PROVINCE DU MANITOBA

Rapport annuel et comptes publics

POUR L'EXERCICE TERMINÉ LE 31 MARS 2021

21

Manitoba

ARRÊT
STOP

PROVINCE DU MANITOBA, RAPPORT ANNUEL ET COMPTES PUBLICS
LE 31 MARS 2021

Manitoba

MINISTRE
DES FINANCES

Palais législatif
Winnipeg (Manitoba) R3C 0V8
CANADA

Son Honneur l'honorable Janice C. Filmon, C.M., O.M.
Lieutenante-gouverneure de la province du Manitoba

Votre Honneur,

J'ai le privilège de vous présenter, à titre informatif, le rapport annuel de la province du Manitoba pour l'exercice qui s'est terminé le 31 mars 2021. Ce document complète le compte rendu des activités du gouvernement pour cet exercice. Le rapport comprend une récapitulation des résultats de l'exercice par rapport au budget du gouvernement. Il contient également des statistiques et des indicateurs de la santé financière de la province.

Le présent rapport annuel contient le rapport de fin d'année, le rapport d'analyse des états financiers de la direction, les états financiers sommaires, et les rapports prévus dans les comptes publics.

Le ministre des Finances,

Original signé par Scott Fielding

Scott Fielding

Cabinet du ministre des Finances
Septembre 2021

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OÙ VA MON ARGENT?
APERÇU DES REVENUS ET DES DÉPENSES

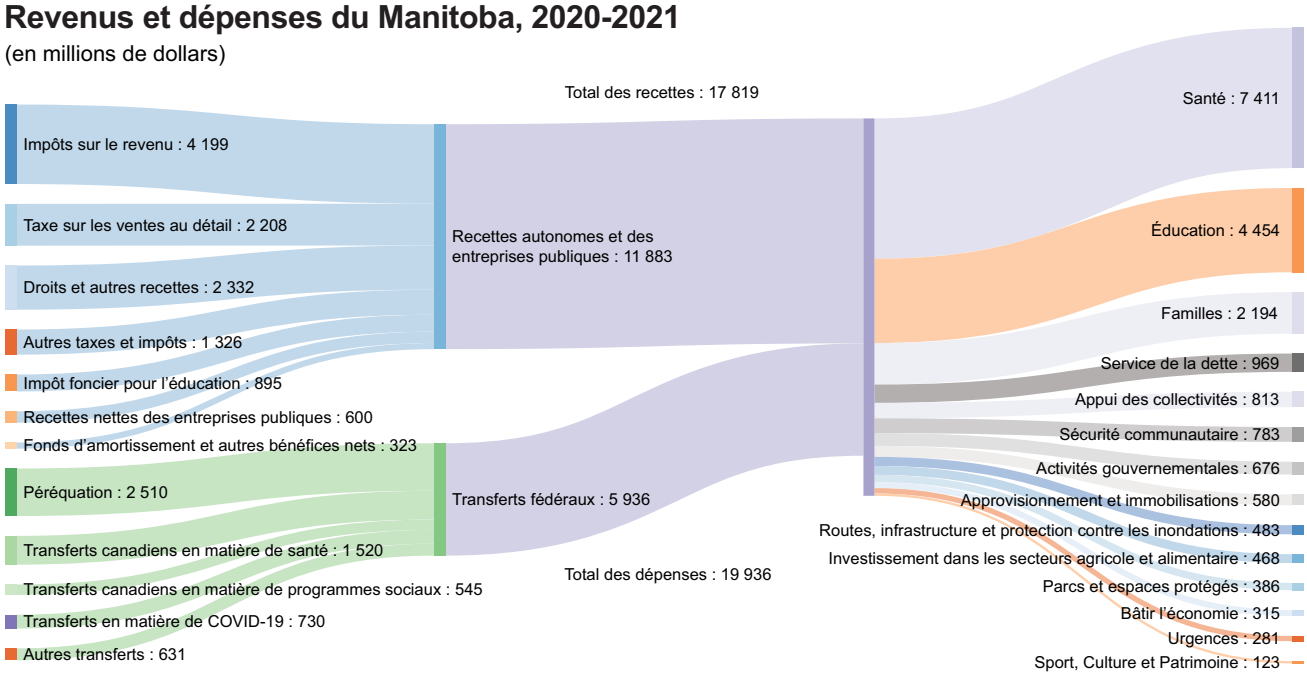
Une gestion financière prudente exige un équilibre de près de 18 milliards de dollars entre les recettes autonomes et transferts fédéraux et les dépenses consenties aux ministères et aux autres entités comptables.

Comme illustré ci-dessous, les recettes provinciales proviennent de 12 sources différentes et sont versées aux secteurs prioritaires par l'intermédiaire des ministères, à leurs entités et organismes financés par le gouvernement. Les soins de santé représentent environ 37 % (ou 7,4 milliards de dollars) du budget total.

La santé, l'éducation et le soutien aux services sociaux et aux familles représentent près de 80 % du budget.

La dette publique provinciale, qui est passée à plus de 30 milliards de dollars en 2020-2021 en raison de la pandémie de COVID-19, représente un défi constant dans la gestion des dépenses et exige des frais annuels de service de la dette d'environ un milliard de dollars.

Revenus et dépenses du Manitoba, 2020-2021
(en millions de dollars)



PRÉSENTATION DU RAPPORT ANNUEL

Les résultats financiers de l'exercice 2020-2021 ont ressenti les effets négatifs de la pandémie de COVID-19. Cela s'explique par l'augmentation des dépenses gouvernementales en vue de protéger les Manitobains et leurs moyens de subsistance, et par la diminution des revenus en raison des effets de la pandémie sur l'économie provinciale.

Comme les gouvernements du monde entier, le Manitoba a enregistré un déficit budgétaire considérable à l'exercice 2020-2021, ce qui a entraîné une hausse correspondante de la dette. La situation financière sommaire de la province au 31 mars 2021 est une perte nette de 2 117 millions de dollars, soit une augmentation de près de deux milliards par rapport au budget 2020. Ces résultats financiers, ainsi que les risques continus que pose le virus, étaient impensables il y a un an et demi, pendant les préparatifs du budget 2020.

Les recettes autonomes de la province ont été de 566 millions de dollars inférieurs à ceux de l'exercice précédent, principalement en raison d'une importante diminution des remises d'impôt sur le revenu des particuliers et des sociétés à la suite du ralentissement économique. Les autres recettes fiscales provinciales et les recettes nettes des entreprises publiques, notamment la Société manitobaine des alcools et des loteries, ont aussi ressenti les effets négatifs.

Les transferts de 730 millions de dollars du gouvernement fédéral en réponse à la COVID-19 ont aidé à compenser la perte de recettes. Par conséquent, le total des recettes sommaires par rapport aux prévisions du budget 2020 a été supérieur de 82 millions de dollars.

Les dépenses avant le service de la dette s'élevaient à 2 011 millions de dollars de plus que le budget, soit 2 368 millions de dollars de plus qu'à l'exercice précédent. Les dépenses ont été principalement attribuables à la COVID-19, notamment la réponse en santé publique et les nombreux transferts et programmes de soutien aux particuliers, aux entreprises et à d'autres secteurs. Ces dépenses sont détaillées à partir de la page 25.

Le ratio de la dette nette au PIB, une mesure importante de la durabilité fiscale, a également été touché par le coût de la pandémie. Avant les événements, la projection était de 34,2 % de la dette nette au PIB, mais le ratio a atteint 38,5 % à la fin de l'exercice en raison d'un emprunt imprévu. La dette nette de 2020-2021 s'est élevée à 27,4 milliards de dollars, en hausse par rapport à la prévision de 26,4 milliards de dollars avant la pandémie. Malgré l'augmentation des emprunts, les frais de service de la dette ont été légèrement inférieurs à ceux prévus au budget, soit 969 millions de dollars, en raison des taux d'intérêt favorables.

Faits saillants des finances

Aperçu des résultats financiers

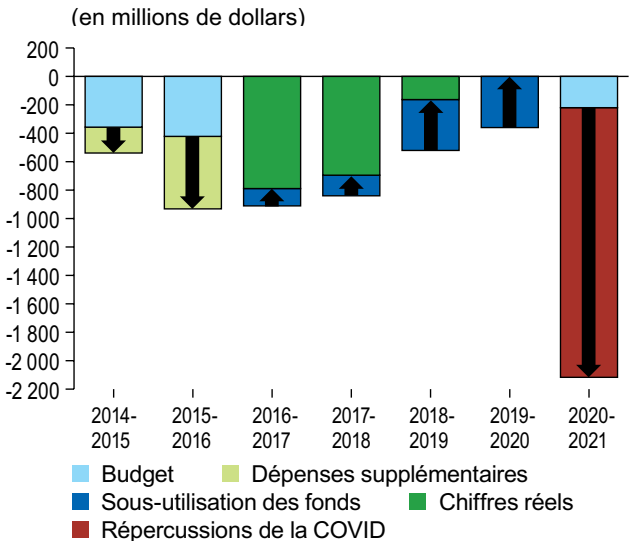
	2021		2020	Écart	
	Budget	Chiffres réels	Chiffres réels	Budget	Chiffres réels
	(en millions de dollars)				
Recettes	17 737	17 819	17 641	82	178
Dépenses	16 956	18 967	16 599	2 011	2 368
Service de la dette	1 001	969	1 037	(32)	(68)
Revenus nets (pertes nettes) sommaires	**(220)**	**(2 117)**	**5**	**(1 897)**	**(2 122)**
Dette nette	(26 436)	(27 424)	(25 220)	(988)	(2 204)

Compte tenu de l'impact durable de la pandémie de COVID-19, une projection mise à jour visant à éliminer le déficit provincial a de nouveau été inscrite dans les révisions des mesures législatives d'équilibre budgétaire comme nouveau déficit de référence pour 2020-2021. La Loi sur la responsabilité financière et la protection des contribuables exige maintenant que le déficit soit éliminé dans les huit ans, ce qui nécessitera un effort d'ensemble du gouvernement.

Explication des résultats financiers de 2020-2021

Comme l'indiquent les comptes publics de 2019-2020, le gouvernement a travaillé avec soin pendant quatre ans pour corriger le parcours fiscal tout en continuant de consacrer ses dépenses aux priorités des Manitobains, ce qui a permis à la province d'atteindre son premier excédent budgétaire en dix ans.

Plan budgétaire et chiffres réels



Grâce à un équilibre prudent des pressions et des besoins concurrents en matière de pressions avec les recettes disponibles, la dette nette du Manitoba a ralenti à un taux de croissance annuel de 3,6 % au cours des quatre derniers exercices se terminant en 2019-2020, comparativement à 10,9 % pour la période correspondante antérieure. De plus, l'augmentation de la dette nette dans les comptes publics de 2019-2020 s'est élevée à 125 millions de dollars, soit la plus faible en 11 ans. Ces résultats ont été obtenus alors que le gouvernement a continué d'investir des sommes importantes dans les secteurs prioritaires, notamment les soins de santé, l'éducation et les services sociaux.

Dans les milieux de la finance et de l'évaluation du crédit, le Manitoba a gagné en crédibilité et a été reconnu pour ses progrès financiers plutôt que pour ses engagements budgétaires non tenus. Le Budget de 2020 illustre les progrès réalisés pour redresser les finances et renforcer la durabilité financière de la province, tout en soulignant les efforts continus visant à renforcer la résilience afin de résister à la volatilité économique.

L'amélioration de la position fiscale a permis de prendre des mesures plus décisives pour protéger la population du Manitoba pendant que la pandémie de COVID-19 prenait de l'ampleur dans la province.

Le 11 mars 2020, le jour où le Budget de 2020 devait être publié, l'Organisation mondiale de la Santé a confirmé la pandémie de COVID-19. Contrairement aux récessions mondiales précédentes, celle découlant du virus était totalement externe, comme le serait un désastre naturel colossal. Le 19 mars, le Manitoba a publié un supplément du Budget de 2020 afin de rassurer la population et les intervenants quant à la capacité financière du gouvernement et à ses plans pour faire face à une urgence économique et de santé publique qui évolue rapidement.

Pour assurer un financement suffisant pendant une période d'incertitude du marché du crédit, le gouvernement a obtenu le pouvoir d'emprunter cinq milliards de dollars de plus en vertu de la Loi d'emprunt de 2020. En incluant le financement lié à la pandémie de COVID-19 et les exigences du budget de base, le Manitoba a emprunté près de 7,7 milliards de dollars au cours de l'exercice 2020-2021, soit le montant le plus élevé jamais enregistré.

De plus, le réapprovisionnement du fonds de réserve en cas d'imprévu (anciennement le compte de stabilisation des revenus), qui est passé de 114,5 millions de dollars en 2016-2017 à 800 millions au 31 mars 2020, a permis au gouvernement d'accroître sa souplesse et sa résilience financières. Pour éviter à la Province d'emprunter des fonds supplémentaires sur les marchés financiers, un prélèvement de 215 millions de dollars a été effectué à la fin de l'exercice, ce qui a permis aux contribuables d'économiser 45 millions en frais de service de la dette sur dix ans. Ces fonds ont été utilisés pour couvrir les coûts de la Subvention transitoire du Manitoba.

Une mise à jour financière, *Évaluation des répercussions de la COVID-19 au Manitoba*, a été publiée le 30 juin 2020 en raison de l'évolution rapide de la situation. Ce rapport, figurant parmi les premiers au Canada, s'ajoute aux rapports économiques et financiers trimestriels qui ont fourni des renseignements sur l'évolution de la récession pandémique, ses répercussions financières pour le Manitoba et l'intervention provinciale.

Pour gérer les exigences accrues en matière de dépenses, le Manitoba a déposé trois lois portant affectation supplémentaire de crédits en 2020-2021, totalisant près de deux milliards de dollars, qui ont fourni l'autorisation de dépenser nécessaire pour les programmes gouvernementaux de lutte contre la pandémie de COVID-19.

Autorisation de dépenser supplémentaire en matière de COVID-19	**(en millions de dollars)**
Loi portant affectation supplémentaire de crédits	1 000 $
Loi portant affectation supplémentaire de crédits – 2	577
Loi portant affectation supplémentaire de crédits – 3	400
Total de l'autorisation de dépenser supplémentaire	1 977 $

Pour assurer une transparence et une responsabilisation entières, le gouvernement a adopté ces demandes de dépenses à l'Assemblée législative, au lieu d'utiliser un mandat spécial lorsque cette dernière ne siégeait pas. Les programmes gouvernementaux de lutte contre la pandémie de COVID-19 sont détaillés dans la partie intitulée « Sommaire financier de la réponse à la COVID-19 au Manitoba » du présent rapport.

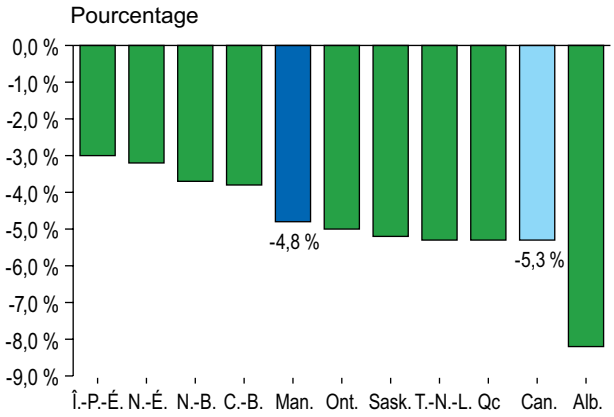
Explication des résultats financiers : facteurs économiques

Tout au long de l'exercice, la pandémie de COVID-19 a touché presque tous les aspects de la vie au Manitoba avec une vitesse et une intensité accrues. Pour protéger la population, les ordres de santé publique ont inclus des arrêts intermittents de vastes segments de l'économie tout au long de l'année, entraînant un impact important sur les entreprises où les contacts avec le public sont plus grands.

Les lieux de travail et les écoles ont pris un virage virtuel, les déplacements ont été considérablement limités, voire interdits, et les rassemblements publics ont été restreints. Les statistiques révèlent l'ampleur de ces mesures sur l'économie du Manitoba, le PIB réel provincial ayant diminué de 4,8 % en 2020. Ce niveau de déclin de la production économique marque la pire récession de l'histoire moderne de la province.

La situation au Manitoba n'était pas unique. Le tableau suivant montre que toutes les provinces ont connu une baisse importante de l'activité économique, la chute du PIB réel allant de 8,2 % à 3,0 % en 2020. Le Manitoba s'est classé au 5e rang parmi les provinces.

Croissance du PIB réel aux prix de base, comparaison provinciale, 2020



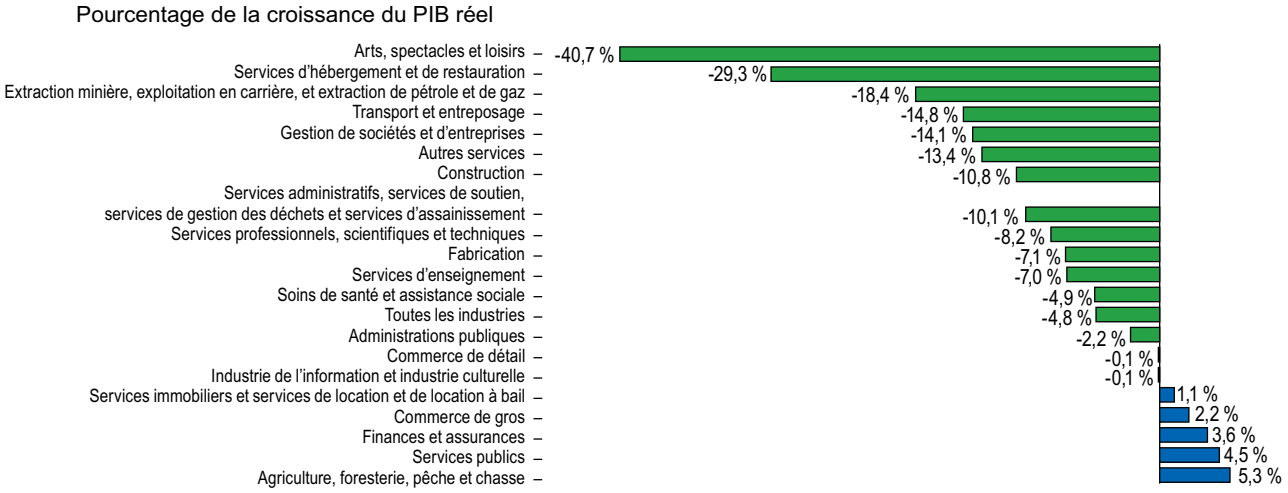
Source de données : Statistique Canada

La baisse des résultats économiques a entraîné une diminution des bénéfices nets qui a eu une incidence sur les recettes financières provinciales, et les répercussions négatives ont été ressenties dans presque tous les secteurs d'activité. Les entreprises où les contacts avec le public sont étroits ont connu les plus importantes diminutions de production et pertes d'emploi, avec une baisse de la productivité économique (mesurée par le PIB réel) de 40,7 % dans le secteur des arts, du divertissement et des loisirs, et une baisse de 29,3 % dans le secteur de l'hébergement et des services alimentaires. Ces secteurs comprennent aussi plus de jeunes, de femmes et de travailleurs âgés.

L'effondrement de la demande d'exportation locale et internationale, associé à des perturbations importantes des chaînes d'approvisionnement, a touché le rendement des secteurs de l'exploitation minière (baisse de 18,4 %), de la construction (baisse de 10,8 %) et de la fabrication (baisse de 7,1 %).

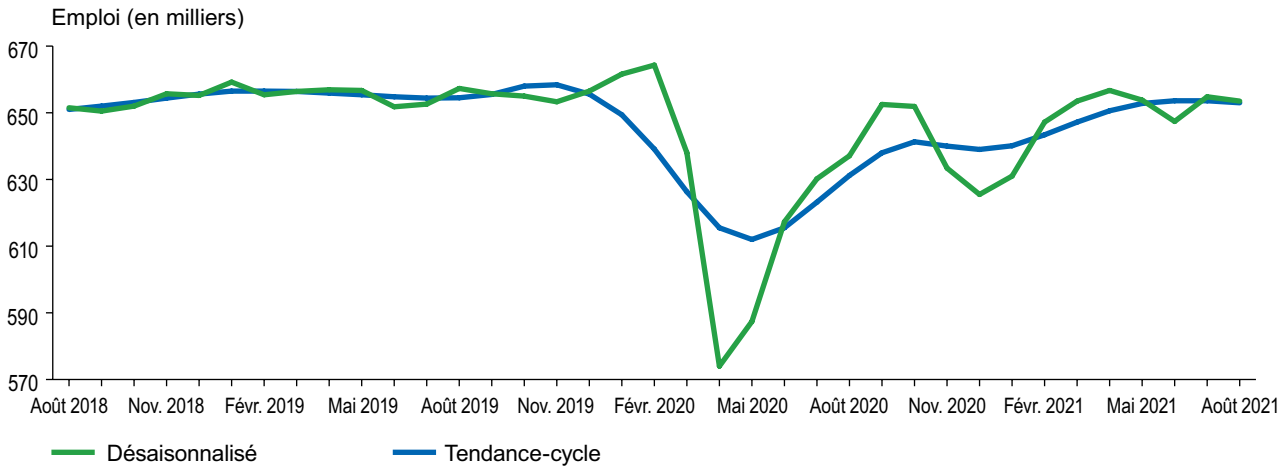
Le niveau d'emploi du Manitoba a fluctué en fonction des vagues de la pandémie. Comme le montre le graphique, lors de l'arrêt initial de l'activité économique à l'échelle du Canada de mars à mai (la première vague), l'emploi a chuté de 90 000 travailleurs. Une reprise supérieure à celle du départ a suivi pendant deux mois, mais des arrêts moins longs pendant la deuxième et la troisième vagues à l'automne et à l'hiver 2020 ont neutralisé une pleine reprise de l'emploi. Au cours des huit premiers mois de 2021, le Manitoba a employé en moyenne 649 700 travailleurs, ce qui représente une hausse de 23 500 par rapport à la moyenne de 2020 (de janvier à août), mais une baisse de 6 100 par rapport à 2019. Toutefois, comme le montre le plus récent taux de chômage à 5,7 %, le plus bas parmi les provinces, il y a des signes encourageants de reprise de l'emploi.

Croissance du PIB réel aux prix de base par industries, Manitoba, 2020



Source de données : Statistique Canada

Niveau d'emploi au Manitoba, désaisonnalisé et tendance-cycle, Août 2018 à août 2021



Source de données : Statistique Canada

Explication des résultats financiers : recettes

Le ralentissement économique a eu une incidence considérable sur les recettes du gouvernement. Les recettes autonomes, excluant les transferts fédéraux et les recettes des entreprises publiques, ont été inférieures de 571 millions de dollars par rapport au budget. Elles ont été compensées par des transferts fédéraux supplémentaires de 730 millions de dollars liés à la réponse à la pandémie de COVID-19. Sur une base nette, le total des recettes était légèrement en hausse de 82 millions de dollars.

Les recettes associées à l'impôt sur le revenu des particuliers ont été inférieures de 325 millions de dollars par rapport au budget. Cela reflète l'incidence négative de la pandémie de COVID-19 sur le revenu des particuliers et des ménages. Les recettes associées à l'impôt sur les bénéfices des sociétés ont été inférieures de 97 millions de dollars par rapport au budget, principalement en raison de la baisse de la production économique globale, ce qui a réduit la rentabilité des entreprises.

Principaux changements aux recettes en 2020-2021

(en millions de dollars)	
Budget sommaire – recettes	17 737
Recettes fiscales	
Impôt sur le revenu des particuliers	(325)
Impôt sur les bénéfices des sociétés	(97)
Taxe sur les ventes au détail	187
Autres taxes et impôts	(281)
Total des changements dans les recettes fiscales	(516)
Autres recettes autonomes	(55)
Entreprises publiques	(147)
Transferts fédéraux liés à la COVID-19	730
Autres transferts fédéraux	70
Augmentation nette des recettes	82
Recettes de 2020-2021	17 819

Les recettes de la taxe sur les vente au détail ont dépassé de 187 millions de dollars les prévisions du budget, ce qui reflète le report de la diminution des taux de 1 % qui devait prendre effet le 1er juillet 2020, contrebalancé par l'élimination de la taxe de vente sur les polices d'assurance des biens. De plus, une augmentation imprévue des dépenses des consommateurs a entraîné une hausse supplémentaire des remises de la taxe de vente.

Les autres taxes et impôts, qui comprennent entre autres les impôts divers sur les sociétés, les taxes sur les carburants et l'impôt sur la masse salariale, ont été inférieurs de 281 millions de dollars par rapport au budget, principalement en raison de l'écoprélèvement qui n'a pas été effectué à cause de la pandémie de COVID-19 et des baisses marginales dans d'autres catégories fiscales.

Le revenu net de Manitoba Hydro a dépassé de 72 millions de dollars les prévisions du budget 2020 en raison du report de certaines dépenses liées à la centrale électrique de Keeyask.

Le revenu net de la Société manitobaine des alcools et des loteries a été inférieur de 225 millions de dollars par rapport au budget. Les recettes plus basses que prévu sont attribuables à la fermeture des établissements de jeux et d'autres lieux exploités par la Société, dans le but de protéger le public et le personnel, qui a été partiellement compensée par une augmentation des ventes de boissons alcoolisées.

Le revenu net de la Société d'assurance publique du Manitoba a été inférieur de 21 millions de dollars par rapport au budget en raison des remboursements de primes aux titulaires de police en 2020-2021.

Revenus nets des entreprises publiques	**Budget de 2020-2021**	**Chiffres réels de 2020-2021**	**Chiffres réels de 2019-2020**
Société manitobaine des alcools et des loteries	650	425	606
Société d'assurance-dépôts du Manitoba	27	29	28
Régie de l'hydro-électricité du Manitoba	47	119	99
Société d'assurance publique du Manitoba	48	27	180
Réserve pour éventualités	(25)	-	-
Revenu total des entreprises publiques	747	600	913

Explication des résultats financiers : dépenses

Les dépenses gouvernementales en 2020-2021 ont été dominées par la réponse urgente et cruciale à la pandémie de COVID-19. Le gouvernement a assuré un niveau de soutien sans précédent tout au long de l'exercice, avec une croissance des dépenses résultant de la pandémie seulement estimée à 10,3 % pour l'année, soit 1,8 milliard de dollars de plus qu'au budget, en plus de l'allègement fiscal et de l'allègement des frais.

Dans l'ensemble, les dépenses ont augmenté de 13,0 % pour l'exercice.

Les nombreux engagements de dépenses liés à la pandémie de COVID-19, y compris les contributions du gouvernement fédéral, sont détaillés dans une partie distincte. Le gouvernement a dépensé près de 2,1 milliards de dollars dans les catégories suivantes :

Résumé de la réponse à la COVID-19 au Manitoba en 2020-2021	**(en milliers de dollars)**
Soutien aux particuliers et aux ménages	409 529
Soutien aux entreprises et aux organismes sans but lucratif	470 207
Intervention en santé publique, EPI, et biens et services connexes	666 485
Soutien aux autres secteurs (y compris le Programme de relance de l'économie du Manitoba)	549 942
Total	**2 096 163**

Les dépenses dans la lutte contre la pandémie de COVID-19 ont été engagées par plusieurs ministères en première ligne, ce qui a entraîné des dépenses supplémentaires importantes par rapport au budget :

- **Santé et Soins aux personnes âgées :** dépenses excédentaires de 576 millions de dollars, principalement en raison de l'augmentation du financement des organismes de prestation de services de santé pour répondre à la pandémie, y compris le matériel, l'équipement et les passifs éventuels;
- **Services centralisés :** dépenses excédentaires de 366 millions de dollars, principalement en raison de l'achat de matériel pour lutter contre la pandémie, entre autres l'équipement de protection individuelle (EPI);
- **Finances :** dépenses excédentaires de 402 millions de dollars, principalement en raison des programmes de soutien face à la pandémie, tels que la Subvention transitoire du Manitoba, le Programme de reconnaissance des risques du Manitoba et le Programme de soutien salarial pour les fournisseurs de soins;
- **Relations avec les municipalités :** dépenses excédentaires de 347 millions de dollars, principalement en raison des mesures de soutien face à la pandémie, y compris le Programme de relance de l'économie du Manitoba et le financement accru pour les municipalités.

D'autres changements dans les dépenses sont détaillés dans le Rapport d'analyse des états financiers.

Explication des résultats financiers : questions comptables

La Province reçoit des avis d'opinions avec réserve pour ses comptes publics depuis 2017-2018. La situation associée aux deux opinions avec réserve est maintenant résolue, mais celles-ci resteront valides jusqu'à ce que les opinions des comptes publics des exercices antérieur et actuel soient exemptes de réserve.

