has to wander across town to Creighton to pay less sales tax on his—on any items that he's buying.

And, of course, in Manitoba the NDP expanded the sales tax which, again, makes us uncompetitive with other jurisdictions. The Canadian dollar—with the drop in the Canadian dollar, then the US market—or marketplace is not quite as attractive to Manitobans now, given the dollar difference. But, certainly, the taxes, sales taxes are still lower in North Dakota.

And so we face a real dilemma here in Manitoba because of the position that the NDP never saw a tax they didn't like and increased taxes across the board and made it much more difficult for Manitobans to be competitive, you know, just to have those businesses be able to compete here at home in order to attract the customers into their stores rather than going to a neighbouring jurisdiction.

The member from Flin Flon will be very familiar with the people that trek out of his community to go to communities such as Yorkton and other communities, larger communities in Saskatchewan, to do their shopping. And what's happened is that when a community empties out to go to a neighbouring jurisdiction, they don't just go buy a few convenience items. They buy their groceries. They buy their major items and they treat the stores at home within the borders—and this happens all along the border with Saskatchewan and to a certain extent with the southern border with North Dakota right now. It's that people will buy their major amounts of items from a neighbouring jurisdiction and treat the stores at home as convenience stores, and that's hurting our business.

We need to be able to have that competitive place here in Manitoba, and if the member from Flin Flon wants to subscribe to that NDP turtle-shell idea, well, that's unfortunate. But Manitobans decided otherwise on April 19th, and that's our mandate, is to make Manitoba more competitive and that's, you know, just one of those—how—one of those things that we'll do in order to make Manitoba the most improved province in the next few years.

**Mr. Lindsey:** I thank the minister for that.

I guess it's strictly ideologically driven, the desire that—and I'm sure it's not every member of the government caucus that's of the same opinion, but it seems to be the driving force that ideologically they need to make sure that protections that have been put in place for workers, through things like project labour agreements, seem to be in conflict with their desire to move the province into a New West Partnership and possibly a Trans-Pacific Partnership. It's most unfortunate, I guess, that that appears to be—at least to me—the direction that ministers are taking. So let's leave that for now. I'm sure we'll get ample opportunity to discuss New West Partnerships and TPP again in the future.

Let's go back to our favourite, well, our next favourite topic of road construction that the minister's responsible for, as well. And, correct me if I'm wrong, but I believe yesterday the minister said that the budget for northern road construction was at 25 per cent of the total construction budget and the minister felt that it should be 10 per cent, based on the population or the density; I can't remember just what it was. Is that a fair recollection of what the minister said yesterday?

**Mr. Pedersen:** No, he's wrong.

**Mr. Lindsey:** Well, that's certainly the shortest answer this minister's ever given, and I appreciate that. That's why I asked him to clarify.

So, then, the statement about—that the NDP government had committed 25 per cent of total road construction budget to northern roads that's going to remain in place?

**Mr. Pedersen:** The member's wrong again. So let me explain this one more time, and that's the great thing about Estimates and the great thing about concurrence is that we get to repeat the message, repeat the message and maybe, eventually, the message will get through.

When the NDP came to power, in 1999, the then-premier of the day and the ministers directed the Department of Infrastructure to dedicate 25 per cent of the road budget to northern Manitoba. Just to be clear, the total number of roads in Manitoba is approximately 19,000 kilometres; northern Manitoba, by districts, has about 10 per cent of the total road network.

Now, in the last number of years, the NDP—in the last five years or so, the former NDP government

did ratchet the capital back to approximately 10 per cent of the total road capital budget to northern Manitoba, which makes sense. If they have 10 per cent of the roads, they would get 10 per cent of the capital budget. However, the problem with this is that the—while they reduced the capital budget in northern Manitoba, they also reduced, province-wide, the maintenance and preservation budget of the Department of Infrastructure.

When you reduce maintenance, when you reduce preservation on roads, the roads deteriorate faster. And, in fact, the road's deterioration compounds, as each year goes by, when you spend less. So they budgeted less on maintenance, and then I'm—I hope this is not too complicated for the member, but to compound upon compound is that they cut the budget by 27 per cent average over the last number of years on the infrastructure budget. They underspent the infrastructure budget by 27 per cent.

So first they reduced the maintenance and preservation, then they underspend the budget, and then the members, including the member for Flin Flon, the member for The Pas, the—you pick your member, they all stand up: Why won't you fix our road our roads? Our road's in terrible shape. Well, if you'd looked after the roads in the last 17 years, you wouldn't be in this position.

So I hope I've explained this now, slowly and rationally, so that the member understands the damage that the NDP government did to our road system throughout all of Manitoba, because we now have a road system which has been neglected. And that we will—as a new government, we have dedicated a billion dollars per year, not this raiding, raiding and then, suddenly, trying to vote, by the year of an election, increasing the budget.

\* (17:50)

So that we hope that I've been able to explain this in a way that the member understands. Don't blame us for the condition of the roads that you, your government, created over the last 17 years. Manitobans elected a Conservative government to fix up the mess that the NDP left in government, and that includes the road system. And we will work very hard to repair the road system all across Manitoba, no matter where you live, because accessibility to communities is important. That's what drives our economy, that's—everything from driving the economy to safety. That's paramount. And we will work on that in a sustainable, strategic manner.