La réserve pour la Commission des accidents du travail a été traitée avec les modifications législatives apportées à la Loi sur les accidents du travail en 2020, ce qui a eu pour effet le retrait de la Commission du périmètre comptable du gouvernement en 2020-2021. Elle demeurera valide pour les comptes publics jusqu'en 2021-2022.

La réserve pour la Société des services agricoles du Manitoba a été traitée par un changement de politique comptable entré en vigueur le 1er avril 2021 qui tient compte de l'ensemble du programme d'assurance, et non uniquement de la fiducie de la Société, en tant que passif soumis à des restrictions externes. Elle demeurera valide pour les comptes publics jusqu'en 2022-2023, au moment où les exercices antérieur et actuel ne seront plus sous réserve.

L'exercice 2020-2021 est le premier où nos vérificateurs sont tenus de se pencher sur les comptes publics en vertu d'une norme de vérification révisée et plus rigoureuse. L'organisme Comptables professionnels agréés du Canada a publié une nouvelle norme canadienne d'audit, la NCA 540, *Audit des estimations comptables et des informations y afférentes*.

Cette norme révisée répond aux changements apportés aux normes de présentation de l'information financière et à un milieu d'affaires plus complexe qui, ensemble, ont augmenté l'importance des estimations comptables pour le public et les autres utilisateurs des états financiers gouvernementaux.

La Province a fait appel de façon proactive à des experts externes pour évaluer et attribuer des valeurs à certaines des provisions importantes du gouvernement. Cela comprend les passifs de remise en état des sites miniers abandonnés et orphelins et des lieux contaminés dans toute la province, les passifs éventuels pour les réclamations fondées en droit, et les passifs éventuels rétroactifs pour les contrats de travail conclus et non conclus dans le secteur public. L'impact total de ces travaux sur l'évaluation des estimations du bilan du gouvernement en 2020-2021 a fait passer le passif à près de 1,1 milliard de dollars, avec une augmentation ponctuelle des dépenses. Il s'agit de dépenses extraordinaires ponctuelles nécessaires pour se conformer à la nouvelle norme de vérification des estimations comptables.

Résultats stratégiques, perspectives financières et investissements dans l'infrastructure stratégique

POUR L'EXERCICE TERMINÉ LE 31 MARS 2021

RÉSULTATS STRATÉGIQUES

Le gouvernement a entrepris d'importants travaux au cours des cinq dernières années afin de mieux servir les Manitobains et d'améliorer les résultats. Des investissements gouvernementaux plus intelligents dans les services de première ligne, des allègements fiscaux opportuns, une meilleure gestion financière du bilan gouvernemental et une transformation continue du secteur public ont tous contribué à cet effort.

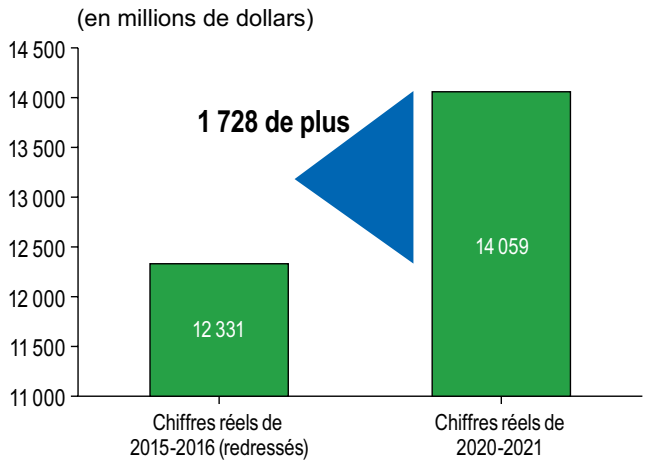
Investissement dans les services de première ligne

L'investissement du Manitoba dans les trois grands services de première ligne – santé, éducation et familles – est l'un des plus élevés par habitant parmi toutes les provinces.

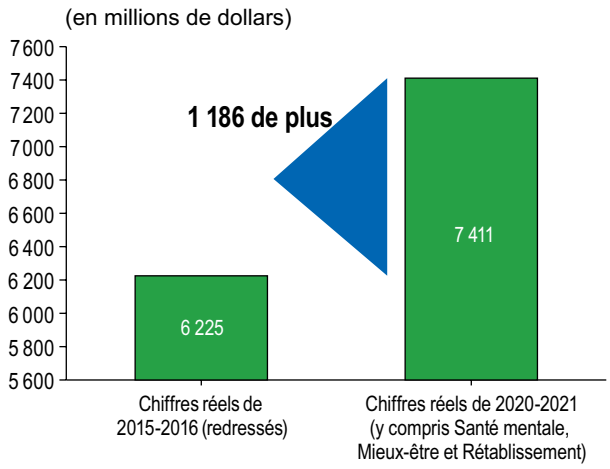
Le financement continue de croître dans ces secteurs, où les dépenses ont augmenté de 1,7 milliard de dollars depuis 2015-2016. Les soins de santé ont enregistré un gain de 1,2 milliard de dollars, suivis par l'éducation avec une augmentation de 307 millions et par les familles avec une hausse de 235 millions de dollars, y compris les dépenses liées à la pandémie de COVID-19.

Malgré certains retards causés par la pandémie, le Manitoba poursuit son parcours de transformation pour assurer la durabilité et la souplesse à long terme des ministères, améliorer l'accès virtuel et physique, et offrir des services uniformes et équitables à tous les Manitobains dans ces secteurs et d'autres secteurs prioritaires.

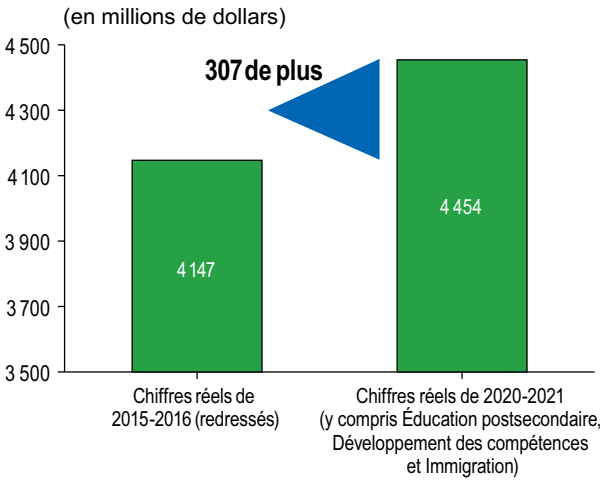
Trois grands ministères de première ligne



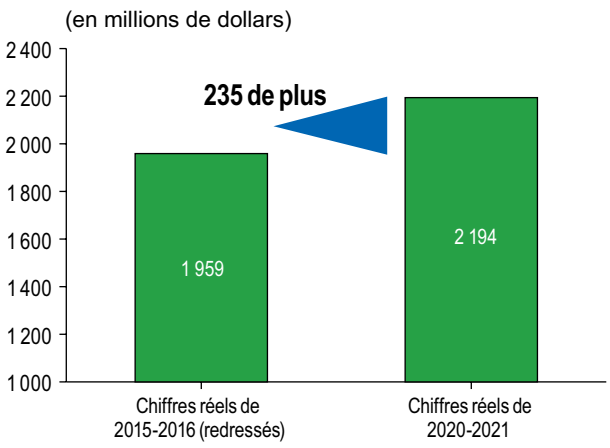
Dépenses en santé



Dépenses en éducation



Dépenses pour les familles



Coût de la vie plus abordable

Le gouvernement continue de s'assurer que le Manitoba dispose d'un environnement fiscal abordable et concurrentiel qui récompense la productivité, encourage la croissance économique et accroît la création d'emplois.

Plusieurs mesures fiscales ont pris effet le 1er juillet 2020, permettant aux Manitobains d'économiser plus de 80 millions de dollars l'an dernier, notamment en accélérant le retrait de la taxe de vente provinciale des polices d'assurance habitation et d'assurance des biens d'entreprise ainsi que des services de déclaration d'impôt sur le revenu des particuliers, en réduisant de 10 % les droits d'immatriculation des véhicules, et en éliminant les frais d'homologation. De plus, dans le Budget de 2020, des ajustements et des prolongements ont été appliqués à divers crédits d'impôt provinciaux pour encourager la croissance et pour la taxe destinée à la santé et à l'éducation (impôt sur la masse salariale).

Points saillants des ministères

Les pages suivantes présentent des activités ministérielles au cours de l'exercice, y compris la réponse à la pandémie de COVID-19 ainsi que des programmes nouveaux et existants.

Des renseignements supplémentaires sont compris dans les rapports annuels respectifs des ministères et dans la partie intitulée *Sommaire financier de la réponse à la COVID-19 au Manitoba* du présent rapport.

ÉDUCATION POSTSECONDAIRE, DÉVELOPPEMENT DES COMPÉTENCES ET IMMIGRATION

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Investissement unique de 25,6 millions de dollars pour les établissements d'enseignement postsecondaire au moyen d'un fonds d'aide transitoire pour relever les défis imprévus posés pas la pandémie.
- Lancement en février 2021 de la Stratégie relative aux compétences, au talent et aux connaissances sur plusieurs années, afin d'encadrer des partenariats plus solides entre la province, les établissements d'enseignement et la communauté d'affaires. La stratégie aidera les étudiants à développer les compétences nécessaires pour prendre pleinement part à la communauté et contribuer à une économie croissante.
- Aide à 17 106 étudiants manitobains, y compris des étudiants des collectivités autochtones ou à faible revenu, pour accéder à des fonds pour l'éducation postsecondaire par l'entremise du programme Aide aux étudiants du Manitoba, octroyant environ 254 millions de dollars par des prêts, des subventions et des bourses d'études fédéraux et provinciaux.
- Mise en candidature en 2020 de 5 657 immigrants de 106 pays dans le cadre du Programme des candidats du Manitoba. Environ 85 % des candidats travaillaient déjà pour des employeurs du Manitoba ou avaient déjà reçu des offres d'emploi.

AGRICULTURE ET DÉVELOPPEMENT DES RESSOURCES

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Élaboration de lignes directrices de prévention et de protection face à la pandémie de COVID-19 ciblant les entreprises de transformation d'aliments, les prospecteurs de ressources et les développeurs.
- Lancement de plusieurs initiatives, notamment le prolongement des permis d'exploitation minière, l'aide à l'achat d'équipement de protection individuelle (EPI), et les inspections de conformité en raison de la pandémie de COVID-19, afin d'aider les entreprises à gérer et à atténuer les répercussions de la pandémie.
- Poursuite du travail avec les collectivités des Premières Nations du Manitoba sur les protocoles de développement minier pour les consultations entre la Couronne et les Autochtones.
- Partenariat dans la mise en place du Fonds de mise en valeur des ressources minières du Manitoba de 20 millions de dollars pour aider les Premières Nations à établir des partenariats de développement économique.
- Direction de la stratégie de gestion de la sécheresse du Manitoba en assurant une approche coordonnée par l'ensemble du gouvernement pour remédier aux situations de sécheresse.
- Subventions de 5,5 millions de dollars en 2020-2021 à 14 districts de bassins hydrographiques pour améliorer la santé et la résilience des bassins hydrographiques.
- Utilisation d'un financement de 150,6 millions de dollars par le Programme Ag Action Manitoba, dans le cadre du Partenariat canadien pour l'agriculture, destiné au secteur privé en fournissant 9,5 millions de dollars pour soutenir des projets d'immobilisations dans 45 entreprises, créant 320 emplois.

SERVICES CENTRALISÉS

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Négociation de contrats de services d'approvisionnement d'une valeur estimée de 150 millions de dollars et achat de plus de 513 millions de dollars en produits, y compris l'EPI et les fournitures de cliniques de vaccination pour appuyer la réponse du gouvernement à la pandémie. Remise d'environ 206 millions de dollars ou 40 % des bons de commande aux fournisseurs du Manitoba.

- Partenariat avec le ministère de la Santé et des Soins aux personnes âgées pour créer un entrepôt manitobain des interventions d'urgence afin d'assurer au Manitoba une réserve durable d'équipement et de matériel médicaux, dont les EPI, afin de renforcer le système de soins de santé et les fournitures du secteur public en cas de crises sanitaires à grande échelle et d'autres situations d'urgence.
- Fin des travaux pour l'approbation de plus d'un milliard de dollars en projets dans le cadre du Programme d'infrastructure Investir dans le Canada, et rôle clé dans la réalisation de projets d'investissement dans les écoles de la maternelle à la 12e année et de projets d'infrastructure d'eau et d'égout de municipalités dans le cadre du Programme de relance de l'économie du Manitoba de 500 millions de dollars.

CONSERVATION ET CLIMAT

- Mise en œuvre du plan de travail 2020-2021 du Programme de remise en état des sites miniers abandonnés et orphelins qui a permis d'améliorer le travail de remise en état et le traitement de l'eau dans les sites prioritaires, y compris les sites miniers de Sherridon et de Ruttan.
- Lancement du nouveau Fonds pour la conservation et le climat. Les investissements dans les initiatives écologiques dans le cadre du Fonds ont presque doublé, passant de 355 000 à 600 000 dollars accordés à divers groupes. Le nouveau Fonds modernise les processus de demande de subvention des organismes sans but lucratif, permet aux entreprises admissibles de présenter une demande et est plus accessible pour les projets axés sur les résultats.
- Efficacité Manitoba, la nouvelle société d'État de la province, est devenue officiellement opérationnelle en se lançant dans des activités de mise en œuvre associées à son plan d'efficacité énergétique pour la période 2020-2023. Le plan triennal de la société propose une gamme élargie de programmes et services de gestion de la demande pour les clients résidentiels, autochtones, admissibles en fonction de leur revenu, commerciaux, institutionnels, industriels et agricoles.

SERVICES DE LA COURONNE

- Examen des structures de gouvernance et de responsabilisation en matière de rendement des sociétés d'État afin d'appuyer des mandats et des lois définis, et pour prendre en compte des répercussions plus larges sur l'ensemble du gouvernement en améliorant la responsabilisation et l'harmonisation des principales activités commerciales.
- Réception de l'examen économique du projet Bipolaire III et du rapport de la centrale électrique de Keeyask, comprenant plus de 50 recommandations visant à améliorer la santé financière des installations et à assurer que la planification, la prise de décisions et la surveillance réglementaire futures à l'égard de l'électricité sont effectuées dans l'intérêt supérieur de la population et des contribuables de Manitoba Hydro.
- Mise en œuvre d'une nouvelle structure de majoration par la Société manitobaine des alcools et des loteries pour les producteurs de boissons alcoolisées en vue de soutenir la croissance économique des producteurs artisanaux.
- Établissement et exploitation de plus de 40 détaillants de cannabis du secteur privé partout au Manitoba. Ajout de 22 fournisseurs à la Société manitobaine des alcools et des loteries, permettant de créer plus de 600 nouveaux produits pour la province.

DÉVELOPPEMENT ÉCONOMIQUE ET EMPLOI

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Versement de huit millions de dollars par l'entremise de la Manitoba Hotel Association et de la Manitoba Lodges and Outfitters Association pour soutenir l'industrie du tourisme d'accueil de la province.
- Versement de 50 millions de dollars à la Manitoba Chambers of Commerce pour soutenir la reprise à long terme, y compris la promotion des activités locales de détail par l'intermédiaire du site www.goodlocal.ca et du programme d'aide aux restaurants avec service de salle à manger.
- Prestation de programmes de subventions salariales liés à la pandémie (Programme de relance des emplois d'été pour les étudiants du Manitoba, Programme manitobain de retour au travail cet été, et Programme manitobain de retour au travail) à plus de 4 000 employeurs, ce qui représente près de 17 000 employés.
- Versement de cinq millions de dollars à la Société Recherche Manitoba, égalant les six millions de dollars dans des fonds fédéraux, philanthropiques et sectoriels pour établir un fonds de recherche sur la COVID-19 afin de mieux façonner la réponse du Manitoba face au virus.
- Versement de 750 000 dollars sur trois ans à Futurpreneur pour soutenir et encadrer les jeunes entrepreneurs qui démarrent leur entreprise au Manitoba.

ÉDUCATION

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Financement de 101 millions de dollars en 2020-2021 pour soutenir le système de l'éducation et assurer un milieu d'apprentissage sécuritaire pour les élèves et le personnel par l'intermédiaire du Fonds pour la sécurité dans les écoles.

- Élaboration d'un cadre d'apprentissage à distance du Manitoba pour aider tous les élèves à profiter d'un enseignement de grande qualité, peu importe les circonstances imposées par la pandémie de COVID-19.
- Investissement de plus de 201 millions de dollars dans de nouvelles infrastructures scolaires, y compris des mises à niveau de la ventilation dans plusieurs écoles de la province.
- Ouverture de trois nouvelles écoles en vertu de l'engagement de plus de dix ans visant la construction de 20 écoles. Acquisition de site pour neuf écoles, dont la construction était prévue pour l'été 2021.
- Publication en mai 2021 de la directive d'orientation d'Écoles sûres et accueillantes visant à améliorer les appuis proactifs afin de réduire le recours à l'isolement. La directive fournit des indications sur l'utilisation des mesures d'exclusion (c.-à-d. l'isolement, la suspension et l'expulsion).
- Formation de 37 éducateurs formateurs en matière de développement durable et de 521 éducateurs entraîneurs en bien-être du personnel afin de soutenir des lieux de travail sains pour tous les adultes et les élèves dans les établissements scolaires. Le programme de conseillers en classe favorise la discussion sur la santé mentale et le bien-être chez les jeunes de la 6e à la 8e année et a été offert dans 20 écoles supplémentaires.
- Entre janvier et juin 2021, 11 283 élèves des divisions scolaires urbaine, rurale et du Nord ont participé à 1 069 ateliers virtuels en français conçus en réponse à la pandémie de COVID-19.
- Octroi d'un soutien par l'intermédiaire du Centre de soutien à l'apprentissage à distance du Manitoba ayant contribué à l'actif des divisions rurales et du Nord et des collectivités qui n'ont peut-être pas eu la capacité d'offrir un soutien à l'apprentissage à distance ou d'accéder à un tel soutien.
- Financement de 250 000 dollars à la Treaty Relations Commission of Manitoba pour éduquer sur les traités afin de former les enseignants et de fournir des trousses virtuelles aux écoles pendant l'année scolaire 2020-2021.

FAMILLES

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Prestation unique de 200 dollars de l'Aide à l'emploi et au revenu à tous les clients admissibles vivant avec un handicap, pour un total de 4,5 millions de dollars en soutien aux personnes à faible revenu avec un handicap pendant la pandémie de COVID-19.
- Prolongements pour tous les jeunes pris en charge par les offices de services à l'enfant et à la famille atteignant l'âge de la majorité, c'est-à-dire 18 ans, pendant la pandémie, quel que soit leur statut juridique.
- Octroi d'un crédit remboursable pour le soutien financier des aînés de 200 dollars non imposable à 225 000 personnes âgées de 65 ans et plus pour aider à défrayer les coûts supplémentaires associés aux restrictions en matière de santé publique.
- Élargissement du crédit d'impôt pour le développement des garderies pour permettre la création de 474 places.
- Lancement du Programme d'apprentissage de la nutrition à la maison avec un financement de plus de cinq millions de dollars pour offrir des boîtes-déjeuners nutritives et du matériel éducatif à plus de 6 500 enfants dont les familles ont subi des pénuries alimentaires en raison de la pandémie.
- Établissement de deux fonds de dotation de 20 millions de dollars qui seront administrés par la Winnipeg Foundation, les fonds étant offerts aux municipalités, aux entreprises et aux organismes pour accroître l'accessibilité dans toute la province et favoriser le respect de la Loi sur l'accessibilité pour les Manitobains.
- Financement de 883 nouvelles places de garderie par la création de nouveaux projets d'immobilisations communautaires et scolaires.
- Octroi de subventions à hauteur de 12 millions de dollars à dix municipalités de la province pour soutenir des initiatives de logement abordables et répondre aux besoins en logement de la population vulnérable.

FINANCES

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Tenue de réunions en vidéoconférence plutôt qu'en personne pour les entités requises par la loi; signatures électroniques plutôt que manuscrites; suspension temporaire des audiences concernant la location à usage d'habitation.
- Élimination de la taxe de vente sur l'assurance de biens commerciaux et résidentiels en juillet 2020, permettant une économie de 75 millions de dollars.
- Adoption d'une nouvelle loi pour assurer la protection de l'emploi d'un particulier ou d'un membre de la famille touché par la pandémie de COVID-19, et mise en place du Programme manitobain de congés de maladie payés pour les travailleurs touchés par la COVID-19.
- Suppression des frais d'homologation.
- Élimination de l'application de la taxe de vente du Manitoba sur la préparation des testaments et l'impôt sur le revenu des particuliers.
- Réduction des droits d'immatriculation des véhicules non commerciaux.

- Report concernant les déclarations de revenus et des paiements échelonnés des particuliers et des sociétés, les remises de la taxe de vente du Manitoba et de l'impôt sur la masse salariale du Manitoba par les petites entreprises, ainsi que les titres et permis de transport commercial; suspension de l'examen de solvabilité annuel pour les régimes de retraite privés.

SANTÉ ET SOINS AUX PERSONNES ÂGÉES

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Direction du soutien analytique de la planification et de l'intervention du Manitoba pendant la pandémie de COVID-19. Cela a inclus la déclaration opérationnelle et publique de la réponse provinciale, telle que la modélisation épidémiologique.
- Administration de 210 088 vaccins (dont 148 560 premières doses et 61 528 deuxièmes doses) en 2020-2021.
- Accessibilité en ligne des dossiers personnels de vaccination contre la COVID-19 pour que les résidents puissent obtenir leurs renseignements médicaux personnels. Création d'un système de surveillance solide pour les cas d'événements indésirables suivant la vaccination.
- Investissement de 76 millions de dollars dans une plateforme provinciale de santé numérique et d'autres projets d'immobilisations comme l'unité spécialisée en accidents vasculaires cérébraux aigus du Centre des sciences de la santé de Winnipeg et des lits supplémentaires dans des foyers de soins personnels à Steinbach et à Carmen.
- Embauche de 200 infirmières et infirmiers à temps plein, pour un total cumulatif net de 1 851 personnes de juin 2019 à juin 2021.
- Modification des mesures législatives sur la classification de la naloxone pour en faciliter l'accès et réduire les décès liés à une surdose d'opioïdes.
- Engagement à financer huit lits supplémentaires pour soutenir les transferts en temps opportun des patients des cliniques d'accès rapide aux traitements des dépendances, lesquelles offrent des conseils immédiats, prescrivent les médicaments appropriés et mettent les patients en relation avec les programmes communautaires et les postes de soins primaires pour des soins continus.
- Investissement de 1,1 million de dollars afin d'étendre la portée des programmes des troubles de l'alimentation du Centre des sciences de la santé et de mettre sur pied une clinique de nutrition sûre à l'intention des personnes qui souffrent de ces troubles.

AFFAIRES LÉGISLATIVES ET PUBLIQUES

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Soutien des ministères et des organismes gouvernementaux dans la lutte contre la pandémie de COVID-19 tout en faisant progresser les priorités législatives et réglementaires importantes pour la population manitobaine. Les réponses à la pandémie ont compris l'élaboration de processus réglementaires plus efficaces, comme l'acceptation de signatures et de documents électroniques, la tenue de réunions virtuelles dans les cas où la loi exige des réunions en personne, et l'autorisation de certifier à distance l'authenticité de documents.
- Réduction du nombre d'exigences réglementaires provinciales, qui est passé de 961 997 le 1er avril 2016 à 863 107, soit 10 % de moins en cinq ans.
- Prestation de services de soutien aux organismes publics en vertu de la Loi sur l'accès à l'information et la protection de la vie privée et réponse à 4 858 demandes en 2020.
- Achèvement d'un projet de 730 000 dollars pour rétablir la rotonde du palais législatif par l'entremise du Comité consultatif sur la restauration et la préservation du palais législatif marquant son centenaire.

SANTÉ MENTALE, MIEUX-ÊTRE ET RÉTABLISSEMENT

- Prestation de services de santé mentale à 1 500 Manitobains par l'intermédiaire de Peer Connections, un programme de soutien par les pairs et d'aide aux familles de Winnipeg et à celles de la région desservie par Santé Prairie Mountain.
- Engagement à investir 1,6 million de dollars dans l'agrandissement d'un modèle central de services intégrés pour les jeunes, notamment des services de santé mentale et de lutte contre les dépendances offerts aux jeunes et aux jeunes adultes.
- Élargissement du Programme des écoles communautaires pour inclure cinq nouvelles écoles, pour un total de 41 écoles participantes dans toute la province, dans le cadre de la Stratégie en matière de santé mentale et de lutte contre les dépendances du gouvernement.
- Financement accru pour 13 écoles communautaires de la maternelle à la 6e année, destiné à des ressources en santé mentale et en lutte contre les dépendances et à des programmes de prévention connexes pour les élèves et les familles.

RELATIONS AVEC LES AUTOCHTONES ET LE NORD

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Maintien d'un engagement et de communications uniformes avec les partenaires et les intervenants autochtones concernant les répercussions

de la pandémie de COVID-19, le déploiement des vaccins et la priorisation des populations vulnérables par des forums virtuels, des assemblées publiques locales, du publipostage et des téléconférences.

- Soutien de la priorisation de la vaccination des personnes vivant dans le Nord et dans les collectivités isolées en mettant en place des supercliniques, des centres de vaccination et des cliniques mobiles par l'intermédiaire d'équipes de vaccination dédiées et avec la collaboration des offices régionales de la santé.
- Octroi d'un soutien financier allant jusqu'à 1 million de dollars en 2020-2021 pour faire progresser la reprise économique après la pandémie de COVID-19 dans les collectivités autochtones et du Nord par l'entremise de diverses initiatives liées à la stratégie Objectif Nord du Manitoba.
- Travail à l'exécution des engagements de financement dans le cadre de l'Opération retour au foyer afin de traiter les répercussions de l'inondation de 2011 dans la région d'Entre-les-Lacs. Achèvement cette année de tous les projets d'infrastructure de logement, tous les nouveaux logements ayant été attribués aux trois collectivités, où les membres sont de retour.
- Signature d'un accord de règlement complet avec la Première Nation Pinaymootang.
- Commencement de 27 nouveaux projets d'immobilisations pour améliorer le traitement de l'eau et des eaux usées, les routes et le drainage, la gestion des déchets solides et les bâtiments municipaux. Achèvement de la construction et de la mise en service d'un site régional destiné à l'élimination des déchets qui dessert six collectivités relevant du ministère des Affaires autochtones et du Nord, les collectivités autochtones voisines et deux zones de chalets dans la région de Dauphin et des Parcs.
- Accès à une nouvelle infrastructure numérique pour un certain nombre de collectivités relevant du ministère des Affaires autochtones et du Nord afin d'assurer une connectivité communautaire et une efficacité accrue, en partenariat avec le Northern Association of Community Councils.
- Mise en œuvre un plan complet sur cinq ans pour déterminer et corriger les lacunes dans les usines de traitement de l'eau, y compris la formation continue et la certification des exploitants d'usine, suivant les conclusions et les recommandations du rapport sur la surveillance provinciale de la salubrité de l'eau potable publié par le vérificateur général du Manitoba.

INFRASTRUCTURE

- Octroi d'une allocation de 215 millions de dollars sur plusieurs années pour améliorer la sécurité des autoroutes du Manitoba, y compris l'intersection des autoroutes 1 et 16 ainsi que l'autoroute 100 à l'échangeur de la route St. Mary's, dans le cadre du Programme de relance de l'économie du Manitoba.
- Soumission d'un énoncé d'impact environnemental pour le Projet de canaux de déversement du lac Manitoba et du lac Saint-Martin, exposant une compréhension des répercussions sociales, environnementales et économiques du projet.
- Dévoilement de la conception d'un nouveau pont à quatre voies pour remplacer le pont d'étagement Daly vieux de 50 ans à Brandon.

JUSTICE

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Engagement à fournir des ressources supplémentaires avec 3 000 membres du personnel de divers organismes autorisés à exécuter les ordres en matière de santé publique pendant la pandémie de COVID-19 afin de protéger la population du Manitoba.
- Répartition d'environ 1,5 million de dollars du Fonds de confiscation des biens obtenus ou utilisés criminellement et du fonds Federal Proceeds of Crime Fund. Les fonds aident les victimes de la criminalité, les organismes communautaires et les organismes de maintien de l'ordre qui participent à des initiatives de prévention et de réduction de la criminalité, notamment des programmes axés sur la réconciliation, les jeunes et les adultes âgés à risque et vulnérables et les patrouilles de quartier, et l'amélioration des interventions des forces de l'ordre pour aider les personnes qui font face à des problèmes de santé mentale.
- Investissement de six millions de dollars dans les appels de propositions d'organismes communautaires afin de fournir un soutien accru, et versement de cinq millions de dollars à Victims' Assistance Community Grants Inc.
- Soutien et ressources améliorés pour les victimes d'actes criminels et pour de meilleurs interventions dans les cas de violence familiale sans accusations. Élaboration de guides familiaux pour remédier à la violence familiale, à l'appui du Service d'aide au règlement des litiges familiaux, et financement accru pour un cadre de travail sur la violence fondée sur le sexe.
- Création du Centre manitobain de renseignements sur les activités criminelles en 2020 comme direction au sein de la Division de la sécurité publique pour faire progresser la Stratégie en matière de services de police et de sécurité publique du ministère.
- Ouverture de la communauté thérapeutique Walking Bear le 5 octobre 2020 au centre correctionnel pour femmes de Headingley pour le traitement des

dépendances des détenues ayant des antécédents de traumatisme. Ce nouveau programme permet aux participantes et au personnel correctionnel de collaborer pour créer un environnement d'apprentissage social visant des résultats positifs.

RELATIONS AVEC LES MUNICIPALITÉS

- Mobilisation d'intervenants pour moderniser la législation, les règlements et les politiques clés du ministère afin de mettre en œuvre les recommandations de l'examen de 2019 de la planification, du zonage et de l'octroi de permis au Manitoba, ce qui stimulera considérablement le PIB provincial, la création d'emplois et les recettes fiscales municipales et réduira les retards inutiles en donnant la certitude et la cohérence nécessaires dans les décisions en matière de planification et d'octroi de permis.
- Répartition de 106 millions de dollars de financement fédéral en vertu de l'Accord sur la relance sécuritaire entre le Canada et le Manitoba pour soutenir les municipalités, y compris les services de transport en commun.
- Financement supplémentaire de 43 millions de dollars à la Commission des services d'approvisionnement en eau du Manitoba pour traiter l'arriéré de projets municipaux sur les services d'eau et d'égouts dans le cadre du Programme de relance de l'économie du Manitoba.
- Investissement de plus de neuf millions de dollars dans le cadre d'un programme de subvention unique à l'appui des programmes d'intervention d'urgence et de protection contre les incendies dans tout le Manitoba. Le programme a approuvé 209 projets.
- Investissement de 126 millions de dollars dans la modernisation des installations d'ouvrage de dérivation de l'usine de traitement des eaux usées du nord de la ville à Winnipeg dans le cadre de l'engagement du Programme de relance de l'économie du Manitoba et du Programme d'infrastructure Investir dans le Canada.

SPORT, CULTURE ET PATRIMOINE

- *Faits saillants de la réponse à la pandémie de COVID-19 :* Mise en œuvre du programme de subvention En sécurité à la maison Manitoba pour garder la population active et occupée à la maison pendant une période critique de la pandémie de COVID-19. Versement de cinq millions de dollars à plus de 300 projets présentés par des artistes, des organismes et des municipalités dans toutes les régions du Manitoba.
- Investissement de six millions de dollars par l'entremise du Conseil des Arts du Manitoba et de Musique et film Manitoba auprès des organismes admissibles touchés par la fermeture des installations et par l'annulation de la programmation et des événements. Les fonds soutiennent la reprise sécuritaire des services et des activités.
- Partenariat avec The Winnipeg Foundation pour établir une fiducie de 25 millions de dollars dans le but de préserver l'édifice de la Baie d'Hudson, un lieu emblématique de Winnipeg.
- Publication du *Cadre du Manitoba – Lutte contre la violence fondée sur le sexe* en décembre 2020, lequel décrit comment le gouvernement prévoit remédier à toutes formes de violence fondée sur le sexe, reconnaissant les expériences uniques des femmes, des filles et des membres de la communauté 2SLGBTQIIA+ autochtones. Engagement de 6,4 millions de dollars par l'intermédiaire du Fonds d'aide aux victimes auprès d'organismes qui viennent en aide aux personnes survivantes et aux victimes de violence fondée sur le sexe.
- Versement de 50 000 dollars au moyen de subventions dans les secteurs sous-représentés par les femmes pour former ces dernières dans le cadre de programmes sur les technologies de l'information et des communications, la construction lourde et les métiers en demande dans le nord du Manitoba.
- Célébration du 150e anniversaire du Manitoba et du 350e anniversaire de la Compagnie de la Baie d'Hudson grâce à l'initiative « Vos archives : Les histoires que nous partageons », invitant les gens à choisir un document d'archives et à faire part de leurs réflexions personnelles sur Twitter et sur le blogue des Archives du Manitoba.

TABLEAUX DE BORD ÉQUILIBRÉS

La mise en œuvre des tableaux de bord équilibrés à l'échelle du gouvernement pour évaluer systématiquement le rendement a donné lieu à des résultats plus mesurés pour nos dépenses. Le tableau de bord *Le Manitoba évalue les progrès*, le premier du genre au Canada, continue d'accroître la transparence publique en mettant en évidence les secteurs prioritaires qui nécessitent des améliorations de rendement, en fournissant des renseignements stratégiques pour mieux utiliser l'argent des contribuables et en améliorant la qualité des services gouvernementaux à la population.

Depuis son lancement en décembre 2019, le site Web « Le Manitoba évalue les progrès » a enregistré près de 42 000 pages vues uniques. Le travail se poursuit avec la mise en œuvre de tableaux de bord équilibrés dans chaque ministère, division et direction. Au total, 253 mesures du rendement uniques ont été configurées jusqu'à maintenant dans le logiciel de tableaux de bord équilibrés, y compris les mesures affichées sur le tableau de bord du site Web.

PERSPECTIVES FINANCIÈRES

La population et l'économie continuent d'être confrontés aux défis de la pandémie de COVID-19. Le Budget de 2021 a fourni d'importantes ressources pour poursuivre l'intervention face à la pandémie et la reprise graduelle, en réservant 1,2 milliard de dollars pendant l'exercice en cours. La réaction rapide et substantielle du gouvernement en 2020-2021 et les investissements continus cette année ont permis d'empêcher l'obtention des pires résultats financiers prévus dès le début de la pandémie.

Les perspectives économiques pour 2021 continuent d'évoluer, s'améliorant ou se détériorant en fonction de la nature dynamique du virus, comme c'est le cas partout dans le monde. La projection actuelle du PIB réel du Manitoba en 2021 est de 4,9 %.

La situation est toujours très incertaine, les risques fluctuant sans cesse. Le plus grand risque pour l'économie provinciale est l'incidence des variants de la COVID-19 et des vagues qui s'ajoutent aux restrictions de santé publique.

Une résurgence du virus dans d'autres régions du monde, combinée aux goulots d'étranglement de la chaîne d'approvisionnement, pourrait restreindre les exportations en 2021. Chez nos voisins du sud, la politique « Buy American » pourrait aussi avoir une incidence sur les exportations vers le plus important partenaire commercial du Manitoba.

Après un début d'année solide, les producteurs agricoles du Manitoba font face à des vents contraires avec une sécheresse record qui menace les rendements agricoles ainsi que le pâturage des animaux. Les prix actuellement élevés des récoltes peuvent contribuer à compenser les pertes dues à la sécheresse.

L'émergence d'une profonde récession exige la reconstruction de la confiance des consommateurs et le soutien d'un secteur privé qui tourne au ralenti. Il y a des signes positifs d'une reprise en 2021. À l'échelle nationale, les indicateurs macroéconomiques sont en hausse, le taux de chômage à 5,7 % du Manitoba étant le plus bas au pays. Comparativement à l'an dernier, les livraisons du secteur de la fabrication ont augmenté de 14,6 %, les exportations internationales de 10,6 % et les mises en chantier d'habitations et les permis de construction de 29,0 % et 20,4 % respectivement.

Le marché du travail a rebondi avec une croissance de 3,8 % depuis le début de l'exercice 2021 après une baisse de 3,7 % en 2020. Le taux de chômage chez les jeunes, lequel avait augmenté à 24,7 % en avril 2020, se situait à 7,8 % en août 2021. Le niveau d'emploi des femmes au Manitoba a également connu une hausse marquée de 4,7 % depuis le début de l'exercice, après une baisse de 4,5 % en 2020.

Cependant, les perspectives financières de la province demeurent difficiles. Les projections actuelles montrent que le déficit se chiffrerait à 1,6 milliard de dollars en 2021-2022 et à 374 millions de dollars en 2022-2023, en raison de l'intervention soutenue face à la COVID-19 et des investissements dans la reprise économique. Le rapport du premier trimestre de 2021-2022 du Manitoba présente des renseignements supplémentaires sur la reprise et les perspectives financières.

Conclusion

Au cours des cinq dernières années, le gouvernement a fait d'importants progrès pour rétablir les finances du Manitoba tout en continuant d'investir dans les services de première ligne, notamment dans les secteurs prioritaires de la santé, de l'éducation et des familles. Ces efforts ont renforcé la province, ont accru sa résilience et lui ont donné la souplesse nécessaire pour intervenir avec confiance face à la pandémie de COVID-19. Une économie et des finances plus fortes orientent également la province vers une reprise complète au cours des années à venir.

Nous continuons de nous concentrer sur la protection des Manitobains. Il est essentiel de poursuivre les progrès en matière de vaccination et de maintenir la vigilance pour atténuer la résurgence possible de la maladie. Comme il a été mentionné dans le Budget de 2021, nos concitoyens sont nombreux à chercher du travail, les entreprises des secteurs plus vulnérables continuent de se démener, et les niveaux de la dette provinciale ont augmenté de façon importante en réponse à la pandémie.

Malgré ces défis, nous sommes optimistes. Les indicateurs économiques sont à la hausse, preuve que l'économie du Manitoba est sur la voie de la reprise en 2021 et que les plans du gouvernement fonctionnent.

Nos ordres de santé publique permettent également de protéger la population. De nombreux enfants sont de retour sur les bancs d'école, et les gens peuvent à nouveau profiter de divertissements publics et socialiser dans les restaurants et autres lieux. La plupart des entreprises ont rouvert leurs portes au public et les restrictions relatives aux déplacements ont été levées. Les Manitobains peuvent encourager leurs équipes sportives préférées – les Blue Bombers, les Jets de Winnipeg et le Valour F.C. – dans les estrades et prendre part à des activités sportives et récréatives. Nous sommes impatients de reprendre nos nombreux festivals et autres célébrations qui se déroulaient avant la pandémie.

En ce qui concerne l'avenir, le gouvernement poursuit ses efforts pour garantir une économie plus solide et des progrès sociaux encore plus importants.

INVESTISSEMENTS DANS L'INFRASTRUCTURE STRATÉGIQUE

Pendant que la province traverse une crise économique non négligeable causée par la pandémie de COVID-19, le gouvernement du Manitoba demeure déterminé à investir dans des projets d'infrastructure stratégique pour stimuler l'économie à court terme, tout en offrant des avantages sociaux à long terme à la population.

L'infrastructure stratégique du Manitoba comprend entre autres les routes et les ponts, la protection contre les inondations, les hôpitaux, les écoles, les universités et les collèges, ainsi que des projets municipaux. Ces investissements en infrastructure sont importants pour la création d'emplois et pour appuyer les efforts de la Province vers des collectivités en santé et en sécurité. L'inclusion d'autres entités externes au gouvernement au sein des rapports et du budget de l'infrastructure stratégique ont amélioré la transparence dans la présentation sommaire de rapports sur ces investissements. Les investissements prévus au budget annuel ont augmenté de 392 millions de dollars pour atteindre plus de 2,2 milliards de dollars.

Il y a eu une amélioration importante de la gestion et de l'exécution du budget d'immobilisations annuel grâce au travail important accompli au cours des dernières années dans le cadre des processus centralisés des projets d'immobilisation, y compris la création du ministère des Services centralisés en octobre 2019. La centralisation des immobilisations a mené à une prise en charge de l'ensemble du gouvernement pour répondre aux besoins du cycle de vie de tous les actifs : planification de projet, déploiement, gestion et mise hors service.

Les ministères de l'Infrastructure et de l'Éducation ont réussi à remplir au moins 80 % de leur engagement en matière de budget d'immobilisations grâce à des améliorations continues des autoroutes principales et à la construction d'écoles pour notre système d'éducation de la maternelle à la 12e année.

Les dépenses de 525 millions de dollars inférieures au budget redressé sont en grande partie attribuables à la pandémie de COVID-19, qui a entraîné des retards dans un certain nombre de projets. Les écarts sont détaillés plus bas.

Le Programme de relance de l'économie du Manitoba a été annoncé en mai 2020 avec un investissement pluriannuel de 500 millions de dollars. Il comprend de nouveaux projets d'approvisionnement en eau et de traitement des eaux usées, la sécurité routière et la réparation des voies, des projets de partage des coûts avec d'autres ordres de gouvernement, et des projets d'application de la loi dans les municipalités.

Voici quelques écarts notables au cours de l'exercice 2020-2021 :

- Canal de déversement du lac Manitoba – les retards dans le projet résultent de retards dans les approbations environnementales fédérales ainsi que des restrictions liés à la COVID-19 limitant les déplacements pour les consultations.
- Infrastructure liée à l'eau – les pluies abondantes et le détournement des ressources internes pour gérer les inondations ont entraîné une réduction des travaux d'immobilisations pendant la saison de la construction.
- Santé – en raison de la pandémie, l'accès à certaines installations et à des ressources a été restreint, certains membres du personnel ayant été réaffectés pour lutter contre la COVID-19.
- Efficacité Manitoba – la prestation des programmes à domicile et en entreprise a été réduite en raison de la pandémie et des restrictions de santé publique. De plus, l'acquisition d'immobilisations a été repoussée à l'exercice 2021-2022.

Investissements dans l'infrastructure stratégique, 2020-2021

	Budget 2020 redressé*	Chiffres réels
	(en millions de dollars)	
RÉSEAU ROUTIER, PONTS ET PROTECTION CONTRE LES INONDATIONS		
Immobilisations d'infrastructure routière et de piste d'atterrissage	374	308
Programme de relance de l'économie du Manitoba	-	18
Résilience climatique au Manitoba	-	9
Entretien et préservation – Réseau routier	129	130
Canal de déversement du lac Manitoba	101	17
Infrastructure liée à l'eau	31	21
Matériel de transport et aéronefs	11	6
Entretien et préservation – Eau	12	11
	658	520
BÂTIMENTS, ÉQUIPEMENT ET TECHNOLOGIE	163	108
SANTÉ, ÉDUCATION ET LOGEMENT		
Santé	320	214
Éducation	382	318
Logement	78	39
	780	571
AUTRES INFRASTRUCTURES		
Subventions municipales	379	147
Programme de relance de l'économie du Manitoba	-	232
Collectivités relevant des Affaires du Nord	4	4
Efficacité Manitoba	55	21
Autres entités comptables	23	2
	461	406
SOCIÉTÉS D'ÉTAT		
Société manitobaine des alcools et des loteries	57	25
Société d'assurance publique du Manitoba	59	23
	116	48
Total des investissements en infrastructure stratégique	**2 178**	**1 653**

* Le budget a été redressé pour inclure les transferts de rajustement lié aux services internes et le financement supplémentaire.

SOMMAIRE FINANCIER DE LA RÉPONSE À LA COVID-19 AU MANITOBA

La réponse du Manitoba face à la pandémie comprend le soutien aux particuliers, aux ménages, aux entreprises, aux organismes sans but lucratif et aux organismes de bienfaisance, ainsi qu'un éventail d'autres investissements, dont les soins de santé, l'équipement de protection individuelle (EPI) et le programme de vaccination.

Sommaire de la réponse à la COVID-19 au Manitoba	(en milliers de dollars)
Soutien aux particuliers et aux ménages	409 529
Soutien aux secteurs des affaires et sans but lucratif	470 207
Intervention en santé publique, EPI, et biens et services connexes	666 485
Soutien d'autres secteurs (y compris le Programme de relance de l'économie du Manitoba)	549 942
Total	**2 096 163**

Transferts directs fédéraux pour appuyer la réponse à la pandémie de COVID-19 au Manitoba

Le Manitoba et les autres provinces se sont associées avec le gouvernement fédéral dans le cadre de divers programmes visant à soutenir les particuliers, les entreprises et les secteurs sans but lucratif et de bienfaisance. Au total, la contribution fédérale au Manitoba s'est élevée à 730 millions de dollars en 2020-2021. Certains de ces transferts fédéraux ont aidé à compenser la réponse de la province, tandis que d'autres ont été partagés entre les fonds provinciaux. Les contributions fédérales ont été comptabilisées comme des recettes, et les décaissements comme des dépenses. Ils ont été inclus dans le sommaire de la réponse à la COVID-19 au Manitoba. Le total des transferts fédéraux en soutien à la réponse à la pandémie de COVID-19 au Manitoba s'établit comme suit :

Sommaire des transferts fédéraux d'aide à la réponse à la COVID-19 au Manitoba	(en milliers de dollars)
Accord sur la relance sécuritaire entre le Canada et le Manitoba	417 780
Fonds de soutien aux travailleurs essentiels	117 484
Fonds pour une rentrée scolaire sécuritaire	85 412
Services aériens aux collectivités éloignées	12 031
Accord sur la relance sécuritaire – Gestion des données	3 650
Entente sur le perfectionnement de la main-d'œuvre complémentaire	31 095
Contribution à l'équipement de protection individuelle	62 400
Total	**729 852**

L'Accord sur la relance sécuritaire entre le Canada et le Manitoba, de 417,8 millions de dollars, a été conçu pour aider à protéger la santé et la sécurité du public, à se préparer aux futures vagues de la pandémie et à soutenir davantage la réouverture sécuritaire de l'économie. Les catégories de financement sous la responsabilité provinciale comprenaient les tests de dépistage, la recherche de contacts, la gestion des données, la capacité du système de soins de santé, les populations vulnérables, les municipalités et les transports en commun, l'équipement de protection individuelle, et les services de garderie pour les travailleurs de retour à l'emploi. Une catégorie supplémentaire, congé de maladie pancanadien, relève de la responsabilité fédérale.

Le gouvernement du Manitoba s'est associé avec le gouvernement fédéral dans le cadre du Fonds de soutien aux travailleurs essentiels. Au Manitoba, ce financement a été utilisé pour le Programme de reconnaissance des risques du Manitoba et le Programme de soutien salarial pour les fournisseurs de soins.

Le gouvernement fédéral a versé 85,4 millions de dollars par l'intermédiaire du Fonds pour une rentrée scolaire sécuritaire pour les écoles du Manitoba. Ce montant a été combiné à l'engagement provincial de 100 millions de dollars annoncé au cours de l'exercice 2020-2021; 99 millions de dollars des fonds en gestion commune ont été utilisés, et le reste sera dépensé au cours de l'année suivante.

Le programme de soutien de 12 millions de dollars pour les transporteurs aériens du Nord de la province est un partenariat entre les gouvernements du Canada et du Manitoba pour s'assurer que les services aériens aux collectivités du Nord éloignées se poursuivent pendant la pandémie de COVID-19.

Le financement de l'Entente sur le perfectionnement de la main-d'œuvre a été élargi pour inclure une augmentation ponctuelle de 47 millions de dollars en 2020-2021. De ce montant, 31 millions ont été utilisés en 2020-2021 pour soutenir les travailleurs et les entreprises touchés par la pandémie de COVID-19 au moyen de mesures de soutien à l'emploi et à la formation, y compris des programmes de microcertification pour l'administration des vaccins.

Soutien aux particuliers et aux ménages

Le Manitoba a apporté son soutien aux particuliers et aux ménages par l'entremise de divers programmes pendant la pandémie de COVID-19. Ces programmes visaient à soutenir les personnes les plus démunies et les travailleurs qui prennent des risques importants dans leur travail pour protéger la population et notre système de santé. Le tableau ci-dessous résume les principaux engagements du programme et les dépenses réelles pour l'exercice 2020-2021.

Programmes manitobains d'aide au particuliers pendant la pandémie de COVID-19 (2020-2021)

Programme (en milliers de dollars)	Engagement de 2020-2021	Dépenses	Montant non utilisé
Programme de reconnaissance des risques	121 768	121 792	(24)
Crédit remboursable pour le soutien financier des aînés	45 000	44 561	439
Programme de soutien salarial pour les fournisseurs de soins	35 600	35 240	360
Programme pour la relance de l'emploi au Manitoba	8 864	8 233	631
Programme de soutien économique aux personnes handicapées	4 600	4 452	148
Sous-total des dépenses	**215 832**	**214 278**	**1 554**
Aide financière sous forme de remise de la Société d'assurance publique du Manitoba (non commercial)	157 751	157 751	-
Élimination de la TVP sur l'assurance des biens (habitation)	37 500	37 500	-
Total	**411 083**	**409 529**	**1 554**

Programmes pour les particuliers

Programme de reconnaissance des risques : collaboration entre les gouvernements du Canada et du Manitoba; versement ponctuel aux travailleurs essentiels de première ligne

Crédit remboursable pour le soutien financier des aînés : avance ponctuelle de crédit d'impôt de 200 dollars pour les aînés du Manitoba

Programme de soutien salarial pour les fournisseurs de soins : collaboration entre les gouvernements du Canada et du Manitoba; a permis d'augmenter les salaires des travailleurs à domicile et des autres aidants de première ligne

Programme pour la relance de l'emploi au Manitoba : soutien financier aux employés qui sont en transition de la Prestation canadienne d'urgence au travail

Programme de soutien économique aux personnes handicapées : prestation unique de 200 dollars aux personnes handicapés à faible revenu qui reçoivent des prestations d'Aide à l'emploi et au revenu

Aide financière sous forme de remise de la Société d'assurance publique du Manitoba : deux remises envoyées séparément à chaque titulaire d'une police

Élimination de la TVP sur l'assurance des biens : retrait de la taxe de vente provinciale pour les contrats d'assurance des biens résidentiels

Soutien aux secteurs des affaires et sans but lucratif

Le Manitoba a fourni l'un des programmes de soutien les plus vastes, accessibles et généreux qui soient pour les entreprises en réponse à la pandémie de COVID-19. Le tableau sommaire ci-dessous présente les principaux engagements et l'utilisation réelle des montants pour l'exercice 2020-2021.

Programmes manitobains d'aide aux entreprises et aux organismes sans but lucratif pendant la pandémie de COVID-19 (2020-2021)

Programme (en milliers de dollars)	Engagement de 2020-2021	Dépenses	Montant non utilisé
Subvention transitoire du Manitoba	215 000	214 428	572
Plan de protection des entreprises non admissibles	59 136	59 388	(252)
Fonds de relance à long terme	50 000	50 000	-
Programme manitobain de retour au travail, Programme manitobain de retour au travail cet été et Programme de relance des emplois d'été pour les étudiants du Manitoba	46 000	39 963	6 037
Prestation de soutien aux transporteurs aériens du Nord	12 000	12 031	(31)
Prestation de soutien à la dotation en personnel pendant la pandémie	10 000	793	9 207
Aide à l'industrie de l'accueil	8 000	8 000	-
Centre de soutien économique du Manitoba	7 404	4 419	2 985
Prestation d'urgence pour le secteur des arts et de la culture	6 000	6 000	-
Programme En sécurité à la maison Manitoba	6 000	5 992	8
Programme Aide d'urgence du Canada pour le loyer commercial (Manitoba)	5 800	5 957	(157)
Programme Équipe verte locale	4 194	2 484	1 710
Programme de création de collectivités durables	2 562	1 439	1 123
B2B Manitoba – outil de marché virtuel	422	359	63
Sous-total des dépenses	**432 518**	**411 253**	**21 265**
Remises de la Société d'assurance publique du Manitoba relativement à la COVID-19 (commerce)	21 454	21 454	-
Élimination de la TVP sur l'assurance des biens (commerce)	37 500	37 500	-
Total	**491 472**	**470 207**	**21 265**

Programmes pour les entreprises et les organismes sans but lucratif

Subvention transitoire du Manitoba : soutien financier aux petites et moyennes entreprises et aux organismes sans but lucratif et de bienfaisance admissibles touchés par les mesures prises en réponse à la COVID-19

Plan de protection des entreprises non admissibles : versement de 6 000 dollars aux entreprises qui n'étaient pas admissibles à d'autres programmes de soutien

Fonds de relance à long terme : 50 millions de dollars pour soutenir la durabilité et l'adaptation à long terme des entreprises du Manitoba après la pandémie de COVID-19

Programme manitobain de retour au travail, Programme manitobain de retour au travail cet été et Programme de relance des emplois d'été pour les étudiants du Manitoba : programmes destinés à aider les jeunes et les autres travailleurs touchés par la pandémie de COVID-19 à trouver un emploi et les entreprises, à embaucher des travailleurs

Prestation de soutien aux transporteurs aériens du Nord : répartition du financement fédéral pour soutenir les services aériens aux collectivités du Nord éloignées

Prestation de soutien à la dotation en personnel pendant la pandémie : soutien à la dotation en personnel pour les services aux personnes handicapées, les services de garderie et les organismes de protection de l'enfance

Aide à l'industrie de l'accueil : soutien financier au secteur de l'hébergement et du tourisme du Manitoba

Centre de soutien économique du Manitoba : centre d'appels pour aider les entreprises et autres employeurs du Manitoba avec les programmes de soutien en contexte de pandémie de COVID-19

Prestation d'urgence pour le secteur des arts et de la culture : financement ponctuel pour soutenir le secteur des arts et de la culture gravement touchés par la fermeture des installations et l'annulation des événements

Programme En sécurité à la maison Manitoba : soutien aux organismes qui offrent des programmes et des services à domicile

Programme Aide d'urgence du Canada pour le loyer commercial : partenariat avec le gouvernement fédéral pour offrir un soutien aux petites entreprises

Programme Équipe verte locale : subventions supplémentaires à des organismes sans but lucratif et aux administrations municipales pour embaucher des jeunes dans le cadre de projets communautaires et soutenir la reprise économique

Programme de création de collectivités durables : fonds supplémentaires versés aux organismes sans but lucratif, aux organismes de bienfaisance, aux administrations municipales et aux conseils communautaires des Affaires du Nord afin de contribuer à la relance économique du Manitoba

B2B Manitoba – outil de marché virtuel : accès plus facile aux EPI et aux services de santé et de sécurité pour les entreprises et les organismes sans but lucratif

Remises de la Société d'assurance publique du Manitoba relativement à la COVID-19 : deux remises envoyées séparément à chaque titulaire d'une police de la Société

Élimination de la TVP sur l'assurance des biens : retrait de la taxe de vente provinciale pour les contrats d'assurance des biens commerciaux.

Intervention en santé publique, EPI, et biens et services connexes

Outre le soutien offert aux particuliers, aux ménages, aux entreprises, aux organismes sans but lucratif et aux organismes de bienfaisance, le Manitoba a investi dans divers biens et services pour la COVID-19, y compris les coûts supplémentaires de santé publique, le matériel tel que l'équipement de protection individuelle (EPI), et les investissements pour soutenir la recherche de contacts et le programme de vaccination. Le tableau suivant présente les dépenses réelles engagées dans le secteur de la santé en rapport avec la COVID-19 en 2020-2021.

Réponse à la COVID-19 pour le secteur de la santé au Manitoba (2020-2021)

Programme (en milliers de dollars)	Dépenses
Équipement de protection individuelle	367 477
Financement des offices régionaux de la santé	249 094
Équipement spécialisé pour la COVID-19	11 977
Tests de dépistage et administration de vaccins	35 437
AbilitiTCCi	2 500
Total	**666 485**

Réponse pour le secteur de la santé

Financement des offices régionaux de la santé : soutien supplémentaire pour les offices régionaux de la santé, dont les foyers de soins personnels, en réponse à la pandémie de COVID-19

Équipement spécialisé pour la COVID-19 : achat de ventilateurs et d'autres équipements nécessaires en réponse à la pandémie de COVID-19

Équipement de protection individuelle : masques, blouses, gants, etc.

Tests de dépistage et administration de vaccins : contrats de services et baux pour les emplacements

AbilitiTCCi : soutien virtuel en santé mentale par l'entremise d'un programme de thérapie numérique avec des thérapeutes professionnels

Soutien pour d'autres secteurs

Le Manitoba a également apporté un soutien supplémentaire entre autres au système de l'éducation de la maternelle à la 12e année, aux administrations municipales, aux établissements d'enseignement postsecondaire et aux services de garderie. En plus de ces dépenses, le gouvernement a déployé le Programme de relance de l'économie du Manitoba, consacrant 500 millions de dollars à des projets d'infrastructure pour aider à renforcer la reprise économique de la province pendant la pandémie et au-delà. Le tableau suivant présente les autres dépenses réelles engagées dans la réponse à la COVID-19 en 2020-2021.