**Mr. Lindsey:** Thank you for so patiently explaining something to me yet again. I'm sure we'll go back and ask more questions about that again.

So let me see if I understand. I'm not interested in playing a blame game either, either with the previous government or the present one. What I want to know is what this government's plan is for fixing roads, specifically in northern Manitoba, but also, I'm told that there's many roads in southern Manitoba that are in need of attention. Some of the ones that I know personally that I drive on certainly need some attention. So I'm interested to hear this minister's plan going forward—not going backwards but going forwards—of what the government plans for capital on those roads as well as the maintenance budget, because if you buy in to his theory about the cuts to the maintenance budget, then it would stand to reason that the maintenance budget would now have to grow in order to maintain these roads, and I don't believe that's the case. At least not in this budget; the maintenance budget hasn't grown, I don't believe.

So I'd be interested to hear the minister's plan going forward for road maintenance and construction.

**Mr. Pedersen:** Well, I'm glad the member understands the damage that was created in the last 17 years. That's a good start. We now understand where we're at.

And this is the balance that we will have to find because, again, I would urge the member not to talk about just the North, not to just to talk about the south or the east or the west or whatever. We're here for all of Manitoba. It doesn't matter where you live in Manitoba. You need to have a road access to be able to—no matter whether you're talking about safety, health, education, transportation of goods or whatever. So that's where we're faced—what we're faced with right now.

So we will look forward in the years to come is to figure out, first of all—sorry, I'm going to back up just a minute. First of all, that's why we've committed to, and in my mandate letter, is \$1 billion per year in roads and bridges infrastructure. Not the cut the budget, cut the budget and then the year of an election, try to outspend everyone on it. That's not how you build strategic infrastructure. The balance will come in—is how do we address the lack of maintenance and preservation and keep the capital budget up. This will be a balance. And I don't have

an answer for you right now how we're going to balance that out because we still need to look at all our roads throughout the province. The department has an excellent record on all the roads, all 19,000 kilometres and all 3,000 bridges and large culverts that's in our department. So we will have to figure out how to do this.

Now, 10 weeks into government, I don't have an answer how we're going to address this infrastructure deficit that is—that's been handed to us. And it's—and, you know, to be fair, the City of Winnipeg faces an infrastructure deficit. Every province faces some sort of infrastructure deficit, and we haven't even talked about water and sewer infrastructure deficit. I'm just talking roads and bridges. So this is something that we'll need too. But you don't do it—you don't address this problem by cutting funding or underspending your department and then trying to make up for it in a year of an election.

So we will be very strategic about this and make sure that we get the best bang for our buck. That includes open and fair tendering. That includes making sure that we get these contracts out in front of the construction season.

And, as mentioned by the member, we're talking about the current contracts out for this year. I'll remind him again that those were out—the advertisements were out in the fall; the tenders went out in January-February and awarded shortly after. So this season is set in stone right now for where it's at. We do need some co-operation from Mother Nature, because it hasn't been real good with the wet weather we've been having in terms of getting that far. But we've got a long summer ahead of us. Hope for good weather this summer, that we can actually get this work done and perhaps even, you know, we'll look to see where we're going later this year and, certainly, we'll be start—into planning for the coming years over the summer here and into the fall.

**Mr. Marcelino:** On House business, we are almost done with the list for today, and we will proceed with the list that was previously submitted by the Opposition House Leader.

That being understood, thank you.

**Mr. Chairperson:** Okay. Well, thank you.

**Mr. Lindsey:** Now my train of thought has jumped the tracks. Good thing it wasn't on a highway; I'd be in trouble.

How does the minister reconcile the reported \$48-million cut in infrastructure spending with his statements about the need to do more maintenance, to do more construction? How do those two concepts go together?

**Mr. Pedersen:** I'll try again. I guess if I speak slower, maybe it will come in. Maybe it will sink in.

The highway tenders that the capital budget is advertised in November and December, so that all the contractors know what business is out there. The tenders are then put out on MERX, I believe it's called, M-E-R-X, for all the contractors to be able to bid on. The specifications of the tenders, the time frames for the tenders is all built into the tenders. If I remind the member that it was a former government that was in when those 2016 advertisements were sent out—or were put out in November and December, then the tenders were awarded after January and February, after they were

put out for tender. They were awarded by the former government for the construction season of 2016.

So where I—you know, the members are quite adamant about this, but it was actually their budget that they're talking about on here, that they have—the tenders have been awarded, and so we're honouring those tenders that were awarded. And yet the government somehow—or the former government—maybe it's just NDP math; I don't know. I—you know, tomorrow I'll bring a calendar—

**Mr. Chairperson:** The hour being 5–6 p.m., committee rise.

Call in the Speaker.

#### IN SESSION

**Madam Speaker:** The hour being 5 p.m., the House is now adjourned—the hour now being 6 p.m., the House is now adjourned and stands adjourned until 1:30 tomorrow.

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, June 28, 2016

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