Autres réponses à la COVID-19 au Manitoba (2020-2021)

Programme (en milliers de dollars)	Dépenses
Aide aux administrations municipales	105 600
Programme d'apprentissage de la nutrition à la maison	6 260
Plan d'intervention relatif aux refuges pour personnes sans-abri	3 886
Fonds d'allègement des loyers du Manitoba	5 600
Aide aux fournisseurs de services de garderie	6 870
Fonds pour la sécurité dans les écoles	94 813
Centre de soutien à l'apprentissage à distance	4 558
Dépenses supplémentaires au titre de l'Entente sur le perfectionnement de la main-d'œuvre	4 200
Subvention canadienne pour l'emploi – Manitoba	1 992
Soutien transitoire pour les établissements d'enseignement postsecondaire	25 627
Financement de la recherche sur la COVID-19	5 000
Bourses d'études et d'entretien du Manitoba	5 000
Amélioration des sentiers	2 500
Programme de relance de l'économie du Manitoba – 2020-2021	239 820
Programmes divers	38 216
Total	**549 942**

Autres réponses

Aide aux administrations municipales : répartition du financement fédéral en vertu de l'Accord sur la relance sécuritaire entre le Canada et le Manitoba pour appuyer les municipalités, y compris les services de transport en commun

Programme d'apprentissage de la nutrition à la maison : pour les familles avec un ou des enfants d'âge scolaire qui subissent une pénurie alimentaire en raison de la pandémie de COVID-19

Plan d'intervention relatif aux refuges pour personnes sans-abri : besoins élargis des refuges pour sans-abri appuyant les personnes vulnérables pendant la pandémie de COVID-19

Fonds d'allègement des loyers du Manitoba : prêts sans intérêt et services pour éviter l'éviction en raison de sommes dues, pour payer un dépôt de garantie ou une facture de services publics et pour maintenir une stabilité de logement

Aide aux fournisseurs de services de garderie : soutien supplémentaire pour l'apprentissage et la garde des jeunes enfants grâce à un prolongement d'un an de l'accord bilatéral de financement

Fonds pour la sécurité dans les écoles : soutien fédéral pour un milieu d'apprentissage sécuritaire

Centre de soutien à l'apprentissage à distance : élargissement de l'accès à un enseignement en ligne et à distance pour les élèves de la maternelle à la 12e année au moyen d'InformNet

Dépenses supplémentaires au titre de l'Entente sur le perfectionnement de la main-d'œuvre : diverses dépenses du marché du travail liées à l'aide complémentaire ponctuelle du gouvernement fédéral dans le cadre de l'entente relative au marché du travail

Subvention canadienne pour l'emploi – Manitoba : programme axé sur les employeurs qui aide la population à acquérir les compétences nécessaires pour occuper les emplois disponibles, et qui aide les employeurs à perfectionner les compétences de leurs travailleurs pour que ceux-ci répondent aux exigences de leur emploi actuel ou puissent accéder à un autre poste

Soutien transitoire pour les établissements d'enseignement postsecondaire : aide financière ponctuelle pour aider les établissement à s'adapter aux mesures découlant de la pandémie

Financement de la recherche sur la COVID-19 : partenariat avec Recherche Manitoba pour créer un fonds de recherche pour des projets liés à la COVID-19

Bourses d'études et d'entretien du Manitoba : augmentation des bourses d'études et de la contribution du gouvernement provincial aux dons privés pour les écoles (plutôt qu'un jumelage de 2 pour 1, un dollar du gouvernement pour chaque dollar en don privé), pour un soutien accru des élèves ayant des besoins financiers

Amélioration des sentiers : entretien et amélioration des sentiers pour une population active et saine qui bouge à l'extérieur pendant la pandémie de COVID-19

Programme de relance de l'économie du Manitoba : engagement pluriannuel de 500 millions de dollars pour aider la reprise économique

Programmes divers : autres dépenses des ministères dans la lutte contre la COVID-19

Comptes publics du Manitoba

POUR L'EXERCICE TERMINÉ LE 31 MARS 2021

PRÉSENTATION DES COMPTES PUBLICS DU MANITOBA

Nature des comptes publics

Les comptes publics du Manitoba sont préparés tous les ans par obligation légale, conformément au paragraphe 65(1) de la Loi sur la gestion des finances publiques, chapitre F55 de la Codification permanente des lois du Manitoba. Les comptes publics présentent la situation financière sommaire du gouvernement et les résultats de ses activités pour l'exercice financier du gouvernement, qui se termine le 31 mars.

Les renseignements fournis dans le rapport proviennent de deux sources :

- le résumé de l'information financière présentée dans les comptes du Manitoba, qui sont tenus par le contrôleur de la province;
- les dossiers détaillés tenus par les ministères, les organismes gouvernementaux, les entreprises publiques et les partenariats commerciaux publics du gouvernement.

Chacun des ministères et des organismes du secteur public est responsable du rapprochement de ses comptes et des comptes collectifs tenus par le contrôleur de la province, et de la tenue de registres détaillés de ses opérations comptables.

Composition des comptes publics du Manitoba

Les comptes publics du Manitoba comprennent les faits saillants financiers, l'analyse des états financiers, les états financiers sommaires vérifiés du gouvernement, les rapports financiers sur le fonds de réserve en cas d'imprévu et d'autres rapports financiers prévus par la loi.

Analyse des états financiers – Cette section présente un exposé écrit des états financiers sommaires, ainsi que des renseignements additionnels sur la performance financière et économique du gouvernement provincial. Les renseignements contenus dans l'analyse des états financiers sont tirés des états financiers sommaires pour l'exercice terminé le 31 mars 2021.

États financiers sommaires – Ces états vérifiés, préparés selon les normes comptables du secteur public de l'organisme Comptables professionnels agréés Canada, divulguent l'incidence financière des activités du gouvernement. Seuls les états financiers sommaires du gouvernement fournissent des renseignements clés sur les activités financières de tout le gouvernement. Ces états comprennent les résultats financiers des quelque 154 organismes différents dont se sert le gouvernement pour fournir des biens et des services. Le périmètre comptable du gouvernement comprend les ministères, les entreprises publiques et les partenariats commerciaux publics du gouvernement, ainsi que des organismes comme les offices régionaux de la santé, les divisions scolaires, les universités et les collèges. Les ministères et les organismes compris dans le périmètre comptable du gouvernement figurent à l'annexe 8 des états financiers sommaires.

Les états financiers sommaires contiennent aussi les renseignements financiers clés suivants :

- la situation financière du gouvernement au 31 mars chaque année;
- les résultats des activités de l'exercice;
- le total des recettes et des dépenses (c'est-à-dire l'excédent ou le déficit annuel);
- les sommes empruntées, remboursées ou refinancées;
- la façon dont les fonds ont été obtenus et utilisés.

Autres renseignements prévus par la loi – Cette section comprend les rapports vérifiés sur des renseignements autres que les états financiers, y compris le fonds de réserve en cas d'imprévu et d'autres rapports précisés dans la Loi sur la gestion des finances publiques, la Loi sur la responsabilité financière et la protection des contribuables et la Loi sur les Affaires du Nord.

Les comptes publics du Manitoba sont accessibles en ligne à : https://www.gov.mb.ca/government/finances/index.fr.html.

GLOSSAIRE DES TERMES CLÉS

Actifs financiers : actifs (p. ex., encaisse, investissements, prêts et débiteurs) qui appartiennent à la Province et qu'elle pourrait facilement convertir en liquidités afin de faire face à ses obligations ou pour financer ses activités futures.

Actifs non financiers : actifs ayant une existence matérielle, notamment les immobilisations corporelles (p. ex., les immeubles et les routes) et les biens consommables (p. ex., les inventaires qui ne sont pas normalement convertis en liquidités).

Autres éléments du résultat étendu : prise en compte des gains ou des pertes non réalisés calculés selon la juste valeur marchande de l'instrument financier (p. ex., un placement susceptible de vente ou d'échange ou une dette en devise étrangère). À l'heure actuelle, les normes comptables des autres éléments du résultat étendu ne s'appliquent qu'aux entreprises publiques. Ils sont mesurés d'après la variation des évaluations à la valeur du marché, des taux d'intérêt et des taux de change en fin d'exercice (p. ex., aperçu ponctuel de la variation d'une valeur donnée par comparaison avec la valeur à la même date l'année antérieure).

Autres entités comptables : entités du périmètre comptable du gouvernement (p. ex., organismes publics, entités commerciales publiques et partenariats gouvernementaux), y compris les organismes du secteur public comme les offices régionaux de la santé, les divisions scolaires, les universités et les collèges qui sont contrôlés directement ou indirectement par le gouvernement, conformément aux indications du Conseil sur la comptabilité dans le secteur public. Les ministères ne font pas partie de ce groupe. Voir aussi « Organisme public ».

Composante d'un gouvernement : partie intégrante d'un gouvernement, telle qu'un ministère ou un fonds, qui ne constitue pas une entité distincte ayant le pouvoir de passer des contrats en son propre nom et d'ester en justice.

Dette nette sommaire : total des passifs du périmètre comptable du gouvernement moins ses actifs financiers. Il s'agit du solde des passifs qu'il faudra payer ou financer à l'aide de recettes futures.

Emprunts : valeurs ou titres émis au nom de la Province et vendus aux investisseurs des marchés financiers. On compte parmi ces valeurs ou titres des débentures, des bons du Trésor, des billets à ordre, des billets à moyen terme et des obligations d'épargne du Manitoba.

Entreprise publique : organisme public qui est investi des pouvoirs financiers et administratifs nécessaires pour mener des activités commerciales. Elle vend des biens ou offre des services à des particuliers ou à des organismes non compris dans le périmètre comptable du gouvernement, et elle peut poursuivre ses activités au moyen de ses recettes.

Frais de service de la dette : intérêts et autres dépenses liés aux emprunts provinciaux.

Garanties : garantie que fait la Province pour le remboursement des dettes ou des emprunts engagés par des organismes, principalement des entreprises publiques (p. ex., obligations d'épargne Hydro Bonds du Manitoba).

Immobilisations corporelles : immobilisations dont la durée de vie utile s'étend au-delà de l'exercice et qui sont acquises, construites ou développées, et qui sont destinées à être utilisées plutôt que vendues.

Ministère : regroupement de composantes, d'organismes et de partenariats gouvernementaux dans un domaine particulier d'administration publique que préside un ministre. Les entreprises publiques et les partenariats commerciaux publics n'en font pas partie.

Normes comptables du secteur public : normes faisant autorité en matière de comptabilité et de production de rapports financiers élaborées au moyen d'un processus structuré d'établissement de normes et émises par un organisme reconnu d'établissement de normes, qui précisent comment les opérations et autres événements doivent être reconnus, mesurés, présentés et divulgués dans les états financiers d'une entité du secteur public. Elles sont établies pour répondre aux besoins des utilisateurs des états financiers en fournissant l'information nécessaire à la prise de décisions et à la responsabilité. Les normes sont tirées du Manuel de comptabilité de Comptables professionnels agréés Canada pour le secteur public et s'appliquent à toutes les entités du secteur public

(p. ex., gouvernements, organismes publics et certains partenariats gouvernementaux) qui publient des états financiers à usage général, à moins d'indication expresse ou autorisée à utiliser d'autres normes par le Conseil sur la comptabilité dans le secteur public.

Obligation découlant des régimes de retraite : valeur actuarielle de l'obligation non réglée découlant des régimes de retraite du gouvernement et des organismes publics participants. La dépense comprend les fonds provenant des crédits des ministères et l'augmentation, déterminée à l'aide de calculs actuariels, de l'obligation découlant des régimes de retraite.

Organisme public : organisme contrôlé par un gouvernement, qui constitue une entité distincte ayant le pouvoir de passer des contrats en son propre nom et d'ester en justice. Les organismes publics incluent les offices régionaux de la santé, les divisions scolaires, les universités et les collèges. Voir aussi « Autres entités comptables ».

Partenariat commercial public : partenariat gouvernemental qui est investi des pouvoirs financiers et administratifs nécessaires pour mener des activités commerciales. Il vend des biens ou offre des services à des particuliers ou à des organismes non compris dans le périmètre comptable du gouvernement, et il peut poursuivre ses activités au moyen de ses recettes. Le gouvernement intègre sa part proportionnelle du partenariat uniquement dans les états financiers sommaires consolidés.

Partenariat gouvernemental : accord contractuel en vertu duquel le gouvernement et des partenaires coopèrent vers des buts communs clairement définis, font un investissement financier dans le partenariat, ont le contrôle partagé des décisions de façon continue, et partagent équitablement les risques et les avantages du partenariat.

Périmètre comptable du gouvernement : inclut les ministères, les organismes, les entités commerciales et les partenariats gouvernementaux, ainsi que les autres entités comptables.

Principes comptables généralement reconnus (PCGR) : pratiques comptables normalisées et lignes directrices pour la présentation de l'information financière, prescrites par Comptables professionnels agréés du Canada.

Produit intérieur brut (PIB) : valeur marchande totale de tous les biens et services produits par l'économie manitobaine.

Ratio de la dette nette au PIB : ratio de la dette nette du gouvernement par rapport à la valeur marchande totale de tous les biens et services produits par l'économie manitobaine. La dette nette est le total du passif du gouvernement moins ses actifs financiers. Les agences de notation et autres analystes s'en servent couramment pour évaluer la situation et la conjoncture financières d'un gouvernement et l'évolution de sa solvabilité.

Rapport d'analyse des états financiers

POUR L'EXERCICE TERMINÉ LE 31 MARS 2021

RAPPORT D'ANALYSE DES ÉTATS FINANCIERS

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SITUATION FINANCIÈRE DU GOUVERNEMENT

Le Conseil sur la comptabilité dans le secteur public des Comptables professionnels agréés du Canada publie un énoncé de pratiques recommandées dans lequel il propose divers indicateurs financiers utiles à l'évaluation de la situation financière des gouvernements. Les indicateurs proposés ne sont pas associés à des valeurs de référence pour le secteur public. Ils correspondent plutôt à des ratios ou à des indicateurs de tendance qui dressent le portrait de la situation pendant un nombre donné d'exercices, pour faciliter les comparaisons et aider à l'évaluation de la santé financière du gouvernement dans la conjoncture économique et financière courante. Les indicateurs recommandés sont regroupés dans trois catégories :

(1) Durabilité – mesure la capacité d'un gouvernement de maintenir ses programmes sans avoir à accroître ses emprunts.

(2) Flexibilité – mesure la capacité d'un gouvernement de faire face à des engagements financiers grandissants en accroissant ses recettes ou en s'endettant davantage.

(3) Vulnérabilité – mesure le degré de dépendance d'un gouvernement à l'égard de sources de revenus qui échappent à son pouvoir direct ou à son influence, sur le plan tant national qu'international.

L'analyse des états financiers reflète les résultats de la province du Manitoba, lesquels ont été touchés par la pandémie de COVID-19. Afin d'avoir une vue d'ensemble plus large de la situation financière actuelle de la province, il est fortement recommandé de consulter le rapport du premier trimestre de 2021-2022 du Manitoba.

Les sources de données et leurs limites

Les indicateurs financiers exposés dans le présent rapport se fondent sur des données financières clés contenues dans les états financiers sommaires vérifiés. Les données économiques proviennent de Statistique Canada et du Bureau des statistiques du Manitoba. Les données comparatives présentées ne sont pas ajustées en fonction de l'inflation. Par contre, les résultats comparatifs sont retraités pour tenir compte de la méthode comptable ou de la présentation adoptée au cours de l'exercice financier considéré. Les indicateurs financiers de la présente section exposent les résultats dans le même format que celui des comptes publics du Manitoba.

Situation financière du gouvernement en 2020-2021

La présente section décrit la santé financière du gouvernement à l'aide des trois catégories d'indicateurs de Comptables professionnels agréés Canada, soit la durabilité, la flexibilité et la vulnérabilité. Elle décrit également chacune des catégories et les indicateurs qui y sont associés. Pour chacun des indicateurs, elle fournit des données financières de la province et souligne les principales tendances.

Durabilité

Comme nous l'avons indiqué plus tôt, la durabilité mesure la capacité d'un gouvernement d'assumer les engagements pris dans le cadre de ses programmes et de répondre aux exigences de ses créanciers sans avoir à accroître ses emprunts ou le fardeau fiscal.

L'observation des tendances qui se dégagent des cinq indicateurs suivants permet de se faire une idée concrète de la durabilité des pratiques du gouvernement en matière de dépenses et de production de recettes :

- *dette nette en pourcentage du PIB provincial :* la relation entre la dette nette d'un gouvernement et les revenus dans l'économie;
- *dette nette en pourcentage des recettes annuelles totales :* la mesure dans laquelle les recettes à venir serviront à payer des opérations ou des événements passés;
- *dette nette par habitant :* la relation entre la dette nette d'un gouvernement et sa population est généralement considérée comme la meilleure mesure pour un examen intergouvernemental de la santé financière et gouvernementale. Il s'agit du montant de la dette nette attribué à chaque personne résidente du Manitoba;
- *revenu net annuel (perte nette annuelle) :* la mesure dans laquelle le gouvernement vit selon ses moyens;
- *revenu net annuel (perte nette annuelle) en pourcentage du PIB provincial :* la relation entre le revenu net (la perte nette) du gouvernement et l'économie provinciale.

La pandémie de COVID-19 a été déclarée par l'Organisation mondiale de la Santé le 11 mars 2020, tout juste avant le début de l'exercice 2020-2021. Les effets économiques subséquents à l'échelle mondiale et au Manitoba ont continué d'avoir une incidence sur les habitudes de dépenses et d'emprunt du gouvernement, comme le reflètent les résultats de l'exercice terminé le 31 mars 2021. Les indicateurs économiques qui font l'objet d'une surveillance régulière par la province indiquent que la pandémie a ralenti la croissance du produit intérieur brut et des recettes autonomes du gouvernement, ce qui, combiné à l'augmentation des dépenses gouvernementales en réponse à la pandémie de COVID-19, a entraîné des pertes nettes plus élevées que celles prévues au budget et des niveaux de dette plus élevés. Les ratios présentés dans l'analyse des états financiers montrent une détérioration à moyen terme de la situation financière par rapport aux prévisions antérieures en raison de la pandémie.

Dette nette en pourcentage du PIB provincial

Le gouvernement adapte ses pratiques en matière de dépenses et de revenus en fonction de l'économie de la province. Le ratio de la dette nette au PIB provincial donne un aperçu des résultats de ces pratiques.

La dette nette, soit le total des passifs du gouvernement moins le total de ses actifs financiers, donne une indication des revenus futurs qui devront être utilisés pour assumer financièrement des opérations ou des événements passés. La dette nette en pourcentage du PIB provincial exprime le niveau d'obligations financières que devra assumer l'économie en raison des pratiques cumulatives en matière de dépenses et de production de recettes du gouvernement. Le pourcentage représente l'ampleur de la dette du gouvernement par rapport aux résultats économiques annuels de la province.

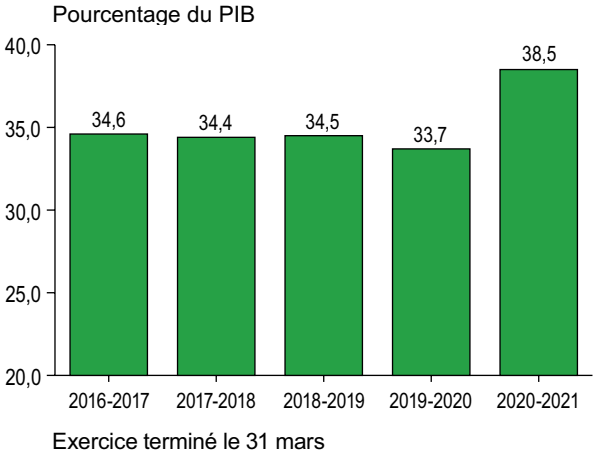
En plus du déficit annuel, des investissements dans l'amélioration des immobilisations et dans le remplacement des immobilisations corporelles sujettes à la détérioration, comme les infrastructures de transport, accroissent la dette nette. Au fur et à mesure que la province acquiert des immobilisations corporelles, elle contracte une dette, et le coût des nouvelles immobilisations est amorti sur leur vie utile, essentiellement en le passant en charges sur la période pendant laquelle les immobilisations seront utilisées et sur la période pendant laquelle elles produiront des recettes.

La croissance du PIB doit être prise en compte pour déterminer la capacité d'endettement. Le PIB est une mesure de la valeur des biens et des services produits dans la province au cours d'une année donnée. Il indique la taille de l'économie provinciale. L'économie provinciale a progressé de façon constante, passant de 67 298 millions de dollars en 2016-2017 à 71 195 millions en 2020-2021, ce qui représente une croissance de 5,8 % sur la période de cinq ans. Pendant cette période, l'indice annuel des prix à la consommation a oscillé entre 0,5 % et 2,5 %.

Le graphique 1 montre que le ratio de la dette nette au PIB au 31 mars 2021 a légèrement augmenté par rapport à l'exercice précédent, passant de 33,7 % à 38,5 %. Cette augmentation reflète l'accroissement substantiel des emprunts du gouvernement au cours de l'exercice 2020-2021 en réponse à la COVID-19. Elle comprend la diminution de ses recettes autonomes et la hausse des dépenses liées à la pandémie.

Graphique 1

Dette nette en pourcentage du PIB provincial



La dette nette pour 2020-2021 comprenait un profit de 243 millions de dollars enregistré par les entreprises publiques, dans les autres éléments du résultat étendu. Les autres éléments du résultat étendu représentent les profits ou pertes non réalisés calculés à un moment donné, et peuvent avoir des effets importants sur la mesure de la dette nette. Les autres éléments du résultat étendu sont mesurés d'après la variation des évaluations à la valeur du marché, des taux d'intérêt et des taux de change en fin d'exercice et constituent, par conséquent, un aperçu ponctuel de la variation d'une valeur donnée par comparaison avec la valeur à la même date lors de l'exercice antérieur.

Gérer la dette nette tout en maintenant ou en augmentant les investissements nécessaires en immobilisations, y compris dans l'infrastructure, est un défi auquel toutes les provinces et tous les territoires du Canada sont confrontés. La pandémie de COVID-19 a rendu ce défi encore plus grand en perturbant les activités commerciales, les chaînes d'approvisionnement mondiales et locales, les pénuries, et l'inflation de certains matériaux de construction, ainsi que la disponibilité de la main-d'œuvre et des immobilisations pour exécuter des projets d'investissement.

La Province a investi dans des projets d'infrastructure dans le cadre de son Programme de relance de l'économie du Manitoba. En même temps, elle a mis en œuvre de nouveaux programmes et renforcé les programmes de soutien existants dans de nombreux secteurs de l'économie pour protéger les moyens de subsistance de la population. Les soins de santé, les personnes âgées, la santé mentale, les parcs provinciaux ainsi que l'aide aux particuliers et aux entreprises ont fait partie des nombreux programmes offerts par le gouvernement au cours des vagues récurrentes de la pandémie, en vue d'assurer la sécurité et le soutien des Manitobains pendant ces périodes d'incertitude.

DETTE NETTE EN POURCENTAGE DES RECETTES ANNUELLES TOTALES

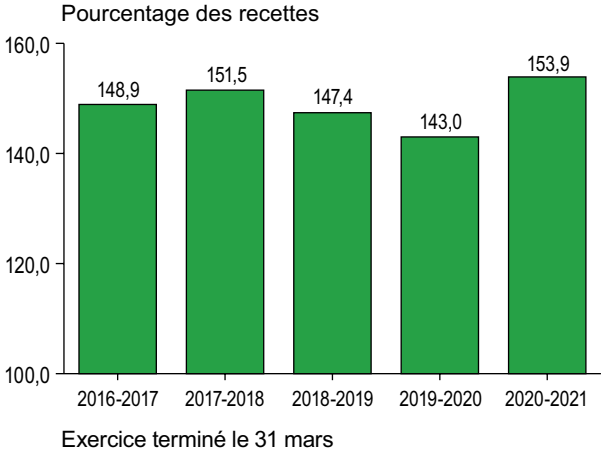
La dette nette correspond à la somme des pertes et des investissements en immobilisations corporelles accumulée d'exercice en exercice par les générations actuelles et passées. Ce montant est une dette que les générations futures doivent continuer à reporter ou à financer à même les recettes nets annuelles. On obtient une dette nette lorsque le total des passifs d'un gouvernement excède le total de ses actifs financiers. Une tendance à l'augmentation de la dette nette par rapport aux recettes annuelles totales signifierait que plus de temps serait nécessaire à l'élimination de la dette nette.

Depuis 2016-2017, le ratio de la dette nette au total des recettes annuelles est passé de 148,9 % à 153,9 %. La stabilisation du ratio à 153,9 % en 2020-2021, interrompant une tendance de deux ans à l'amélioration, est directement liée aux défis économiques présentés par la pandémie de COVID-19.

Le graphique 2 illustre l'évolution historique de la dette nette par rapport aux recettes annuelles. Au cours des dernières années, grâce à une saine gestion financière, cette mesure s'est stabilisée et continuait de diminuer. En 2019-2020, avant la pandémie, la dette nette par rapport aux recettes totales annuelles était à son niveau le plus bas depuis 2016-2017. Cette mesure devrait se stabiliser à mesure que la situation économique s'améliore pendant la reprise suivant la pandémie.

Graphique 2

Dette nette en pourcentage des recettes totales annuelles



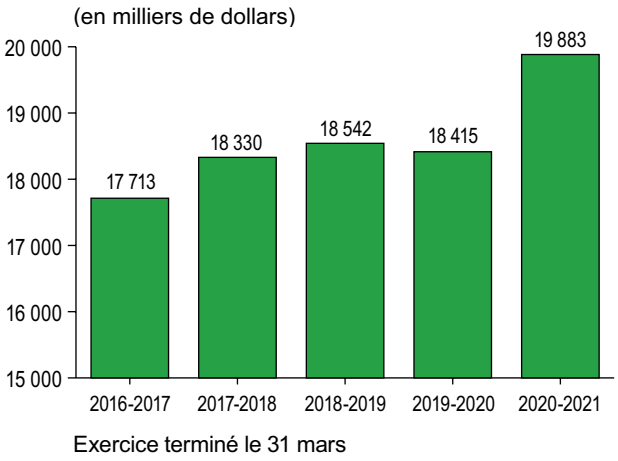
DETTE NETTE PAR HABITANT

La dette nette par habitant est une mesure de la valeur de la dette nette d'un gouvernement exprimée en fonction du montant attribuable à chaque personne citoyenne relevant de la compétence du gouvernement. Elle se calcule habituellement en divisant la dette nette par la population de la province.

La dette nette par habitant donne une indication du degré d'endettement du gouvernement. La dette nette par habitant sert souvent à commenter l'efficacité de la politique budgétaire actuelle du gouvernement. Le ratio de la dette au PIB donne souvent un aperçu plus complet de la santé économique réelle d'un gouvernement. Le graphique 3 illustre l'évolution historique de la dette nette par habitant.

Graphique 3

Dette nette par habitant



La dette nette par habitant a varié de 17 700 dollars à un sommet de 19 900 dollars en 2020-2021. Elle s'est accrue pendant cet exercice, principalement en raison de l'augmentation des dépenses en réponse à la COVID-19 au Manitoba.

REVENUS NETS ANNUELS (PERTES NETTES ANNUELLES)

Les revenus nets annuels aident le gouvernement à maintenir ses services et à réduire ses besoins d'emprunts. Les pertes nettes annuelles peuvent toucher la capacité d'un gouvernement à fournir des services et accroître les besoins d'emprunts.

Le Manitoba a enregistré une perte de 2 117 millions de dollars pour l'exercice qui s'est terminé le 31 mars 2021. Les revenus nets annuels (pertes nettes annuelles) montrent dans quelle mesure le gouvernement génère plus ou moins de revenus que ses dépenses de fonctionnement pendant un exercice.

Pour l'exercice financier qui s'est terminé en 2020, le Manitoba a déclaré son premier excédent depuis le 31 mars 2009. Les défis en matière de santé et d'économie présentés par la pandémie de COVID-19 ont nécessité des dépenses importantes et des mesures de santé publique qui ont eu une incidence sur les sources de recettes de la province.

Le gouvernement a engagé des dépenses de près de 2 100 millions de dollars liées à la pandémie en 2020-2021, lesquelles ont été partiellement compensées par une augmentation des transferts fédéraux ponctuels de 730 millions de dollars. Le sommaire financier de la réponse à la COVID-19 au début du présent document fournit plus de détails sur la répartition des dépenses.

Afin de se conformer à la nouvelle norme canadienne d'audit 540, adoptée pour une première année, la Province a fait appel de façon proactive à des experts externes pour évaluer et attribuer des valeurs à certaines des provisions importantes du gouvernement. Cela comprend les passifs de remise en état des sites miniers abandonnés et orphelins et des lieux contaminés dans toute la province, les passifs éventuels pour les réclamations fondées en droit, et les passifs éventuels rétroactifs pour les contrats de travail conclus et non conclus dans le secteur public. L'impact total de ce travail sur l'évaluation des estimations du bilan du gouvernement en 2020-2021 a augmenté les passifs à 1 094 millions de dollars, avec une augmentation ponctuelle des dépenses.

REVENUS NETS ANNUELS (PERTES NETTES ANNUELLES) EN POURCENTAGE DU PIB PROVINCIAL

Le ratio entre les recettes nettes (pertes nettes) et le PIB provincial indique la différence entre les recettes et les dépenses en pourcentage du PIB. Il s'agit d'une mesure de la capacité d'un gouvernement à répondre à ses besoins financiers et à assurer une gestion appropriée des finances publiques.

Le tableau 1 montre la tendance sur cinq ans des recettes annuelles, des dépenses annuelles, des revenus nets annuels (pertes nettes annuelles), ainsi que des revenus nets annuels (pertes nettes annuelles) par rapport au PIB provincial.

Tableau 1
Revenus nets annuels (pertes nettes annuelles)

Postes des recettes et des dépenses	Chiffres réels de 2016-2017	Chiffres réels de 2017-2018	Chiffres réels de 2018-2019	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021
	(en millions de dollars)				
Total des recettes	15 627	16 152	17 028	17 641	17 819
Total des dépenses	16 416	16 846	17 177	17 636	19 936
Revenus nets (pertes nettes) sommaires	**(789)**	**(694)**	**(149)**	**5**	**(2 117)**
Revenus nets annuels (pertes nettes annuelles) en pourcentage du PIB provincial	(1,2 %)	(1,0 %)	(0,2 %)	0,0 %	(3,0 %)

FLEXIBILITÉ

La flexibilité mesure la capacité d'un gouvernement à augmenter ses ressources financières en augmentant ses recettes ou sa dette nette pour faire face à des engagements croissants.

Le Conseil sur la comptabilité dans le secteur public recommande l'usage de divers indicateurs financiers pour juger de la flexibilité du gouvernement. Parmi ceux-ci, on considère que les indicateurs suivants aident à apprécier la flexibilité du gouvernement du Manitoba :

- *Frais de la dette publique en pourcentage des recettes totales :* mesure dans laquelle les décisions en matière d'emprunts restreignent la capacité d'un gouvernement de faire face à ses engagements financiers et d'assurer la prestation des services prévus;
- *Recettes autonomes en pourcentage du PIB provincial :* mesure dans laquelle le gouvernement retire des recettes de l'économie sous forme d'impôts et de droits d'utilisation.

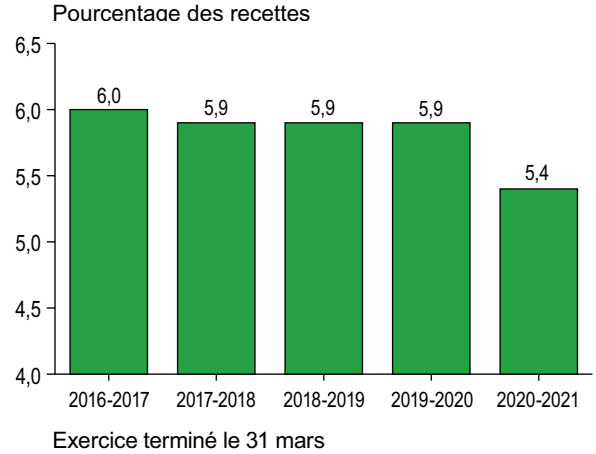
FRAIS DE LA DETTE PUBLIQUE EN POURCENTAGE DES RECETTES TOTALES

Les frais de la dette publique en pourcentage des recettes totales montrent dans quelle mesure un gouvernement doit utiliser des recettes pour payer des frais d'intérêt plutôt que des services. Le ratio montre la proportion par dollar de recettes du gouvernement qui sert à payer les intérêts. Un faible ratio entre les frais d'intérêt et les recettes indique que le gouvernement consacre une faible part de ses recettes aux frais d'intérêt.

Dans le graphique 4, on observe qu'en 2016-2017, le gouvernement utilisait 6,0 cents par dollar de recettes pour assumer les frais d'intérêt. En 2020-2021, 5,4 cents de chaque dollar de recettes ont été utilisés pour ces frais.

Graphique 4

Frais de la dette publique en pourcentage des recettes totales



RECETTES AUTONOMES EN POURCENTAGE DU PIB PROVINCIAL

Les recettes autonomes en pourcentage du PIB provincial montrent la part de recettes qu'un gouvernement tire de l'économie provinciale sous forme d'impôts et de droits d'utilisation. Les recettes autonomes ne comprennent pas les recettes nettes des entreprises publiques, étant donné la nature semi-autonome de leurs activités. Leurs recettes ne proviennent pas d'impôts ou de droits d'utilisation, mais de l'offre de produits ou de services.

Des recettes autonomes élevées en pourcentage du PIB ou des ratios accrus signifient que le gouvernement augmente les pressions qui s'exercent sur l'économie provinciale, indiquant que ses besoins dépassent la croissance de l'économie.

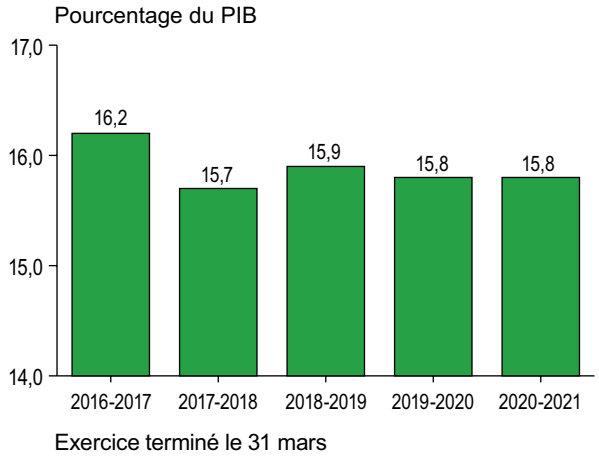
Depuis 2016-2017, les recettes autonomes du gouvernement ont suivi une progression constante, sauf en 2020-2021, où elles ont diminué de 566 millions de dollars, passant de 11 849 millions à 11 283 millions. En pourcentage du PIB provincial, les recettes autonomes ont diminué de 4,8 %. Cela indique que le gouvernement n'a pas changé de manière importante ses exigences sur l'économie de la province au cours de cette période. En 2020-2021, les principaux facteurs de l'augmentation des recettes autonomes par rapport à l'exercice précédent étaient les suivants :

- l'impôt sur le revenu, dont les recettes ont baissé de 316 millions de dollars, soit 7,0 %;
- les droits et autres recettes, qui ont diminué de 133 millions de dollars, soit 5,4 %;
- les fonds d'amortissement et autres bénéfices nets, qui ont diminué de 54 millions de dollars, soit 14,3 %;
- la taxe sur les ventes au détail, dont les recettes ont diminué de 54 millions de dollars, soit 2,4 %;
- les taxes sur le carburant, dont les recettes ont diminué de 39 millions de dollars, soit 11,5 %;
- l'impôt foncier pour l'éducation, dont les recettes se sont accrues de 21 millions de dollars, soit 2,4 %.

Le graphique 5 montre la relation entre les recettes autonomes et le PIB provincial. Le PIB a augmenté de 5,8 %, passant de 67 298 millions de dollars en 2016-2017 à 71 195 millions en 2020-2021. Les recettes autonomes ont diminué de 566 millions de dollars en 2020-2021. Par conséquent, le ratio des recettes autonomes par rapport à l'économie est demeuré relativement stable à 15,8 % du PIB. Les recettes autonomes en pourcentage du PIB provincial en 2020-2021 sont demeurées inchangées par rapport à l'exercice précédent.

Graphique 5

Recettes autonomes en pourcentage du PIB provincial



VULNÉRABILITÉ

La vulnérabilité correspond au degré de dépendance du gouvernement, et donc de vulnérabilité, par rapport aux fluctuations des sources de recettes qui échappent à son influence ou son contrôle direct. Un degré de dépendance élevé peut indiquer qu'un gouvernement compte sur des sources externes pour offrir ses programmes et services au niveau et au degré de qualité actuels. Des fluctuations des sources extérieures de recettes liées aux projets d'immobilisation et à d'autres programmes non récurrents ou qui ne sont pas liés au fonctionnement n'indiquent pas une augmentation sensible de la vulnérabilité d'un gouvernement du point de vue des sources de recettes.

Les transferts fédéraux en pourcentage des recettes totales constituent un indicateur recommandé de la relative vulnérabilité du gouvernement.

TRANSFERTS FÉDÉRAUX EN POURCENTAGE DES RECETTES TOTALES

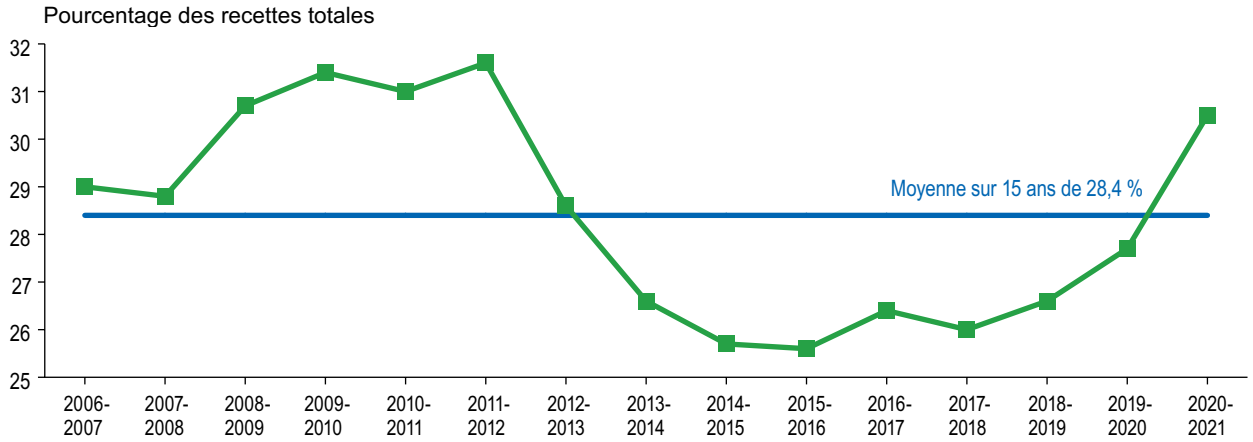
Le ratio des transferts fédéraux en pourcentage des recettes totales indique la vulnérabilité des provinces aux variations dans les transferts en provenance du gouvernement du Canada.

Le graphique 6 montre que le ratio des transferts fédéraux principaux et des transferts connexes, par rapport au total des recettes provinciales, à l'exception des transferts fédéraux liés à la COVID-19, est passé de 29,0 % en 2006-2007 à 30,5 % en 2020-2021. Dans l'ensemble, le Manitoba a connu une baisse des transferts fédéraux en proportion des recettes totales, passant de 31,6 % en 2011-2012 à 30,5 % en 2020-2021, comme l'illustre la ligne pointillée verte dans le graphique ci-dessous.

Ce ratio plus faible révèle que la Province compte davantage sur ses recettes autonomes pour financer ses programmes et services, montrant une vulnérabilité graduellement décroissante du Manitoba en fonction des modifications apportées aux transferts fédéraux.

Graphique 6

Transferts fédéraux en pourcentage des recettes totales



RISQUES ET INCERTITUDES

La pandémie de COVID-19 a eu un impact important, perturbant les économies locales et nationales, influençant les marchés financiers, réduisant les revenus des entreprises et des ménages, et entraînant des difficultés sans précédent sur les plans sanitaire, économique et social à l'échelle mondiale.

Le gouvernement s'emploie de façon continue à accompagner les Manitobains vers un rétablissement et une relance sécuritaires. Il continue d'évaluer et de surveiller l'incidence de la COVID-19 sur sa situation financière, y compris une diminution des revenus et une augmentation des dépenses découlant directement de la crise. La reprise devrait prendre de nombreuses années. Même si les premières estimations à la date de préparation des états financiers font état d'une perte nette conforme à celle de 1,6 milliard de dollars prévue au budget pour le prochain exercice, l'ampleur et la durée de la pandémie demeurent incertaines. Par conséquent, il est difficile de mesurer de façon fiable l'impact futur possible sur la situation financière et les activités du gouvernement. Malgré cela, le gouvernement s'est engagé à atteindre un budget équilibré au cours des huit prochaines années ou plus tôt.

La principale exposition du gouvernement aux risques et aux incertitudes résulte de variables qui ne dépendent pas directement de lui. Il s'agit des suivantes :

- des facteurs économiques, comme la chaîne d'approvisionnement, le cours des matières premières, le revenu des particuliers et des entreprises, les ventes au détail et l'accroissement de la population;
- l'exposition aux fluctuations des taux d'intérêt, aux taux de change et aux modifications défavorables à notre cote de crédit;
- des événements néfastes, économiques ou financiers, qui peuvent influer sur les résultats annuels d'ensemble;
- la mise en place de barrières commerciales abruptes ou de tarifs déloyaux perturbant les flux naturels d'échange à l'intérieur du Canada et avec les États-Unis et le reste du monde;
- des changements favorables aux taux d'imposition des États-Unis ou d'autres provinces ou territoires canadiens, qui peuvent rendre d'autres administrations plus concurrentielles pour les entreprises et les contribuables au Manitoba. De la même manière, des décisions fiscales fédérales défavorables peuvent avoir un effet néfaste sur la croissance économique et les recettes fiscales;
- l'impossibilité de donner suite à des décisions concernant les investissements prévus en immobilisations ou des retards dans ces décisions en raison d'obligations, notamment environnementales, ou de perturbation des chaînes d'approvisionnement;
- la performance financière des sociétés d'État, en particulier Manitoba Hydro, qui a récemment enregistré une dette importante sur son bilan comptable pour des projets d'immobilisations de grande envergure;
- une perturbation économique pour les entreprises touchées par certaines mesures de santé publique pendant la pandémie de COVID-19;
- les résultats de procès, d'arbitrages ou de négociations avec des tiers;
- des modifications des transferts fédéraux;
- les taux d'utilisation des services du gouvernement, comme les soins de santé, les services à l'enfance et à la famille et l'aide à l'emploi;
- des corrections pluriannuelles des marchés touchant plusieurs catégories d'actifs et régions, ayant une incidence sur la liquidité des placements dans les autres entités comptables et les régimes de retraite;
- des changements dans les normes comptables;
- la détermination et la quantification du passif lié aux lieux contaminés;
- la volatilité des résultats, y compris les résultats consolidés d'autres entités comptables.

L'avenir demeure très incertain étant donné l'imprévisibilité de la quatrième vague de la pandémie de COVID-19 au Manitoba. Les principales priorités du gouvernement continuent d'être la vaccination accrue de la population, une surveillance permanente du virus, ainsi qu'une intervention et un traitement rapides au regard des infections.

Le tableau suivant présente un aperçu des changements possibles dans certaines des principales variables financières du PIB nominal, des taux d'intérêt et des niveaux de la dette. L'analyse de sensibilité fait partie de l'approche gouvernementale en matière de planification financière. Ce tableau illustre la sensibilité au changement que ces variables ont sur le revenu net (la perte nette) du Manitoba :

Principales sensibilités fiscales

Accroissement des variables	**Augmentation de**	**Incidence financière annuelle (en millions de dollars)**
PIB nominal	1 %	130 $
Taux d'intérêt	1 %	(21 $)
Dette	500 millions de dollars	(18 $)

ANALYSE DES ÉCARTS ET DES PRINCIPALES ÉVOLUTIONS

Analyse des écarts et des principales évolutions
Revenus nets (pertes nettes) sommaires

Postes des recettes et des dépenses	Budget de 2020-2021	Chiffres réels de 2020-2021	Chiffres réels de 2019-2020	Écart: Chiffres réels de 2020-2021 par rapport aux chiffres réels de 2019-2020	Écart: Chiffres réels de 2020-2021 par rapport au budget
			(en millions de dollars)		
RECETTES					
Impôt sur le revenu	4 621	4 199	4 515	(316)	(422)
Autres taxes et impôts	4 523	4 429	4 492	(63)	(94)
Droits et autres recettes	2 358	2 332	2 465	(133)	(26)
Fonds d'amortissement et autres bénéfices nets	352	323	377	(54)	(29)
Total des recettes autonomes	11 854	11 283	11 849	(566)	(571)
Entreprises publiques	747	600	913	(313)	(147)
Transferts fédéraux	5 136	5 936	4 879	1 057	800
Total des recettes	17 737	17 819	17 641	178	82
DÉPENSES					
Assemblée législative	50	47	53	(6)	(3)
Conseil exécutif	6	6	5	1	-
Éducation postsecondaire, Développement des compétences et Immigration	1 500	1 453	1 443	10	(47)
Agriculture et Développement des ressources	489	468	534	(66)	(21)
Services centralisés	214	580	191	389	366
Commission de la fonction publique	26	27	25	2	1
Conservation et Climat	219	386	138	248	167
Services de la Couronne	2	4	2	2	2
Développement économique et Emploi	233	315	191	124	82
Éducation	3 004	3 001	2 939	62	(3)
Familles	2 180	2 194	2 164	30	14
Finances	110	512	104	408	402
Santé et Soins aux personnes âgées	6 484	7 060	6 544	516	576
Relations avec les Autochtones et le Nord	33	31	28	3	(2)
Infrastructure	495	483	528	(45)	(12)
Justice	728	783	697	86	55
Affaires législatives et publiques	3	3	1	2	-
Santé mentale, Mieux-être et Rétablissement	352	351	332	19	(1)
Relations avec les municipalités	435	782	412	370	347
Sport, Culture et Patrimoine	109	123	150	(27)	14
Allègements fiscaux	36	52	57	(5)	16
Crédits d'autorisation	147	25	21	4	(122)
Urgences diverses et autres crédits	101	281	40	241	180
Service de la dette	1 001	969	1 037	(68)	(32)
Total des dépenses	17 957	19 936	17 636	2 300	1 979
Revenus nets (pertes nettes) sommaires	(220)	(2 117)	5	(2 122)	(1 897)

À la fin de l'exercice, la province affichait une perte de 2 117 millions de dollars, soit 1 897 millions de plus que la perte nette de 220 millions prévue dans le budget. En 2020-2021, les recettes totales ont atteint 17 819 millions de dollars, et les dépenses totales se sont élevées à 19 936 millions.

ANALYSE DES RECETTES

Les principaux facteurs expliquant les écarts des recettes par rapport aux prévisions budgétaires sont les suivants :

- L'impôt sur le revenu a été inférieur de 422 millions de dollars au budget, principalement en raison d'une baisse des prévisions de revenu imposable des particuliers en 2020 comparativement au budget et d'une augmentation importante du remboursement des gains en capital fiduciaire en 2019, de même que d'une baisse des prévisions pour le revenu imposable des entreprises en 2020.
- Les autres taxes et impôts ont été inférieurs de 94 millions de dollars au budget, ce qui comprend une augmentation de 187 millions au titre de la taxe de vente au détail en raison du report de la diminution du taux. Le montant a été contrebalancé par une diminution de 218 millions de dollars au titre de l'écoprélèvement en raison du report, une diminution de 55 millions pour les taxes sur le carburant en raison de la baisse de la demande de carburant liée à la pandémie, et une diminution de 29 millions au titre de l'impôt destiné aux services de santé et à l'enseignement, principalement due à la baisse des salaires et de l'emploi résultant de la pandémie.
- Les droits et autres revenus ont été inférieurs de 26 millions de dollars au budget. Les recettes des services auxiliaires dans les établissements d'enseignement postsecondaire ont été inférieures de 67 millions de dollars au budget, principalement en raison de la baisse des recettes liées au stationnement, aux ventes des boutiques universitaires et aux impressions en raison du virage virtuel. L'augmentation de 55 millions de dollars des droits et autres recettes a été partiellement compensée par une réduction de 36 millions au titre du passif lié aux lieux contaminés et par une réduction de 11 millions des prestations d'Aide à l'emploi et au revenu.
- Les fonds d'amortissement et autres bénéfices nets ont été inférieurs de 29 millions de dollars par rapport au budget, principalement en raison de la baisse des bénéfices par rapport aux placements du marché monétaire prévus en raison des faibles taux d'intérêt.
- Les revenus des entreprises publiques étaient inférieurs de 147 millions de dollars au budget, principalement en raison d'une réduction de 225 millions des recettes de la Société manitobaine des alcools et des loteries découlant des fermetures liées à la pandémie et de la capacité réduite du réseau de terminaux de loterie vidéo, du réseau de loteries et des casinos. Le revenu net de Manitoba Hydro a été supérieur de 72 millions de dollars au budget en raison du report de certaines dépenses liées à la centrale électrique de Keeyask, ce qui a partiellement compensé les réductions de recettes de la Société manitobaine des alcools et des loteries.
- Les transferts fédéraux ont été supérieurs de 800 millions de dollars au budget, principalement en raison des transferts de 730 millions liés à la COVID-19. On observe aussi un financement accru de 68 millions de dollars de la recherche à l'Université du Manitoba dans le cadre de la recherche sur la COVID-19 et du soutien des services médicaux dans le Nord.

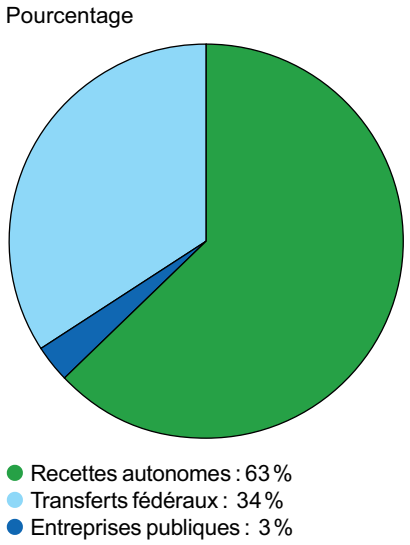
L'analyse de l'évolution des recettes renseigne les lecteurs sur les principales variations des recettes selon les exercices et les sources, et leur permet d'évaluer la performance passée et les possibles implications pour l'avenir. La section suivante présente les tendances des recettes au Manitoba.

Analyse de l'évolution des recettes par source

Source de recettes	Chiffres réels de 2016-2017	Chiffres réels de 2017-2018	Chiffres réels de 2018-2019	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021
			(en millions de dollars)		
Impôt sur le revenu	3 958	3 985	4 234	4 515	4 199
Taxe sur les ventes au détail	2 301	2 444	2 472	2 262	2 208
Taxes sur les carburants	336	344	347	338	299
Impôt destiné aux services de santé et à l'enseignement	343	356	376	385	370
Impôt foncier pour l'éducation	793	827	847	874	895
Autres taxes et impôts	623	617	643	633	657
Droits et autres recettes	2 329	2 364	2 341	2 465	2 332
Transferts fédéraux	4 128	4 200	4 531	4 879	5 936
Revenus nets des entreprises publiques	589	758	919	913	600
Fonds d'amortissement et autres bénéfices nets	227	257	318	377	323
Total des recettes	15 627	16 152	17 028	17 641	17 819

Le tableau suivant illustre les principales sources de recettes du gouvernement pour 2020-2021. La majorité des recettes, soit 63,0 %, provenait de recettes autonomes du Manitoba.

Sources de recettes pour l'exercice terminé le 31 mars 2021



Les recettes totales en 2020-2021 ont atteint 17 819 millions de dollars, ce qui représente une hausse de 178 millions, ou de 1,0 %, par rapport à 2019-2020. Les principaux facteurs expliquant les écarts des recettes par rapport à l'exercice précédent sont les suivants :

- Une baisse de 316 millions de dollars des impôts est principalement attribuable à une diminution de 246 millions de l'impôt sur le revenu des particuliers, attribuable à une diminution de 3,5 % du revenu d'emploi du Manitoba en raison de la pandémie de COVID-19 et à une diminution de 70 millions de l'impôt sur le revenu des entreprise due à une baisse de 2,8 % du revenu imposable des entreprise du Manitoba en raison de la pandémie.
- Une diminution de 133 millions de dollars, ou de 5,4 %, des droits et autres recettes est principalement due à la réduction des revenus associés aux services auxiliaires dans le système de santé et des fermetures de campus d'établissements d'enseignement postsecondaire en raison de l'incidence des arrêts liés à la pandémie.
- Une augmentation de 1 057 millions de dollars, ou de 21,7 %, des transferts fédéraux correspond aux augmentations annuelles prévues au budget pour la péréquation et le Transfert canadien en matière de santé et de programmes sociaux, de même que les transferts de 730 millions liés à la COVID-19.
- Une diminution de 313 millions de dollars du revenu net des entreprises publiques est principalement attribuable à une baisse de 181 millions pour la Société manitobaine des alcools et des loteries et à une diminution de 153 millions pour la Société d'assurance publique du Manitoba, contrebalancées en partie par une augmentation de 20 millions pour Manitoba Hydro et une hausse d'un million pour la Société d'assurance-dépôts du Manitoba.
  - La diminution de 181 millions de dollars pour la Société manitobaine des alcools et des loteries est principalement due à la fermeture liée à la COVID-19 et aux limites de capacité dans les casinos, partiellement contrebalancées par les activités de gestion des dépenses en réponse aux fermetures du secteur des jeux.

- La baisse de 153 millions de dollars pour la Société d'assurance publique du Manitoba est principalement due à la répartition d'excédents aux titulaires de police afin de fournir un soutien financier à la population en raison de la pandémie, partiellement contrebalancée par l'augmentation du revenu de placement.
- L'augmentation de 20 millions de dollars pour Manitoba Hydro est principalement attribuable à l'augmentation des recettes provinciales et nationales supplémentaires, partiellement contrebalancée par une hausse des coûts liés aux immobilisations.

- Une diminution de 54 millions de dollars, ou 14,3 %, des fonds d'amortissement et autres bénéfices nets est attribuable à la baisse du bénéfice dans les placements du marché monétaire en raison des faibles taux d'intérêt.

ANALYSE DES DÉPENSES

Les principaux facteurs expliquant les écarts par rapport aux prévisions budgétaires sont les suivants :

- Les dépenses des Services centralisés ont dépassé de 366 millions de dollars le budget, principalement en raison de l'achat de fournitures en réponse à la COVID-19.
- Les dépenses liées à Conservation et Climat ont dépassé de 167 millions de dollars le budget, principalement en raison de l'augmentation des passifs liés aux sites miniers abandonnés et orphelins, partiellement contrebalancées par une baisse des dépenses d'Efficacité Manitoba en raison des retards de programme résultant de la pandémie, des coûts d'extinction d'incendie moins élevés en raison d'une saison printanière plus lente que d'habitude, et des économies réalisées par des postes vacants au sein du ministère.
- Les dépenses de Développement économique et Emploi ont dépassé de 82 millions de dollars le budget en raison du financement lié à la COVID-19 pour soutenir la Manitoba Chambers of Commerce afin d'offrir des programmes dans le cadre du Fonds de relance à long terme, de l'aide à l'industrie de l'accueil, du Programme de relance des emplois d'été pour les étudiants du Manitoba, du Programme manitobain de retour au travail cet été et du Programme manitobain de retour au travail visant à soutenir la reprise économique de la province à la suite de la pandémie.
- Les dépenses des Finances ont dépassé de 402 millions de dollars le budget en raison du financement lié à la COVID-19, y compris le Programme pour la relance de l'emploi au Manitoba, le Programme de subventions salariales Manitoba au travail, le Programme de reconnaissance des risques du Manitoba et le Programme de soutien salarial pour les fournisseurs de soins.
- Les dépenses de Santé et Soins aux personnes âgées ont été supérieures de 576 millions de dollars au budget, principalement en raison des coûts associés à l'augmentation du financement des organismes de prestation de services de santé en réponse à la COVID-19, à la fourniture d'équipement de protection individuelle et de vaccination, et aux passifs éventuels.
- Les dépenses des Relations avec les municipalités ont dépassé de 347 millions de dollars le budget, principalement en raison du Programme de relance de l'économie au sein des municipalités et du financement accru aux administrations municipales en raison de la pandémie.
- Les dépenses des Crédits d'autorisation ont été inférieures de 122 millions de dollars au budget en raison du report de certains ajustements de services internes prévus résultant de la pandémie de COVID-19.
- Les dépenses d'Urgences diverses et autres crédits ont dépassé de 180 millions de dollars le budget en raison des exigences en réponse à la COVID-19 et des nouveaux passifs éventuels.
- Les frais de Service de la dette ont été inférieurs de 32 millions de dollars au budget en raison principalement de taux d'intérêt moindres que prévu.

L'analyse des dépenses aide les lecteurs à comprendre l'incidence des dépenses du gouvernement sur l'économie, la répartition et l'utilisation des ressources gouvernementales dans leur ensemble ainsi que le coût des programmes du gouvernement.

Dépenses par fonction

Les dépenses par fonction présentent le sommaire des principaux secteurs de dépenses du gouvernement et l'évolution des dépenses au fil des ans.

Analyse de l'évolution des dépenses par fonction

Dépenses par fonction	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021
	(en millions de dollars)	
Assemblée législative	53	47
Conseil exécutif	5	6
Éducation postsecondaire, Développement des compétences et Immigration	1 443	1 453
Agriculture et Développement des ressources	534	468
Services centralisés	191	580
Commission de la fonction publique	25	27
Conservation et Climat	138	386
Services de la Couronne	2	4
Développement économique et Emploi	191	315
Éducation	2 939	3 001
Familles	2 164	2 194
Finances	104	512
Santé et Soins aux personnes âgées	6 544	7 060
Relations avec les Autochtones et le Nord	28	31
Infrastructure	528	483
Justice	697	783
Affaires législatives et publiques	1	3
Santé mentale, Mieux-être et Rétablissement	332	351
Relations avec les municipalités	412	782
Sport, Culture et Patrimoine	150	123
Allègements fiscaux	57	52
Crédits d'autorisation	21	25
Urgences diverses et autres crédits	40	281
Service de la dette	1 037	969
Total des dépenses par fonction	17 636	19 936

Les dépenses totales en 2020-2021 s'élevaient à 19 936 millions de dollars, soit une augmentation de 2 300 millions, ou de 13,0 %, par rapport à 2019-2020. Les facteurs les plus importants à l'origine des écarts par rapport à l'exercice précédent sont les suivants :

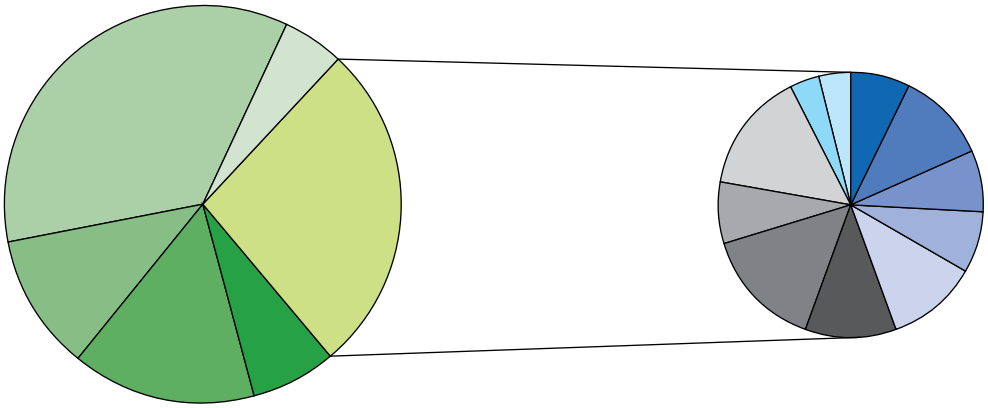
- Les dépenses des Services centralisés ont augmenté de 389 millions de dollars, soit 204 %, principalement en raison de l'achat de fournitures en réponse à la COVID-19.
- Les dépenses de Conservation et Climat ont augmenté de 248 millions de dollars, ou 180 %, principalement en raison des estimations plus élevées des passifs liés aux lieux contaminés des mines orphelines et abandonnées, et d'une nouvelle contribution au fonds pour les parcs provinciaux de la Winnipeg Foundation. Les dépenses d'Efficacité Manitoba ont augmenté en raison de des activités d'exploitation accrues, qui ont été partiellement compensées par la baisse des coûts du ministère en 2020-2021 pour l'extinction des feux échappés.

- Les dépenses de Développement économique et Emploi ont augmenté de 124 millions de dollars, soit 64,9 %, principalement en raison du financement accru lié à la COVID-19 à la Manitoba Chambers of Commerce afin d'offrir des programmes dans le cadre du Fonds de relance à long terme, de l'aide à l'industrie de l'accueil, du Programme de relance des emplois d'été pour les étudiants du Manitoba, du Programme manitobain de retour au travail cet été et du Programme manitobain de retour au travail visant à soutenir la reprise économique de la province à la suite de la pandémie.
- Les dépenses de Finances ont augmenté de 408 millions de dollars, ou 392 %, principalement en raison du financement lié à la COVID-19, y compris le Programme pour la relance de l'emploi au Manitoba, le Programme de subventions salariales Manitoba au travail, le Programme de reconnaissance des risques du Manitoba et le Programme de soutien salarial pour les fournisseurs de soins.
- Les dépenses de Santé et Soins aux personnes âgées ont augmenté de 516 millions de dollars, ou 7,9 %, principalement en raison des coûts associés à une augmentation du financement des organismes de prestation de services de santé en réponse à la COVID-19, à la fourniture d'équipement de protection individuelle et de vaccination, et aux passifs éventuels.
- Les dépenses de Justice ont augmenté de 86 millions de dollars, ou 12,3 %, principalement en raison du financement ponctuel supplémentaire fourni pour soutenir les victimes d'actes criminels, et des passifs éventuels.
- Les dépenses des Relations avec les municipalités ont augmenté de 370 millions de dollars, ou 89,8 %, principalement en raison du Programme de relance de l'économie au sein des municipalités et du financement accru aux administrations municipales en raison de la pandémie.
- Les dépenses d'Urgences diverses et autres crédits ont augmenté de 241 millions de dollars, ou 603 %, en raison de l'aide supplémentaire pendant la pandémie aux particuliers et aux entreprises, des nouveaux passifs éventuels et de l'augmentation des dépenses liées aux événements majeurs d'inondations et de pluies.
- Les dépenses de Service de la dette ont diminué de 68 millions de dollars, ou 6,6 %, en raison de la baisse des taux d'intérêt.

Le diagramme suivant illustre les dépenses du gouvernement par fonction :

Dépenses par fonction

Pourcentage



- Éducation postsecondaire, Développement des compétences et Immigration : 7 %
- Éducation : 15 %
- Familles : 11 %
- Santé et Soins aux personnes âgées : 35 %
- Service de la dette : 5 %
- Agriculture et Développement des ressources : 2 %
- Services centralisés : 3 %
- Conservation et Climat : 2 %
- Développement économique et Emploi : 2 %
- Finances : 3 %
- Infrastructure : 3 %
- Justice : 4 %
- Santé mentale, Mieux-être et Rétablissement : 2 %
- Relations avec les municipalités : 4 %
- Sport, Culture et Patrimoine : 1 %
- Autres crédits : 1 %

Les éléments relatifs à la santé et aux soins aux personnes âgées; à l'éducation, aux familles et à l'éducation postsecondaire, au développement des compétences et à l'immigration représentent 68,8 % des dépenses totales de fonctionnement.

Les dépenses de programmes, qui représentent les dépenses totales, excluant le coût du service de la dette, ont augmenté de 14,3 % par rapport à 2019-2020, principalement en raison de l'augmentation au sein des ministères de la Santé et des Soins aux personnes âgées, des Finances, des Services centralisés, des Relations avec les municipalités, de la Conservation et du Climat, et d'Urgences diverses et autres crédits.

En 2020-2021, les dépenses totales représentaient 28,0 % du PIB (contre 23,6 % en 2019-2020), alors que les dépenses de programmes représentaient 26,6 % du PIB (contre 22,2 % en 2019-2020).

Les dépenses totales en pourcentage des recettes totales étaient de 112 % en 2020-2021. Un ratio supérieur à 100 % signifie que les dépenses sont supérieures aux recettes, et qu'on obtient de ce fait une perte. Un ratio de 100 % indique que les dépenses correspondent aux recettes.

Dépenses par catégorie

L'analyse de l'évolution des dépenses par catégorie présente un sommaire des dépenses du gouvernement par catégorie et expose les variations des dépenses au fil des ans.

Analyse de l'évolution des dépenses par catégorie

Dépenses par catégorie	Chiffres réels de 2016-2017	Chiffres réels de 2017-2018	Chiffres réels de 2018-2019	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021	2020-2021 (%)
			(en millions de dollars)			
Services de personnel	8 015	8 057	8 070	8 241	8 740	43,8 %
Subventions et paiements de transfert	2 333	2 418	2 490	2 809	3 663	18,4 %
Transport	150	155	167	182	158	0,8 %
Communications	77	75	72	75	77	0,4 %
Fournitures et services	1 941	1 871	1 954	2 035	2 509	12,6 %
En lien avec l'aide sociale	1 490	1 785	1 855	1 728	1 742	8,7 %
Autres dépenses de fonctionnement	706	704	745	678	1 088	5,5 %
Service de la dette	930	952	1 000	1 037	969	4,9 %
Dépenses en capital secondaires	94	116	101	106	207	1,0 %
Amortissement	680	713	723	745	783	3,9 %
Total des dépenses par catégorie	16 416	16 846	17 177	17 636	19 936	100 %

La répartition globale des dépenses par catégorie est demeurée relativement similaire à celle de 2019-2020. En pourcentage des recettes totales, les services de personnel, qui constituent le principal poste de dépenses du gouvernement, ont diminué à 43,8 % (contre 46,7 % en 2019-2020), les fournitures et services ont augmenté à 12,6 % (contre 11,5 % en 2019-2020) et les subventions et paiements de transfert ont augmenté à 18,4 % (contre 15,9 % en 2019-2020).

Les frais de service de la dette étaient de 969 millions de dollars au 31 mars 2021, contre 1 037 millions en 2019-2020, ce qui représente une hausse de 6,6 %.

ACTIFS FINANCIERS

L'analyse des actifs financiers renseigne les lecteurs sur le montant de ressources que le gouvernement peut convertir en liquidités au besoin pour s'acquitter de ses obligations en cours ou financer des activités futures.

Analyse de l'évolution des actifs financiers

Actifs financiers	Chiffres réels de 2016-2017	Chiffres réels de 2017-2018	Chiffres réels de 2018-2019	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021
			(en millions de dollars)		
Trésorerie et équivalents de trésorerie	2 778	1 725	2 720	2 267	2 542
Investissements temporaires	376	564	585	561	888
Comptes débiteurs et avances	1 771	1 849	1 867	1 857	1 901
Stocks	67	50	42	30	25
Placements de portefeuille	1 461	1 649	1 563	1 798	2 162
Prêts et avances	1 458	1 411	1 529	1 604	1 591
Actif net des entreprises publiques	2 839	2 957	3 035	3 411	3 829
Actif net des partenariats commerciaux publics	19	19	20	20	20
Total des actifs financiers	10 769	10 224	11 361	11 548	12 958

Les actifs financiers ont augmenté de 1 410 millions de dollars, soit 12,2 %, depuis 2019-2020. Cela est principalement dû à une augmentation de 275 millions de dollars de la trésorerie et des équivalents de trésorerie, à une augmentation de 327 millions des investissements temporaires, à une augmentation de 364 millions des placements de portefeuille et à une augmentation de 418 millions de l'actif net des entreprises publiques.

PASSIFS

Une analyse des passifs permet aux lecteurs de comprendre et d'évaluer les pressions qui s'exercent sur les actifs financiers. Les passifs sont les dettes et les obligations à assumer au moyen de la trésorerie ou d'autres actifs.

Le total des passifs de 2020-2021 s'est accru de 3 614 millions de dollars, ou 9,8 %, par rapport à 2019-2020. Les emprunts ont augmenté de 2 067 millions de dollars, soit 7,1 %, par rapport à 2019-2020. L'obligation découlant des régimes de retraite a augmenté de 195 millions de dollars, ou 6,3 %, par rapport à 2019-2020. Les comptes créditeurs et charges à payer ont augmenté de 1 299 millions de dollars, ou 34,8 %, tandis que les rentrées soumises à restrictions, inscrites comme des recettes différées, ont augmenté de 54 millions de dollars, ou 8,3 %.

Analyse de l'évolution des passifs

Passifs	Chiffres réels de 2016-2017	Chiffres réels de 2017-2018	Chiffres réels de 2018-2019	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021
			(en millions de dollars)		
Emprunts	27 397	27 350	29 166	29 272	31 339
Comptes créditeurs et charges à payer	3 675	4 202	3 648	3 738	5 037
Produits constatés d'avance	396	396	711	650	704
Obligation découlant des régimes de retraite	2 557	2 726	2 914	3 097	3 292
Autres passifs	20	20	17	11	10
Total des passifs	34 045	34 694	36 456	36 768	40 382

Obligation découlant des régimes de retraite

Le gouvernement a adopté une approche axée sur la prudence et la diversification dans le choix de ses placements, afin de limiter les risques liés à la volatilité des marchés et ainsi protéger l'actif des régimes de retraite. La valeur de l'actif des régimes est déterminée à l'aide d'une méthode de moyenne mobile de la juste valeur. Selon cette méthode, la juste valeur est le fondement, et tout surplus (ou manque à gagner) relatif au rendement du capital investi supérieur (ou inférieur) au taux attendu à long terme est amorti sur une période de cinq ans. Lorsque l'expérience réelle diffère des estimations actuarielles en ce qui concerne tant les obligations au titre des prestations constituées que les actifs des régimes, la différence est amortie sur la durée résiduelle moyenne d'activité du groupe de salariés liés. Cette méthode de comptabilité pour l'obligation au titre des prestations constituées ainsi que pour les actifs des régimes est conforme aux normes comptables canadiennes pour le secteur public et permet au gouvernement de lisser les gains et les pertes sur plusieurs années.

DETTE NETTE ET DÉFICIT ACCUMULÉ

La dette nette est la différence entre les passifs et les actifs financiers de la province. Elle représente la somme des passifs à financer à même les recettes et les impôts à venir. Les pertes d'exploitation ainsi que les investissements dans les immobilisations corporelles et la hausse des autres actifs non financiers augmentent tous la dette nette. La dette nette diminue en fonction des revenus nets provenant des activités ou des baisses de la valeur des immobilisations corporelles nettes et d'autres actifs non financiers.

La dette nette s'est élevé à 27 424 dollars au 31 mars 2021 par rapport à 25 220 dollars en 2019-2020.

Les principales raisons de l'augmentation de la dette nette pour 2020-2021 étaient les suivantes :

- la perte d'exploitation de 2 117 millions de dollars en 2020-2021;
- les investissements dans des immobilisations corporelles nettes de 214 millions de dollars;
- l'augmentation de 116 millions de dollars des autres actifs non financiers.

Ces éléments ont été partiellement compensés par un gain de 243 millions de dollars dans les autres éléments du résultat étendu.

La dette nette au 31 mars 2021 dépassait de 988 millions de dollars le montant prévu au budget.

Le déficit accumulé a augmenté de 1 874 millions de dollars, ou 17,0 %, par rapport à 2019-2020 en raison d'une perte d'exploitation de 2 117 millions et a été légèrement compensé par d'autres éléments du résultat étendu de 243 millions.

Analyses de l'évolution de la dette nette et du déficit accumulé

Dette nette et déficit accumulé	Chiffres réels de 2016-2017	Chiffres réels de 2017-2018	Chiffres réels de 2018-2019	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021
			(en millions de dollars)		
Actifs financiers	10 769	10 224	11 361	11 548	12 958
Moins : Passifs	(34 045)	(34 694)	(36 456)	(36 768)	(40 382)
Total de la dette nette	(23 276)	(24 470)	(25 095)	(25 220)	(27 424)
Actifs non financiers	13 389	13 750	13 999	14 196	14 526
Total du déficit accumulé	(9 887)	(10 720)	(11 096)	(11 024)	(12 898)

ACTIFS NON FINANCIERS, Y COMPRIS LES IMMOBILISATIONS CORPORELLES

Une analyse des actifs non financiers permet aux lecteurs d'apprécier l'évolution des infrastructures et des actifs non financiers à long terme du gouvernement.

Analyse de l'évolution des actifs non financiers

Actifs non financiers	Chiffres réels de 2016-2017	Chiffres réels de 2017-2018	Chiffres réels de 2018-2019	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021
			(en millions de dollars)		
Immobilisations corporelles	13 254	13 612	13 856	14 041	14 255
Charges payées d'avance	58	64	72	76	81
Stocks	77	74	71	79	190
Total des actifs non financiers	13 389	13 750	13 999	14 196	14 526

Les actifs non financiers, p. ex., les immobilisations corporelles, sont généralement des ressources que le gouvernement peut utiliser à l'avenir pour fournir des services. La gestion des actifs non financiers a des répercussions directes sur le niveau et la qualité des services qu'un gouvernement est en mesure de fournir à sa population.

En date du 31 mars 2021, les actifs non financiers présentaient une hausse de 330 millions de dollars, soit 2,3 %, par rapport à 2019-2020. La plus grande partie des actifs non financiers du gouvernement sont des immobilisations corporelles. La valeur comptable nette des immobilisations corporelles a augmenté de 214 millions de dollars par rapport à 2019-2020. Les acquisitions d'immobilisations corporelles totalisaient 1 061 millions de dollars en 2020-2021 (contre 1 025 millions en 2019-2020). Ces ajouts comprennent des investissements dans des installations de santé et d'éducation et d'autres infrastructures terrestres comme des routes, des ponts, des ouvrages de régularisation des eaux et des parcs.

Une analyse des immobilisations corporelles aide les lecteurs à connaître la capacité du gouvernement de fournir des services au cours de périodes à venir.

Analyse de l'évolution des immobilisations corporelles

Immobilisations corporelles	Chiffres réels de 2016-2017	Chiffres réels de 2017-2018	Chiffres réels de 2018-2019	Chiffres réels de 2019-2020	Chiffres réels de 2020-2021
			(en millions de dollars)		
Terres	305	298	307	330	305
Immeubles et améliorations locatives	5 478	5 502	5 982	6 317	6 424
Véhicules et équipement	775	773	754	748	739
Matériel informatique et logiciels	332	278	368	359	318
Actifs en construction	1 295	1 431	961	709	766
Infrastructure	5 069	5 330	5 484	5 578	5 703
Total des immobilisations corporelles	13 254	13 612	13 856	14 041	14 255

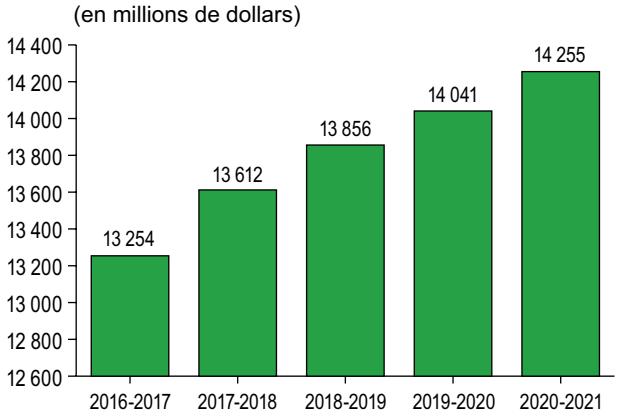
Le gouvernement comptabilise à l'actif le coût brut de ses immobilisations corporelles. Les sommes liées aux projets d'immobilisation et récupérées d'autres administrations sont inscrites comme des recettes au cours de l'exercice où les immobilisations sont achetées ou construites. Les terres de la Couronne transférées à la Province ne sont pas comptabilisées dans les états financiers comme des immobilisations corporelles.

La valeur comptable nette des immobilisations corporelles était de 14 255 millions de dollars à la fin de 2020-2021 (14 041 millions en 2019-2020). Les immeubles et améliorations locatives comprennent les écoles, les établissements de santé et les immeubles de services publics qui appartiennent à la province.

Le coût total des immobilisations corporelles s'accroît également de façon constante. Il est passé de 22 349 millions en 2016-2017 à 25 625 millions en 2020-2021, ce qui montre que la province a davantage d'actifs disponibles pour la prestation de services au cours des périodes à venir.

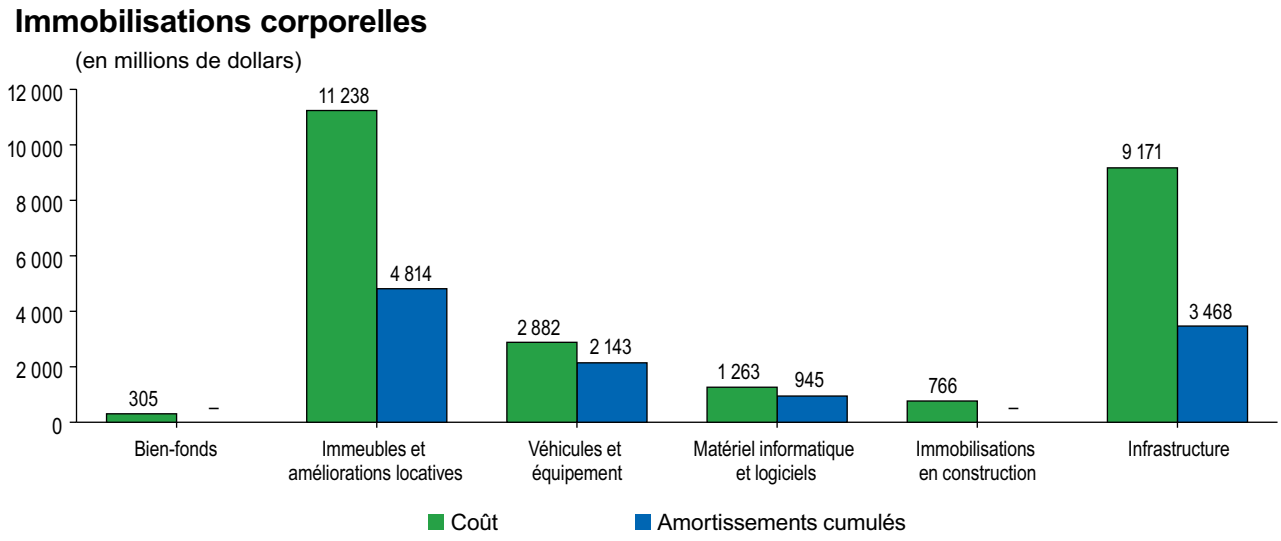
De même, la valeur comptable nette des immobilisations corporelles, qui est la valeur résiduelle des actifs figurant à l'état des résultats, est passée de 13 254 millions de dollars en 2016-2017 à 14 255 millions en 2020-2021. Le tableau suivant illustre la valeur comptable nette totale de toutes les immobilisations corporelles de 2016-2017 à 2020-2021.

Valeur comptable nette totale des immobilisations corporelles



La catégorie Infrastructure comprend les routes, les ouvrages de régularisation des eaux et les parcs.

Le diagramme suivant illustre les immobilisations corporelles par catégorie et les amortissements cumulés connexes au 31 mars 2021.



Summary Financial Statements

FOR THE YEAR ENDED MARCH 31, 2021

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Statement of Responsibility

Treasury Board Secretariat
Office of the Provincial Comptroller
www.manitoba.ca

STATEMENT OF RESPONSIBILITY

The summary financial statements are prepared under the direction of the Minister of Finance in accordance with the stated accounting policies of the Government reporting entity and include summary statements of financial position, revenue and expense, accumulated deficit, change in net debt, cash flow, notes and schedules integral to the statements. Together, they present fairly, in all material respects, the financial position of the Government as at March 31, 2021, and the results of its operations, the changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

The Government is responsible for the integrity and objectivity of the summary financial statements. In the preparation of these statements, estimates are sometimes necessary because a precise determination of certain assets, liabilities, revenues and expenses is dependent on future events. The Government believes such estimates have been based on careful judgements and have been properly reflected in the summary financial statements.

The Government fulfills its accounting and reporting responsibilities, through the Office of the Provincial Comptroller, by maintaining systems of financial management and internal control. The systems are continually enhanced and modified to provide timely and accurate information, to safeguard and control the Government's assets, and to ensure all transactions are in accordance with The Financial Administration Act.

The Auditor General expresses an independent opinion on these financial statements. His report, stating the scope of his audit and opinion, appears on the following page.

These financial statements are tabled in the Legislature. They are referred to the Standing Committee on Public Accounts, which reports to the Legislature on the results of its examination together with any recommendations it may have with respect to the financial statements and accompanying audit opinion.

On behalf of the Government of the Province of Manitoba.

Original signed by Andrea Saj

Andrea Saj, CPA, CGA
A/Provincial Comptroller

September 20, 2021

Auditor General
MANITOBA

INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of the Province of Manitoba

Qualified Opinion

We have audited the summary financial statements of the Province of Manitoba (the Province), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statement of revenue and expense, consolidated statement of accumulated deficit, consolidated statement of changes in net debt and consolidated statement of cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Province as at March 31, 2021, and the consolidated results of its operations, consolidated changes in its net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

Basis for Qualified Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Summary Financial Statements* section of our report. We are independent of the Province in accordance with the ethical requirements that are relevant to our audit of the summary financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Change in Control of the Workers Compensation Board not recognized

Effective November 6, 2020, the Province amended *The Workers Compensation Act*. Based on the definition of control in PSAS, the amendments resulted in the Province no longer controlling the Workers Compensation Board (WCB). In our opinion, prior to the amendments, the Province controlled the WCB based on the definition of control in PSAS. PSAS requires the Province to include the WCB's financial position and results of operations in the summary financial statements while they were controlled, up to November 6, 2020. As of November 6, 2020, PSAS requires the Province to remove the WCB's net financial assets by expensing them in the statement of operations.

However, the Province has not included WCB's financial position and results of operations since the year ended March 31, 2018. In this respect, the summary financial statements are not in accordance with PSAS.

Had the Province addressed this PSAS departure;

- the March 31, 2020 equity in government business enterprises would have increased by $647 million, accumulated deficit and net debt would each have decreased by $647 million, the net income from government business enterprises would have increased by $48 million, other comprehensive income would have decreased by $33 million, and the annual surplus would have increased by $48 million for the year ended March 31, 2020.
- the March 31, 2021 net income from government business enterprises would have increased by $4 million, and other comprehensive income would have decreased by $39 million to reflect the WCB's results of operations up to November 6, 2020. On November 6, 2020, the Province would have decreased the net financial assets by $612 million and increased the disposal of equity in government business enterprises expense by $612 million to remove the WCB's assets that were no longer under their control. The net result of the above adjustments on the annual deficit for the year ended March 31, 2021 would have been an increase of $608 million.

Failure to recognize controlled assets

The Province has not included the financial position and results of operations of the Manitoba Agricultural Services Corporation's (MASC) Production Insurance Trust and the Hail Insurance Trust (the Trusts) in the summary financial statements for the years ended March 31, 2021 and March 31, 2020.

In our opinion, the Trusts are assets under the control of the Province, and the financial position and results of operations should be consolidated into the summary financial statements for the years ended March 31, 2021 and March 31, 2020. In this respect, the summary financial statements are not in accordance with PSAS, which require that the Province account for all assets under its control.

Had the Province included the Trusts' financial position and results of operations in the summary financial statements, the current year cash and cash equivalents would have increased by $594 million, the accounts payable, accrued charges, provisions and unearned revenue would have increased by $0.5 million, and accumulated deficit and net debt would each have decreased by $594 million, the Agriculture expenses would have decreased by $111 million, the investment income would have increased by $2 million, and the annual deficit would have decreased by $113 million.

Had the Province included the Trusts' financial position and results of operations in the summary financial statements for the year ended March 31, 2020, the prior year cash and cash equivalents would have increased by $513 million, the accounts payable, accrued charges, provisions and unearned revenue would have increased by $33 million, accumulated deficit and net debt would each have

decreased by $513 million, the Agriculture and Resource Development expenses would have increased by $19 million, the investment income would have increased by $9 million, and the annual surplus would have decreased by $10 million.

Combined impact of departures from PSAS

Had the WCB and MASC Trust departures from PSAS been corrected, the Province would have an annual deficit of $2,612 million in the current year, and for the prior year would have an annual surplus of $43 million. The accumulated deficit would be $12,304 million at March 31, 2021, and $9,864 million at March 31, 2020.

Combined impact on the annual deficit or surplus		
	2021 ($ million)	2020 ($ million)
Annual (deficit) surplus as presented	**(2,117)**	**5**
Operating (loss) surplus of Workers Compensation Board	(608)	48
Net income (loss) of MASC trusts	113	(10)
Annual (deficit) surplus in accordance with Canadian public sector accounting standards	**(2,612)**	**43**

Combined impact on the ending accumulated deficit		
	2021 ($ million)	2020 ($ million)
Accumulated deficit as presented	**(12,898)**	**(11,024)**
Equity of Workers Compensation Board	Nil	647
MASC Trust Assets	594	513
Accumulated deficit in accordance with Canadian public sector accounting standards	**(12,304)**	**(9,864)**

Other Information

The Province is responsible for the other information. The other information comprises the Province of Manitoba Annual Report and Public Accounts (the Annual Report), but does not include the summary financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

Our qualified opinion on the summary financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the summary financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the summary financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, the Province has not accounted for WCB and the MASC Trusts in accordance with PSAS. We have concluded that the Annual Report is materially misstated for the same reasons with respect to these amounts and other items in the Annual Report affected by these departures from PSAS.

Responsibilities of Management and Those Charged with Governance for the Summary Financial Statements

Management is responsible for the preparation and fair presentation of the summary financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of summary financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Province's ability to continue as a going concern, meaning that the Province will continue in operation, and will be able to realize assets and discharge liabilities and meet its statutory obligations in the normal course of operations for the foreseeable future.

Those charged with governance are responsible for overseeing the Province's financial reporting process. With respect to the Province, those charged with governance refers to the Minister of Finance.

Auditor's Responsibilities for the Audit of the Summary Financial Statements

Our objectives are to obtain reasonable assurance about whether the summary financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these summary financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the summary financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Province's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Province's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the summary financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Province to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the summary financial statements, including the disclosures, and whether the summary financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Province to express an opinion on the summary financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

"Original document signed by"

Winnipeg, Manitoba
September 20, 2021

Tyson Shtykalo, CPA, CA
Auditor General

SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2021

($ millions)

SCHEDULE		2021 Actual	2020 Restated
	FINANCIAL ASSETS		
	Cash and cash equivalents	2,542	2,267
	Temporary investments (Note 2)	888	561
1	Amounts receivable	1,901	1,857
	Inventories for resale	25	30
	Portfolio investments (Note 3)	2,162	1,798
2	Loans and advances	1,591	1,604
3	Equity in government business enterprises (Note 4)	3,829	3,411
	Equity in government business partnerships (Note 5)	20	20
	Total Financial Assets	12,958	11,548
	LIABILITIES		
4	Borrowings	.31,339	29,272
5	Accounts payable, accrued charges, provisions and unearned revenue	5,751	4,399
6	Pension liability (Note 6)	3,292	3,097
	Total Liabilities	40,382	36,768
	NET DEBT	(27,424)	(25,220)
	NON-FINANCIAL ASSETS		
	Inventories held for use	190	79
	Prepaid expenses	81	76
7	Tangible capital assets	14,255	14,041
	Total Non-Financial Assets	14,526	14,196
	ACCUMULATED DEFICIT	(12,898)	(11,024)

Contingencies (Note 7)
Contractual Obligations (Note 8)
Contractual Rights (Note 18)

The accompanying notes and schedules are an integral part of these financial statements.

SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE
For the Year Ended March 31, 2021

($ millions)

	2021 Budget Restated[1]	2021 Actual	2020 Restated
REVENUE			
Income taxes:			
Corporation income tax	639	542	612
Individual income tax	3,982	3,657	3,903
Other taxes:			
Green levy	218	-	-
Corporations taxes	335	341	307
Fuel taxes	354	299	338
Land transfer tax	98	109	93
Levy for health and education	399	370	385
Retail sales tax	2,021	2,208	2,262
Tobacco tax	199	198	220
Other taxes	12	9	13
Education property taxes	887	895	874
Fees and other revenue:			
Fines and costs and other legal	48	44	58
Minerals and petroleum	14	12	17
Automobile and motor carrier licences and fees	186	192	194
Parks: Forestry and other conservation	24	29	25
Water power rentals	122	119	113
Service fees and other miscellaneous charges	1,575	1,554	1,672
Tuition fees	389	382	386
Federal transfers:			
Equalization	2,510	2,510	2,255
Canada Health Transfers	1,521	1,520	1,490
Canada Social Transfers	546	545	532
Canada COVID-19 Transfers	-	730	-
Shared cost and other transfers	559	631	602
Net income from government business enterprises (Schedule 3)	747	600	913
Sinking funds and other earnings	352	323	377
Total Revenue (Schedule 9)	17,737	17,819	17,641

The accompanying notes and schedules are an integral part of these financial statements.

SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF REVENUE AND EXPENSE
For the Year Ended March 31, 2021

($ millions)

	2021 Budget Restated[1]	2021 Actual	2020 Restated
Total Revenue carried forward	17,737	17,819	17,641
EXPENSES			
Legislative Assembly	50	47	53
Executive Council	6	6	5
Advanced Education, Skills and Immigration	1,500	1,453	1,443
Agriculture and Resource Development	489	468	534
Central Services	214	580	191
Civil Service Commission	26	27	25
Conservation and Climate	219	386	138
Crown Services	2	4	2
Economic Development and Jobs	233	315	191
Education	3,004	3,001	2,939
Families	2,180	2,194	2,164
Finance	110	512	104
Health and Seniors Care	6,484	7,060	6,544
Indigenous and Northern Relations	33	31	28
Infrastructure	495	483	528
Justice	728	783	697
Legislative and Public Affairs	3	3	1
Mental Health, Wellness and Recovery	352	351	332
Municipal Relations	435	782	412
Sport, Culture and Heritage	109	123	150
Tax Credits	36	52	57
Enabling Appropriations	147	25	21
Emergency and Other Appropriations	101	281	
Debt Servicing	1,001	969	1,037
Total Expenses (Schedule 9)	17,957	19,936	17,636
NET INCOME (LOSS) FOR THE YEAR	(220)	(2,117)	5

Note 1: The restated amounts are taken from Budget 2020 as presented to the Legislative Assembly on March 19, 2020 and restated for comparability to the current year results. Refer to Schedule 10 for further details. The restated amounts do not include other authorizations granted for COVID-19 in subsequent Main Estimates Supplements of $1,977 million.

The accompanying notes and schedules are an integral part of these financial statements.

SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF ACCUMULATED DEFICIT
For the Year Ended March 31, 2021

	($ millions)	
	2021 Actual	**2020 Restated**
Opening accumulated deficit, as previously reported	(11,082)	(11,156)
Prior Year Restatement (Note 19)	58	58
Opening accumulated deficit, as restated	(11,024)	(11,098)
Other comprehensive income (loss) (Schedule 3)	243	69
Net income (loss) for the year	(2,117)	5
Closing accumulated deficit	(12,898)	(11,024)

The accompanying notes and schedules are an integral part of these financial statements.

SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT
For the Year Ended March 31, 2021

($ millions)

	2021 Budget Restated	2021 Actual	2020 Actual
Net income (loss) for the year	(220)	(2,117)	5
Tangible capital assets (Schedule 7)			
Acquisition of tangible capital assets	(1,338)	(1,061)	(1,025)
Amortization of tangible capital assets	789	783	745
Disposal of tangible capital assets	-	64	93
Net acquisition of tangible capital assets	(549)	(214)	(187)
Other Non-Financial Assets			
Decrease (Increase) in inventories	-	(111)	(8)
Decrease (Increase) in prepaid expenses	-	(5)	(4)
Net acquisition of other non-financial assets	-	(116)	(12)
Other comprehensive income (loss) (Schedule 3)	-	243	69
(Increase) in Net Debt	(769)	(2,204)	(125)
Net Debt, beginning of year, as previously reported	(25,667)	(25,220)	(25,095)
Net Debt, end of year	(26,436)	(27,424)	(25,220)

The accompanying notes and schedules are an integral part of these financial statements.

SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CASH FLOW
For the Year Ended March 31, 2021

	($ millions) 2021 Actual	2020 Actual
Cash and cash equivalents provided by (used in)		
Operating Activities		
Net income (loss) for the year	(2,117)	5
Changes in non-cash items:		
Temporary investments	(327)	24
Amounts receivable	(111)	-
Valuation allowance	62	34
Inventories	(106)	4
Prepaids	(5)	(4)
Accounts payable, accrued charges, provisions and unearned revenue	1,352	23
Pension liability	195	183
Amortization of foreign currency fluctuation	-	4
Amortization of debt discount	(10)	5
Unamortized losses on derivative contracts	167	12
Loss on disposal of tangible capital assets	64	93
Amortization of tangible capital assets	783	745
	(53)	1,128
Other comprehensive income (loss) (Schedule 3)	243	69
Changes in equity in government business enterprises and government business partnerships	(418)	(376)
Cash provided by operating activities	(228)	821
Capital Activities		
Acquisition of tangible capital assets	(1,061)	(1,025)
Cash used in capital activities	(1,061)	(1,025)
Investing Activities		
Investments purchased	(3,723)	(3,691)
Investments sold or matured	2,340	2,054
Cash used in investing activities	(1,383)	(1,637)
Financing Activities		
Debt issued	6,981	4,713
Debt redeemed	(4,034)	(3,325)
Cash provided by financing activities	2,947	1,388
Increase in cash and cash equivalents	275	(453)
Cash and cash equivalents, beginning of year	2,267	2,720
Cash and cash equivalents, end of year	2,542	2,267
Supplementary information:		
Interest received	332	374
Interest paid	828	1,023

The accompanying notes and schedules are an integral part of these financial statements.

Notes to the Summary Financial Statements

For the Year Ended March 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

A. GENERAL BASIS OF ACCOUNTING

The summary financial statements have been prepared in accordance with Canadian public sector accounting standards.

B. THE GOVERNMENT REPORTING ENTITY

Various government components, government organizations (GOs), government business enterprises (GBEs), partnerships, and business partnerships (BPs) comprising the Government Reporting Entity (GRE) are listed in Schedule 8 to the summary financial statements.

To be considered a part of the GRE, an organization must be controlled by the Government or under the shared control of the Government. Control, as defined by the Public Sector Accounting Board (PSAB), is the power to govern the financial and operating policies of another organization with expected benefits or the risk of loss to the Government from the other organization's activities.

The not-for-profit personal care homes are individual corporations operated by their own boards of directors. The personal care homes are included in the GRE. The nature of the relationship between the Province and not-for-profit personal care homes is such that control over their assets has been determined to exist for accounting purposes only and not for legal purposes.

C. BASIS OF CONSOLIDATION

GOs, with the exception of GBEs and BPs, are consolidated after adjusting their accounting policies to a basis consistent with the accounting policies of the GRE as outlined in note 1D of the significant accounting policies. Inter-entity accounts and transactions are eliminated upon consolidation, except for retail sales tax. Where the fiscal year end dates of the GOs are not the same as that of the GRE, and their transactions significantly affect the financial statements, their financial results are updated to March 31.

GBEs, whose principal activity is carrying on a business, maintain their accounts in accordance with accounting principles which are generally accepted for business enterprises and which are considered appropriate to their individual objectives and circumstances. They derive the majority of their revenue from sources outside the GRE. They are reported in these summary financial statements using the modified equity method of accounting. Under the modified equity method, the original investment of the Government, in GBEs, is initially recorded at cost and adjusted annually to include the net income or losses and other net equity changes of these enterprises, without adjusting their accounting policies to a basis consistent with that of the GRE.

The financial results of GBEs are not updated to March 31, where their fiscal year end is not the same as that of the GRE, except when transactions, which would significantly affect the summary financial statements, occur during the intervening period. Inter-entity accounts and transactions with GBEs are not eliminated. Supplementary financial information describing the financial position and results of operations of these enterprises is presented in Schedule 3 to the summary financial statements.

The characteristics of a BP are similar to a GBE except the organization is a partnership under shared control, rather than a government organization under the control of the Province. BPs are accounted for in the summary financial statements using the modified equity method. The Province accrues its share

of the BP's net income or losses, and other net equity changes, without adjusting the BP's accounting policies to a basis consistent with that of the GRE. The Province's share of the assets, liabilities and results of operations for its BPs are presented in Note 5 to the summary financial statements.

D. BASIS OF SPECIFIC ACCOUNTING POLICIES

(i) *Gross Accounting Concept*

Revenues and expenses are recorded as gross amounts with the following exceptions:

(1) Refunds of revenue are treated as reductions of current year revenue.
(2) Decreases in valuation allowances are treated as reductions to expense.
(3) Where there is sufficient evidence that the borrowings undertaken by the Government are specifically on behalf of a GBE, the recoveries of the debt servicing costs on self-sustaining debt of GBEs are recorded as a reduction of debt servicing expense.

(ii) *Revenue*

(1) *Government transfers*

Transfer payments from the Government of Canada include all accruals determined for current year entitlements that have been authorized by March 31, for which any eligibility criteria have been met and that can be reasonably estimated. A liability is recorded to the extent that a transfer gives rise to an obligation that meets the definition of a liability in accordance with the criteria in PS 3200 Liabilities.

(2) *Taxes*

Revenues from individual and corporation income tax are accrued in the year earned based upon estimates made by the Government of Canada using statistical models. These revenues are recorded at estimated amounts after considering adjustments for tax concessions and other adjustments from the Government of Canada. Transfers made through the tax system are recognized as an expense.

Revenues from other taxes are accrued in the year earned and are recorded net of tax concessions and other adjustments. Transfers made through the tax system are recognized as an expense.

(3) *Other revenue*

All other revenues are recorded on an accrual basis except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

(iii) *Expenses*

(1) *Accrual accounting*

All expenses incurred for goods or services received are recorded on an accrual basis.

Expenses include provisional amounts recorded in anticipation of costs, which are quantifiable and have been identified as obligations.

(2) *Government transfers*

Government transfers are recognized as expenses in the period in which the transfer is authorized, any eligibility criteria are met, and the amounts can be reasonably estimated.

(3) *Externally restricted assets and revenues*

Externally restricted inflows are recognized as revenue in the period in which expenses are incurred for the purposes specified. Externally restricted inflows received before the expenses are incurred are reported as a liability.

(iv) *Financial Assets*

(1) *Accounts receivable*

Accounts receivables are recorded at their full expected amount. A valuation allowance is recorded when collection of the receivable is considered doubtful.

(2) *Loans and advances*

Loans and advances are recorded at cost less valuation allowances. A valuation allowance is provided to reduce the value of the assets to their estimated realizable value or to reflect the impact of significant concessionary terms on outstanding loans. Valuation allowances are made when collection is considered doubtful. Premiums that may arise from the early repayment of loans or advances are reflected as unearned revenue and are amortized monthly to debt servicing expense over the term of the loan or advance.

(3) *Investments*

Investments denominated in foreign currency are translated to the Canadian dollar equivalent at the exchange rate in effect at March 31, unless the rate of exchange or a forward foreign exchange contract fixing the value has been negotiated, in which case that rate or amount is used. The investment translation adjustments reflecting the foreign currency fluctuation between year ends are amortized monthly over the remaining life of the investment and are included with debt servicing expense. Expenses and other transaction charges incurred on the purchase of investments during the year are charged to debt servicing expense. Those expenses incurred in a foreign currency are translated at the exchange rate in effect on the transaction date. Gains and losses on terminated derivative contracts are deferred and amortized on a straight-line basis over the remaining term of the contract.

(4) *Inventories for resale*

Inventories held for resale are recorded at the lower of cost and net realizable value.

Inventory for resale includes land under development. Land under development includes the value of land and all costs directly related to the land improvement. Inventories for resale also includes development, site preparation, architectural, engineering, surveying, fencing, landscaping and infrastructure for electrical, roads and underground works.

Land held for future development or sale is valued at the lower of cost or appraised value adjusted for estimated disposal purchase price and related acquisition costs.

(v) *Liabilities*

Liabilities are present obligations to outside parties, including GBEs, as a result of transactions and events occurring prior to the year end. The settlement of the liabilities will result in the future transfer or use of assets or other form of settlement. Liabilities are recorded at the estimated amount ultimately payable.

(1) *Borrowings*

All borrowings are expressed in Canadian dollars and are shown net of unamortized debt issue costs and debt of the Government held as provincial investments. Foreign borrowings are translated at the exchange rate in effect at March 31, adjusted for any forward foreign exchange contract entered into for settlement after the fiscal year end. Discounts or premiums, and commissions incurred at the time of the issue of debt are amortized monthly to debt servicing expense over the term of the debt.

The year-end translation adjustments reflect the foreign currency fluctuation at the issue date and are recorded through the unamortized foreign currency fluctuation account. They are amortized monthly to debt servicing expense over the remaining term of the debt. The unamortized portion of foreign currency fluctuation also reflects the gains or losses on the translation of foreign currency debt called prior to maturity using the rates in effect at the time of the call. The gains or losses are amortized over the original remaining term of the debt or over the term of the replacement issue, whichever is shorter.

Premiums on interest rate options are amortized monthly over the period of the applicable agreement. If the option is exercised, the premium will continue to be amortized to the maturity date of the agreement. If the option is not exercised, any unamortized premium will be immediately taken into revenue or expense. Gains and losses on terminated derivative contracts are deferred and amortized on a straight-line basis over the remaining term of the contract.

(2) *Pension liability*

The Government accounts for employee pension plans by recognizing a liability and an expense in the reporting period in which the employee has provided service using the accrued benefit actuarial cost method, except as disclosed in Note 6. The value of plan assets is determined using a moving average fair value method. Under this method, fair value is the underlying basis, with any excess (or shortfall) of investment returns over (or below) the expected long-term rate being amortized over a five year period. When actual experience varies from actuarial estimates, for both the accrued benefit obligation and plan assets, the difference is amortized over the expected average remaining service life of the related employee group. Past service costs from plan amendments are recognized in full as expenses in the year of the amendment.

(3) *Employee future benefits*

The Government recognizes the cost of accumulating benefits in the periods the employee provides service. For benefits that do not vest or accumulate, a liability is recognized when the event that obligates the Government to pay benefits occurs. Liabilities for severance, long term disability income plan and workers compensation claims are based upon actuarial calculations.

The periodic actuarial valuations of these liabilities may determine that adjustments are needed to the actuarial calculations because actual experience is different from that expected and/or because of changes in the actuarial assumptions used. The resulting actuarial gains or losses for the severance liability are amortized over the expected average remaining service life of the related employee group. Actuarial gains and losses for the Long Term Disability Income Plan and the workers compensation claims are recognized as they arise. The liability is included under employee future benefits.

The Government accrues a liability for vacation pay and accumulating, non-vesting sick pay benefits. The liability for accumulating, non-vesting sick pay benefits is based upon a review of past experience. A liability is extrapolated upon the expected future utilization of current accumulated benefits. The liability is recognized under salaries and benefits.

(4) *Guarantees*

Guarantees by the Government are made through specific agreements or legislation to repay promissory notes, bank loans, lines of credit, mortgages and other securities. The provisions

for losses on guaranteed loans are determined by a review of individual guarantees. A provision for losses on these guarantees is recorded when it is likely that a loss will occur. The amount of the loss provision represents the Government's best estimate of probable claims against the guarantees. Where circumstances indicate the likelihood of claims arising, provisions are established for those loan guarantees.

(5) *Liability for contaminated sites*

The Government recognizes a liability for remediation of contaminated sites when the following criteria have been met: there is evidence that contamination exceeds an environmental standard, the Government is directly responsible or accepts responsibility for the contamination, it is expected that future economic benefits will be given up and a reasonable estimate of the amount can be made. In cases where the Government's responsibility is not determinable, a contingent liability may be disclosed.

The liability reflects the Government's best estimate of the amount required to remediate the site to the current minimum standard of use prior to contamination, as of the financial statement date. The liability is determined on a site-by-site basis. Third party recoveries related to a contaminated site are recorded as an asset provided it can be appropriately measured and estimated; and it is expected that future economic benefits can be obtained. Recoveries are not netted against the liability. Contingent recoveries are only disclosed. Recorded liabilities are adjusted each year for the passage of time, new obligations, changes in management estimates and actual remediation costs incurred. The Government measures the liability using present value techniques when cash flows are expected to occur over extended future periods.

The Province has undertaken assessments of its contaminated sites in 2020/21 and these have resulted in additional environmental remediation liabilities related to newly identified sites, or changes in the assessments, including orphaned and abandoned mine sites. Any changes to the Province's liabilities for contaminated sites have been accrued in the year in which they are assessed.

(vi) *Non-Financial Assets*

(1) *Recognition and measurement*

In the public sector, recognition and measurement of tangible capital and other non-financial assets are based on their future service potential. Generally, such assets do not generate future net cash inflows. Therefore, these assets will not provide resources to discharge the liabilities of the Government. For non-financial assets, the future economic benefit consists of their capacity to render service to fulfill the Government's objectives.

(2) *Inventories*

Inventories held for resale are classified as non-financial assets if it is anticipated that the sale will not be completed within one year of the reporting date. Inventories held for use are classified as non-financial assets. Inventories for distribution at no charge are recorded at the lower of cost or current replacement cost. Significant inventories held for use relating to personal protective supplies are included in this Statement of Financial Position line item.

(3) *Prepaid expenses*

Prepaid expenses are payments for goods or services that will provide economic benefits in future periods. The prepaid amount is recognized as an expense in the year the goods or services are used or consumed.

(4) *Tangible capital assets*

The cost of tangible capital assets purchased includes the purchase price as well as costs such as installation costs, design and engineering fees, survey and site preparation costs and other costs incurred to put the asset into service. The cost of tangible capital assets constructed by the Government includes all direct construction costs such as materials, labour, design, installation, engineering, architectural fees, and survey and site preparation costs. It also includes overhead costs directly attributable to the construction activity such as licenses, inspection fees, indirect labour costs, and amortization expense of any equipment, which was used in the construction project. Any carrying costs associated with the development and construction of tangible capital assets is included in the cost of the asset, provided the cost exceeds $20 million and development time exceeds one year.

Certain assets, which have historical or cultural value, including works of art, historical documents as well as historical and cultural artefacts are not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made. Economic resources such as Crown land, mineral rights, timber rights, fish and wildlife meet the definition of an asset, however they are not recognized in the summary financial statements because an appropriate basis of measurement and a reasonable estimate of the amount involved cannot be made; or Canadian public sector accounting standards prohibit its recognition.

Tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

General Tangible Assets:	
Land	Indefinite
Buildings and leasehold improvements	
Buildings	10 to 60 years
Leasehold improvements	Life of lease
Vehicles and equipment	
Vehicles	3 to 10 years
Aircraft and vessels	5 to 24 years
Machinery, equipment and furniture	3 to 20 years
Maintenance and road construction equipment	11 to 15 years
Computer hardware, software licences	3 to 15 years

Infrastructure Assets:	
Land	Indefinite
Land improvements	10 to 30 years
Transportation	
Bridges and structures	40 to 75 years
Provincial highways, roads and airstrips	10 to 40 years
Dams and water management structures	40 to 100 years

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is put into service.

(vii) *Future Changes in Accounting Standards*

A number of new and amended Canadian public sector accounting standards have been issued and not applied in preparing these financial statements. These standards will come into effect as follows:

- *PS 3450 Financial Instruments (effective April 1, 2022)* defines and provides guidance for accounting and reporting all types of financial instruments including derivatives.
- *PS 2601 Foreign Currency Translation (effective April 1, 2022)* replaces PS 2600 with revised accounting and reporting principles for transactions that are denominated in a foreign currency.
- *PS 1201 Financial Statement Presentation* replaces PS 1200 with general reporting principles for disclosure of information and is effective in the period PS 2601 and PS 3450 are adopted.
- *PS 3041 Portfolio Investments* replaces PS 3040 with revised accounting and reporting principles for portfolio investments and is effective in the period PS 2601 and PS 3450 are adopted.
- *PS 3280 Asset Retirement Obligations (effective April 1, 2022)* defines and provides guidance for accounting and reporting retirement obligations associated with tangible capital assets and includes the withdrawal of *PS 3270 Solid Waste Landfill Closure and Post-Closure Liability.*
- *PS 3400 Revenue (effective April 1, 2023)*, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.
- *PS 3160 Public Private Partnerships (effective April 1, 2023), a new standard establishing guidance on the recognition, measurement and disclosure of public private partnerships arrangements.*

These new accounting standards have not been applied in preparing these consolidated financial statements. The Province is currently assessing the impact of these new standards, and the extent of the impact of their adoption on the consolidated financial statements has not yet been determined. Earlier adoption is permitted.

(viii) *Classification by Sector*

The Province reports operational results under the following sectors: health, education and economic development, families, community and resource development, justice and other expenditures, and general government. The entities and departments included in each sector are identified in Schedule 8 to the summary financial statements.

The health sector includes provincial health care programs and includes all health related entities and services.

The education and economic development sector includes all education services including elementary, secondary and post-secondary services, including the pension related expenses associated with public schools and post-secondary institutions. It includes employment and training programs. It also includes other education services such as skills, trades and workplace-based training programs and the advancement of economic development opportunities aligned with labour market needs.

The families sector includes all social services related to employment and income support for individuals in need as well as a comprehensive range of social services and financial assistance programs provided to Manitobans throughout the Province. The sector also contains the management and administration of housing policies and benefits for low to moderate income renters and homeowners.

The community and resource development sector includes the promotion, development and conservation of the Province's natural resources. It also includes the operation and maintenance of transportation systems such as highway infrastructure and other Government infrastructure.

The justice and other expenditures sector includes general administration, finance, executive and legislature, cultural and sport related activities. The sector contains criminal and civil legal services and programs that protect the rights of Manitobans.

The general government sector is comprised of those activities that cannot be allocated to the specific sectors noted above. Inter-segment transfers between sectors are measured at the exchange amount.

E. MEASUREMENT UNCERTAINTY

Estimates are used to accrue revenues and expenses in circumstances where the actual accrued revenues and expenses are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonable amount, as there is whenever estimates are used. Certain estimates used in these financial statements may be subject to measurement uncertainty due to the COVID–19 pandemic.

Measurement uncertainty in these financial statements exists in the accrual of individual and corporate income taxes, Canada Health Transfer and Canada Social Transfer entitlements, and accrual for federal shared cost programs.

It also includes accruals for pension obligations, accruals for the remediation of contaminated sites, allowances for doubtful loans, accrual for retroactive wages, accruals for liabilities valued through actuarial valuations, such as long term disability, severance, sick pay obligations, workers compensation claims and advances and provision for losses on guarantees.

The nature of the uncertainty related to the accrual of health and social transfer payments from the Government of Canada and individual and corporate income taxes arises because of the possible differences between the estimates for the economic factors used in calculating the accruals and actual economic results.

While best estimates are used for reporting items, it is reasonably possible that changes in future conditions, occurring within one fiscal year could require a material change in the amounts recognized and disclosed. The amount of income tax attributable to the year can change as a result of reassessments in subsequent years. The estimates are based on the best information available at the time of preparation of the financial statements. The uncertainty due to the COVID-19 pandemic and variability of the final amounts attributed to the year cannot be reasonably determined.

Uncertainty related to accruals for pension obligations arises because actual results may differ significantly from the Government's best estimates of expected results based on variables such as earnings on the pension investments, salary increases and the life expectancy of claimants.

Uncertainty related to the accrual for retroactive wages arises because actual wage settlements may differ significantly from the final collective agreements. The estimate for the accrual of retroactive wages is based on the Government's best estimate of the public services salary increases that may be negotiated or determined through arbitration.

Uncertainty related to the accrual for the remediation of contaminated sites exists because the remediation activities, methods and the extent of contamination may differ significantly from the Government's original assessment of the site and proposed remediation plans.

Uncertainty concerning the allowance for doubtful loans and advances is based upon actual collectability and changes in economic conditions.

2. TEMPORARY INVESTMENTS

	($ millions)	
	2021 Actual	2020 Actual
Temporary investments	888	561

Temporary investments are recorded at cost, which approximates market value. Temporary investments consist of investments with financial institutions, government bonds and other short term investment vehicles. All of the securities have terms to maturity of less than one year.

3. PORTFOLIO INVESTMENTS

	($ millions)	
	2021 Actual	2020 Actual
Sinking funds	991	974
Other investments	1,171	824
	2,162	1,798

Portfolio investments are recorded using the cost method. Under this method, any discount or premium arising on the purchase of a fixed term security is amortized over the period to maturity. Portfolio investments are written down to market value only in those circumstances where the loss in value is other than temporary in nature. As at March 31, 2021, the market value of portfolio investments was $3,045 million (2020 - $2,517 million).

SINKING FUNDS

Section 60 of The Financial Administration Act authorizes the Minister of Finance to provide for the creation and management of sinking funds for the orderly retirement of debt. The Government's sinking fund currently provides for the repurchase of foreign debt and the pre-funding of maturing debt issues. The sinking fund is invested principally in securities issued or guaranteed by federal and provincial governments. Sinking funds are invested in fixed income securities as follows:

	($ millions)			
	2021 Actual		2020 Actual	
	Book Value	Fair Value	Book Value	Fair Value
Government of Canada, direct and guaranteed	66	61	31	32
Provincial, direct and guaranteed	810	778	828	803
Municipal	109	108	111	111
Corporate	6	6	4	4
	991	953	974	950

Investment revenue earned on sinking funds during the year was $34 million (2020 - $44 million).

The sinking funds are allocated as follows:

	($ millions)	
	2021 Actual	2020 Actual
Sinking funds	1,014	977
Less: Uninvested portion of sinking funds held in cash and cash equivalents	(23)	(3)
Total sinking funds held in portfolio investments	991	974

OTHER INVESTMENTS

	($ millions)	
	2021 Actual	2020 Actual
Guaranteed investment certificates	7	11
Bonds – Government of Canada, provincial and municipal	753	551
Bonds – Corporate	153	170
Equity investments	225	37
Investments in real estate	33	55
	1,171	824

As at March 31, 2021 the market value of other investments was $2,091 million (2020 - $1,567 million). Other investments earned $46 million during the year (2020 - $55 million).

4. EQUITY IN GOVERNMENT BUSINESS ENTERPRISES

The GBEs that are included in the summary financial statements are listed in Schedule 8 and are classified as follows:

Category	Definition
Utility	An enterprise which provides public utility services for a fee. This category includes Manitoba Hydro-Electric Board.
Insurance	An enterprise which provides insurance coverage services to the public for a fee. This category includes Manitoba Public Insurance Corporation and Deposit Guarantee Corporation of Manitoba.

Finance — Enterprises which provide regulatory control, and are revenue generating or enterprises which use economy of scale to deliver goods and services to the public. This category includes Manitoba Liquor and Lotteries Corporation.

The operating results and financial position of each GBE category are reported in Schedule 3 to the summary financial statements. The year end of each GBE is as follows:

Manitoba Hydro-Electric Board	March 31, 2021
Manitoba Liquor and Lotteries Corporation	March 31, 2021
Deposit Guarantee Corporation of Manitoba	December 31, 2020
Manitoba Public Insurance Corporation (MPIC)	March 31, 2021

Included in the equity in GBEs are equities, which are restricted for use by provincial legislation and thereby not available to discharge Government liabilities or to finance other Government programs. The equity in GBEs is comprised of:

	($ millions)	
	2021 Actual	**2020 Actual**
Restricted Equity in Government Business Enterprises:		
Deposit Guarantee Corporation of Manitoba	402	365
Manitoba Hydro-Electric Board	2,700	2,394
Manitoba Public Insurance Corporation	709	634
	3,811	3,393
Unrestricted Equity in Government Business Enterprises:		
Manitoba Liquor and Lotteries Corporation	5	5
Manitoba Public Insurance Corporation	13	13
	18	18
Equity in Government Business Enterprises	3,829	3,411

5. EQUITY IN BUSINESS PARTNERSHIP

North Portage Development Corporation (NPDC) is a business partnership that is owned equally by the Government of Canada, the Province of Manitoba and the City of Winnipeg. The mission of NPDC is to act as a catalyst, encouraging activities for people in the downtown through public and private partnerships and to work to ensure financial self-sufficiency. NPDC is responsible for the continuing renewal and stewardship of two sites in Winnipeg's downtown: the North Portage area and The Forks. NPDC is involved in certain business and core activities regarding the ownership, development and management of its two sites that include land investment properties and public amenities.

The Province's share of the equity at March 31, 2021 is $20 million (2020 - $20 million). The Province's share of the operating results for the year ended March 31, 2021 was $ nil (2020 - $ nil) and is included in fees and other revenues.

The condensed supplementary financial information of NPDC is as follows:

	($ millions)	
	2021 Actual	2020 Actual
Property, plant and equipment and invesment in properties and infrastructure enhancements	74	77
Short-term investments and other assets	7	6
	81	83
Deferred contributions from shareholders	9	10
Long-term mortgage	8	9
Current and other liabilities	5	4
	22	23
Net equity	59	60
	81	83
Comprehensive income		
Revenues	11	17
Expenses	8	13
Operating income before amortization	3	4
Amortization	(3)	(3)
Net income for the year	-	1

6. PENSION PLANS

The Government participates in various pension plans. The two primary plans, in which the Government directly participates, are the Civil Service Superannuation Plan and the Teachers' Pension Plan. As per the Acts that administer these plans, the Government is responsible for 50.0% of pension benefits earned by employees. These Plans are joint trusteed plans. The Government's pension liability reflects its share of the actuarial present values of pension benefits attributed to services rendered by employees and former employees, net of any plan assets which are set aside by the Government in an irrevocable trust. As of March 31, 2021, the pension liability for the Civil Service Superannuation Plan was $1,060 million (2020 - $1,010 million) and the pension liability for the Teachers' Pension Plan was $2,024 million (2020 - $1,901 million).

Other pension plans in which the Government participates include the Members of the Legislative Assembly Plan, the Legislative Assembly Pension Plan, the Judges' Supplemental Pension Plan and the Winnipeg Child and Family Services Employee Benefits Retirement Plan. The Government is responsible for any excess of accrued pension benefits over pension fund assets for these plans.

The Government also includes several other pension plans in its pension liability. These other plans include post-secondary education pension plans and public school divisions' pension plans. Post-secondary education pension plans include the University of Manitoba Pension Plans, the University of Winnipeg Pension Plan and the Brandon University Retirement Plan. Public school divisions' pension plans include the Winnipeg School Division Pension Fund for Employees Other Than Teachers, Retirement Plan for Non-Teaching Employees of the St. James-Assiniboia School Division, Retirement Plan for Employees of Frontier School Division and School District of Mystery Lake Pension Plan. The Government is responsible for any excess of accrued pension benefits over pension fund assets for these plans.

Employees in the health sector are members of the Healthcare Employees Pension Plan, a multi-employer defined benefit pension plan established between employees and participating boards. Because the Government does not sponsor this plan, the accrued benefit liability of this plan is not recognized in these financial statements. The annual net benefit plan expense is the amount of required contributions provided for employees' services rendered during the year. During the year, the Government expensed contributions to this plan of $198 million (2020 - $198 million). At December 31, 2020 the Plan had an excess of net assets available for benefits over pension obligations of $1,345 million (December 31, 2019 - $991 million).

As at March 31, 2021, the total pension liability being reflected in the summary financial statements was $3,292 million (2020 - $3,097 million). Details related to the pension liability are provided in Schedule 6 to the summary financial statements. The following provides general information on the contributions and benefit formula of the various pension plans, which are included in this schedule.

A. CIVIL SERVICE SUPERANNUATION PLAN

The Civil Service Superannuation Act (CSSA) established a defined benefit plan to provide benefits to employees of the Manitoba Civil Service and to participating agencies of the Government through the Civil Service Superannuation Fund (CSSF).

The lifetime pension calculation equals 2.0% of a member's best five-year average yearly pensionable earnings multiplied by pensionable service, minus 0.4% of the average Canada Pension Plan (CPP) earnings multiplied by pensionable service since January 1, 1966.

The CSSA requires employees to contribute 8.0% of pensionable earnings up to the CPP maximum pensionable earnings, and 9.0% on pensionable earnings above the maximum.

89.8% of employee contributions are used to fund basic benefits and 10.2% of employee contributions are allocated to funding indexing benefits. The Government funds 50.0% of the monthly pension retirement benefits paid to retirees.

Indexing benefits are not guaranteed and are paid only to the extent that the indexing adjustment account in CSSF can finance one-half of the cost-of-living increases granted. The maximum annual adjustment is limited by legislation to two-thirds of the increase in the Consumer Price Index for Canada.

As a joint trusteed plan, Schedule 6 only reports the Province's conditional share of the net obligation. The estimated financial position of both the employee and employer components of the Civil Service Superannuation Plan are reported in the December 31, 2020 audited financial statements of CSSF. At December 31, 2020, after accounting for provincial pension assets held in trust and trust assets held in trust for GBEs, CSSF had an estimated accrued net obligation of $1,437 million (December 31, 2019 - $1,434 million).

This valuation is not on the same basis of reporting as the summary financial statements and does not include adjustments for unamortized actuarial gains or losses nor the impact of valuing assets on a market related value basis as opposed to market value. This valuation also includes estimated net obligations related to GBEs, which are included in the summary financial statements on a modified equity basis, and other entities that are not part of the GRE.

B. TEACHERS' PENSION PLAN

The Teachers' Pensions Act (TPA) established a defined benefit plan to provide pension benefits to teachers who have taught in public schools in Manitoba.

The lifetime pension calculation is generally based upon 2.0% of a member's average salary of the best five of the final 12 years of service (best seven prior to July 1, 1980) multiplied by pensionable

service, minus the years of service multiplied by 0.6% of the annual salary up to the yearly maximum pensionable earnings. The pension amount is subject to a maximum of 70.0% of the average annual salary used above.

The TPA requires that teachers contribute 7.3% of pensionable earnings up to the CPP maximum earnings, and 8.9% of pensionable earnings above the maximum. Commencing September 1, 2012 teacher contributions increased 0.5% per year and continued increasing until September 1, 2015. As of September 1, 2015 the TPA requires teachers to contribute 8.8% of pensionable earnings up to the CPP maximum pensionable earnings and 10.4% of pensionable earnings above the maximum. 83.1% of teachers' contributions are used to fund basic benefits and 16.9% of teachers' contributions are allocated for funding indexing benefits.

On May 16, 2018, the Lieutenant Governor in Council approved a regulation to disburse the restricted surplus held in the Pension Adjustment Account (PAA) over a five-year period commencing with the Cost of Living Adjustment (COLA) granted effective July 1, 2018. The balance of the restricted surplus will be disbursed in equal amounts over the following two years, ending with the COLA effective July 1, 2022. The COLA is limited to the lesser of the maximum percentage the PAA can support, and the full increase in CPI. The COLA can never be negative.

The independent plan actuary determined that there was an actuarial surplus in the PAA of $32.9 million available to support COLA of 1.0% effective July 1, 2021. The surplus of $32.9 million includes restricted surplus of $5.6 million, or 20.0% of the total restricted surplus. However, since the relevant increase in CPI for 2020 was 0.73%, the maximum COLA allowed was restricted by the 100.0% of CPI cap, which resulted in a COLA grant of 0.73% as at July 1, 2021. As a result of the cap limiting the amount of COLA granted, a surplus of $9.0 million was generated, which will be used to support future COLA.

As a joint trusteed plan, Schedule 6 only reports the Province's conditional share of the net obligation. The estimated financial position of both the employee and employer components of the Teachers' Pension Plan are reported in the December 31, 2020 audited financial statements of Teachers' Retirement Allowances Fund (Fund). At December 31, 2020, after accounting for provincial pension assets held in trust, the Fund had an estimated accrued net obligation of $1,419 million (December 31, 2019 - $1,474 million). This valuation is not on the same basis of reporting as the summary financial statements and does not include adjustments for unamortized actuarial gains or losses nor the impact of valuing assets on a market related value basis as opposed to market value.

C. OTHER GOVERNMENT PLANS

(i) ***Members of the Legislative Assembly Plan***

The pension plan for Members of the Legislative Assembly (MLAs) is established and governed by The Legislative Assembly Act (LAA).

For MLAs elected prior to the dissolution of the Assembly of the 35th Legislature, the LAA provides for defined pension benefits based on years of service to April 1995. The calculation for defined pension benefits is equal to 3.0% of the average annual indemnities for the last five years served as a member or all the years served; if less than five, multiplied by the number of years of pensionable service up to April 1995. These entitlements are fully indexed to cost of living increases.

For those MLA's elected after the 35th Legislature in April 1995, the LAA provides for matching contributions. Under the matching contributions provisions, MLAs may contribute up to 7.0% of their remuneration toward a Registered Retirement Savings Plan (RRSP) of their choice. The

Government matches the member's contributions on a current basis; consequently, there is no liability for past service benefits under this component of the plan. In the event that a member withdraws money from the RRSP, while an active member of the Legislative Assembly, the Government's contribution would be refundable back to the Government.

(ii) ***Legislative Assembly Pension Plan***

The Members' Retirement Benefits Regulation of The Legislative Assembly Act established a defined benefit plan, effective December 7, 2005 that provides pension benefits to eligible MLAs who elect to participate in the plan.

The pension benefits accumulate up to a maximum period of 35 years at 2.0% per year of pensionable service based upon the average of the best five-year annual salaries, reduced by an amount equal to 0.25% times the number of months before the member's 60th birthday that the first pension payment is made. These entitlements are indexed to 2/3 of cost of living increases.

Active members must contribute 8.5% of their earned salary to the plan. The Government makes contributions as necessary to ensure the pension fund has sufficient assets to cover the monthly pension payments to retirees as well as ensuring there are sufficient funds to cover any of the plans liabilities. Any surplus of plan assets over the pension obligation can be used by the Government to reduce future contributions.

(iii) ***Judges' Supplemental Pension Plan***

Manitoba Provincial Court Judges and Masters are members of the Civil Service Superannuation Plan; however, they also receive enhanced pension benefits under the Manitoba Provincial Court Judges and Masters' Supplemental Pension Plan. These supplemental pension benefits for judges are the difference between the total pension benefits for judges, including the amendments introduced by Judicial Compensation Committees, and the formula pension available under The Civil Service Superannuation Act (CSSA) as described above in Note 6A.

The supplemental pension is generally based upon an accrual rate of 3.0% for each year of service, as a judge, up to a maximum of 23.5 years, reduced by the pension provided under the CSSA. The combined total of the Judges' Supplemental Pension and Civil Service Superannuation Pension is subject to a maximum of 70.0% of earnings. These enhanced benefits are entirely funded by the Government.

(iv) ***Winnipeg Child and Family Services Employee Benefits Retirement Plan***

Established effective December 29, 2003, the Winnipeg Child and Family Services Employee Benefits Retirement Plan applies to employees of the former Winnipeg Child and Family Services Agency, who transferred to the Department of Families.

The lifetime pension calculation equals 1.4% of the member's highest average pensionable earnings up to the CPP maximum and 2.0% of any excess earnings multiplied by pensionable service. The lifetime pension is subject to an overall maximum of the member's number of years of contributory service, multiplied by the lesser of $1,722 or such greater amount permitted under the Income Tax Act; and 2.0% of the member's highest average indexed compensation in any three overlapping periods of 12 consecutive months. Indexing payments are subject to approval by the Trustees and increases in the Consumer Price Index.

Members are required to contribute 4.5% of pensionable earnings up to the CPP maximum and 6.0% on pensionable earnings over the maximum. Any surplus of plan assets over the pension obligation can be used by the Government to reduce future contributions.

D. OTHER PENSION PLANS

(a) *Post-Secondary*

(i) *University of Manitoba Pension Plan*

The University of Manitoba administers The University of Manitoba Pension Plan (1993) and The University of Manitoba GFT Pension Plan (1986). These are trusteed pension plans. The Trustees are responsible for the custody of the plans' assets and issuance of annual financial statements. University of Manitoba Pension Plan (1993) is a money purchase plan with a defined benefit minimum. The funding for the plan requires a matching contribution from the University and the employees. The plan is not indexed. Plan members contribute at a rate of 9.0% of salary less an adjustment for the Canada Pension Plan during the year.

The December 2019 funding valuation indicated that the University of Manitoba Pension Plan (1993) was in a funding deficiency position. The University is funding the deficiency over fifteen years until the going concern deficit is eliminated. An annual additional payment for fiscal 2021 of $0.2 million was made (2020 - $12 million).

Retirement benefits are calculated by using the greater of the two methods: Formula and Plan Annuity. For each year of pensionable service, Formula benefit equals 2.0% of the average best five year salary, less 0.7% of the average best five year salary under the yearly maximum pensionable earnings in the year of retirement, to a maximum of 1/9 of the Pension Plans money purchase limit. The benefit is reduced by 0.25% for each month between the actual pension commencement date and the age of 65. Plan Annuity benefit is based on contribution account balance, age at retirement, and the annuity factor determined by the plan actuary.

In 2009, the Manitoba Pension Commission advised that the University was required to begin to make additional payments with respect to current service costs in excess of matching contributions of active members and the University. The additional annual current service cost payments for fiscal 2021 was $5 million (2020 - $3 million).

The unamortized net actuarial gains (losses) were determined on the basis of the 2019 actuarial valuation and the 2020 extrapolation for accounting purposes are being amortized over a period of nine years (expected average remaining service life) starting in the year following the year of respective annual actuarial gains or losses arise.

The University of Manitoba GFT Pension Plan (1986) is a defined contribution pension plan; therefore there is no requirement for an actuarial valuation of this plan.

(ii) *University of Winnipeg Pension Plan*

The University of Winnipeg administers the University of Winnipeg Pension Plan (UWPP), which is comprised of a defined benefit segment and a defined contribution segment. The assets of the Plan are held in trust by independent custodians. The defined benefit segment of the UWPP was closed to new members effective January 1, 2001. Members who join after this date join the defined contribution plan.

The UWPP was established as a contributory defined benefit pension plan on September 1, 1972 and covers all eligible employees of the University, except those who are members of the United Church of Canada Pension Plan. The funding for the plan requires a matching contribution from the University and the employees. Annual pension benefits equals 2.0% of the final five year average earnings multiplied by the years of pensionable service, less 0.6% of CPP average earnings for each year of pensionable service. The pension benefit is subject

to a plan benefit maximum limit of $1,700 per year of pensionable service. At December 2019, the Plan had a going-concern deficiency of $22 million, which the University is addressing by making annual deficiency payments of $3 million until the deficiency is eliminated.

Since December 31, 2000, when the defined contribution segment of the Plan was introduced, approximately one-quarter of the eligible members converted to that plan. The obligation for pension benefits under the defined contribution segment of the Plan will always be equal to net assets in each member's account. Therefore, no surplus or deficiency arises from fluctuations in the investment market.

(iii) *Brandon University Retirement Plan*

Brandon University administers the Brandon University Retirement Plan, which is a trusteed pension plan. The Trustees are responsible for the custody of the Plan's assets and issuance of annual financial statements.

The Brandon University Retirement Plan is a final average contributory defined benefit pension plan established on April 1, 1974 for the benefit of the employees of Brandon University. The funding for the plan requires a matching contribution from the University and the employees.

Employees are required to contribute 8.0% of pensionable earnings less 1.8% of pensionable earnings for which Canada Pension Plan contributions are required. Pensionable earnings are subject to an annual limit related to the maximum benefit accrual in a year.

Annual pension equals 2.0% of the final five year average earnings multiplied by the years of pensionable service, less 0.6% of CPP average earnings for each year of pensionable service. The pension benefit is subject to a plan benefit maximum limit of $1,722 per year of pensionable service for members retired on or before April 1, 2009, and $1,975 for those retiring after that date.

The plan will continue to be subject to the going concern funding provisions of the Manitoba Pension Benefits Act and Regulations. The University will be required to fund the matching contributions, as well as the actuarial cost of the defined benefits in excess of the matching costs. The next going-concern valuation will be performed as at December 31, 2020 and will be completed in 2021.

(b) *Public School Divisions*

(i) *The Winnipeg School Division Pension Fund for Employees Other Than Teachers*

The Winnipeg School Division Pension Fund for Employees Other Than Teachers is a defined benefit pension plan for employees that meet specified employment conditions. The fund was created by By-law 196 of the Winnipeg School Division (replaced by By-law 1017 on January 1, 1992) and is subject to the applicable regulations.

The pension benefits calculation is based on an amount equal to 1.6% of a member's average pensionable salary and 2.0% of a member's average salary over the pensionable salary, multiplied by a member's years of pensionable service. The average salary is determined by averaging the best five years of employment salary in the last twelve years of service.

Employee contributions equal 8.1% of pensionable salary and 9.5% of the earnings in excess of pensionable salary up to the yearly maximum pensionable earnings, effective January 1, 2014. The Winnipeg School Division matches employee contributions and pays an additional 12.4% of employee contributions. As a result, employer contributions equal approximately 112.4% of employee contributions.

(ii) *Retirement Plan for Non-Teaching Employees of the St. James-Assiniboia School Division*
The St. James-Assiniboia School Division Retirement Plan for Non-teaching Employees is a defined benefit pension plan that was established on January 1, 1978 and is subject to the applicable regulations.

The pension benefits calculation is based on an amount equal to 1.4% of a member's average employment earnings below CPP earnings and 2.0% of a member's employment earnings in excess of the CPP earnings, multiplied by a member's years of contributory service. The average employment earnings are determined by averaging the best six years of employment earnings in the last 12 years of service. Effective July 1, 2014, employee contributions were equal to 8.2% of CPP earnings and 9.8% of the employment earnings in excess of CPP earnings. The St. James-Assiniboia School Division matches employee contributions.

(iii) *Retirement Plan for Employees of Frontier School Division*
The Frontier School Division Retirement Plan is a defined benefit pension plan for non-teaching employees.

The pension benefit is based on an amount equal to 2.0% of a member's best average earnings, multiplied by a member's years of credited service. The average employment earnings are determined by averaging the best five years of employment earnings.

Employee contributions equal 9.0% of CPP earnings, with the Frontier School Division matching employee contributions. The Frontier School Division is responsible for the balance of the pension cost, of which a portion can be financed by an allocation from pension surplus.

(iv) *School District of Mystery Lake Pension Plan*
School District of Mystery Lake Pension Plan is a defined benefit plan. The School District shall contribute in accordance with the terms of the collective agreements such amounts as necessary to provide the future service pension for all members and to amortize any unfunded liability or a solvency deficiency in the Plan. In the event that the School District's contributions are not sufficient, the legislation permits the Board of Trustees to amend the plan to reduce future accrued pension benefits in order to meet the required legislated funding requirements.

Effective July 1, 2013 employees contribute 5.0% of gross earnings. Prior to July 1, 2013 employees did not make contributions to the plan. The plan provides that if the defined benefit pension exceeds the plan annuity, the difference is paid from the plan.

The pension benefits are calculated based on a rate per month per year of service. The current rate for maintenance workers is $42 per month per year of service. For clerical workers, the pension benefit is $36.50 per month per year of service.

E. GOVERNMENT BUSINESS ENTERPRISES

Manitoba Hydro, Manitoba Liquor and Lotteries Corporation and Manitoba Public Insurance Corporation (MPIC) are members of the CSSF. Effective April 1, 2014 Manitoba Liquor and Lotteries Corporation became a matching employer. As a result, they no longer recognize a pension liability in their statements. The net pension liabilities for the other GBEs are disclosed in Schedule 3.

7. CONTINGENCIES

A. CONTINGENT LIABILITIES

i) *Legal Actions*

The Government is named in various legal actions. No provision has been made at March 31, 2021 in the accounts where the final results are uncertain, or where the results are likely but the amount of the liability cannot be reasonably estimated.

ii) *Canadian Blood Services*

All provincial and territorial governments of Canada, except Quebec, are members of, and provide funding to, Canadian Blood Services (CBS), which operates the Canadian blood system. The March 31, 2020 audited consolidated financial statements indicate that CBS has two wholly-owned captive insurance companies to provide for the contingent liabilities for risks related to operations of the blood system: CBS Insurance Company Limited (CBSI) and Canadian Blood Services Captive Insurance Company Limited (CBSE). Together, these captive insurance companies provide Canadian Blood Services with comprehensive blood risk insurance covering losses up to $1 billion. The primary policy held by CBSI has provided coverage up to $300 million, with the secondary policy held by CBSE providing coverage up to $700 million.

CBSI provides insurance coverage up to $300 million with respect to risks associated with the operation of the blood system. The related assets of CBSI as at March 31, 2020 total $467 million (2019 - $469 million). Based upon the above, the Government's share of the provision for future claims as at March 31, 2020 is offset with designated assets, which at that date exceed the provision.

CBS and CBSE have entered into an agreement whereby the members have agreed to provide insurance coverage for all amounts payable by CBSE under the terms of the excess policy up to $700 million in excess of the $300 million provided by CBSI. No payment shall be made under CBSE until the limit of the liability under the primary policy in CBSI has been exhausted. The members have agreed to contribute their pro rata share of the required capital of $700 million. The members have each issued an indemnity to CBSE on their pro rata share of the $700 million, calculated on the basis of their respective populations. Given current populations, Manitoba's maximum potential liability under its indemnity to CBSE is approximately $33 million. The Government is not aware of any proceedings that could lead to a claim against it under the indemnity given to CBSE.

iii) *Treaty Land Entitlement Obligations*

The Government of Manitoba's obligations under the treaty land entitlement agreements require Manitoba to transfer administration and control of up to 1,144,331 acres of Crown Land (Selections) and up to 282,123 acres of Manitoba interests in Other Land (Acquisitions) to Canada so as to enable Canada to fulfil its obligations under the treaties between Canada and the First Nations of Manitoba. As of March 31, 2021, Manitoba Entitlement First Nations have collectively Selected and Acquired approximately 1,041,838 acres of Crown Land and Other Land. As of March 31, 2021, Manitoba has transferred administration and control of 676,133 acres of Crown Land and 20,317 acres of Manitoba interests in Other Land to Canada for reserve creation. The Crown Land and Manitoba interests in Other Land have been transferred in accordance with paragraph 11 of the Natural Resources Transfer Agreement (Schedule to Constitution Act, 1930). The transfers include mines and minerals and other interests impliedly reserved under The Crown Lands Act, as well as all other interests of Manitoba in the lands.

iv) *Government Business Enterprise Contingencies*

Significant contingencies for Government Business Enterprises include:

Manitoba Hydro has a mitigation program in place to address past, present, and ongoing adverse impacts arising from all past hydroelectric developments (prior to the Wuskwatim generating station), particularly for Indigenous people residing or engaged in resource harvesting in the project areas. In recognition of future mitigation payments, Manitoba Hydro has recorded a liability of $162 million (2020 - $169 million). Manitoba Hydro has also recognized a provision of $29 million (2020 - $27 million) for certain mitigation related obligations arising from ongoing adverse effects of past hydroelectric development. There are other mitigation issues, the outcomes of which are not determinable at this time.

Manitoba Hydro has contracted with an independent third-party pipeline company to increase transportation capacity, which includes a commitment to pay its share of the pre-license development costs associated with the contract, in the event that the federal license is not granted for the project. No obligating events have occurred and so provisions have not been booked.

B. LOAN GUARANTEES

The Government has guaranteed the repayment of debt, promissory notes, bank loans, lines of credit, mortgages and securities held by others. Debt guaranteed by the Government is guaranteed, as to principal and interest, until the debt is matured or redeemed. The authorized limits and the outstanding guarantees are summarized as follows:

	($ millions)		
	Authorized Limit	2021 Actual	2020 Actual
Canadian Museum for Human Rights	25	3	4
Manitoba Agricultural Services Corporation (Note 7B.i)	-	65	68
Manitoba Housing and Renewal Corporation (Note 7B.ii)	20	9	11
Manitoba Student Aid Program	20	-	-
University of Winnipeg (Note 7B.iii)	54	46	29
Other	17	4	4
Total guarantees outstanding	-	127	116

A provision for future losses on guarantees for $10 million (2020 - $11 million) has been recorded in the accounts.

Note 7B.i) Manitoba Agricultural Services Corporation

The Manitoba Agricultural Services Corporation has guaranteed loans under the following programs:

Program	General Terms and Conditions
Operating Credit Guarantees for Agriculture	Each participating lending institution is guaranteed up to 25% of the maximum amount advanced, up to a maximum loan of $0.7 million for individuals and $1.0 million for partnerships, corporations, and co-operatives.

Program	General Terms and Conditions
Manitoba Livestock Associations Loan Guarantees	Each association's lending institution is guaranteed 25% of their loaned amount, up to a maximum loan of $8 million per association.
Enhanced Diversification Loan Guarantees	Guarantees are based on 25% of the original principal amount of each individual loan, with no maximum loan amount.
Rural Entrepreneur Assistance Program	Each participating lender is guaranteed up to 80% of the loan made to small rural non-agricultural business to a maximum guarantee of $0.2 million. This program was discontinued as of April 1, 2019 with outstanding guarantees in run-off status.

Note 7B.ii) Manitoba Housing and Renewal Corporation

Manitoba Housing and Renewal Corporation has authority to guarantee the repayment of various mortgages and issue various letters of credit, which guarantee the terms and conditions of land development agreements and construction contracts, up to $20 million. At March 31, 2021 outstanding guarantees under this authority totalled $9 million (2020 - $11 million).

Note 7B.iii) University of Winnipeg

University of Winnipeg's controlled entity University of Winnipeg Community Renewal Corporation (UWCRC) guarantees specific debts of UWCRC 2.0, a related but uncontrolled corporation. UWCRC provided guarantees for the following loans:

	($ millions)
CMHC Rental Construction Financing Initiative loan for construction of the Muse Flats (209 Colony)	29
CMHC National Co-Investment Fund loan for construction of the West Broadway Commons (167 Colony)	17

C. GOVERNMENT BUSINESS ENTERPRISE GUARANTEES

As at March 31, 2021, Manitoba Hydro has outstanding Manitoba Hydro-Electric Board Bonds amounting to $121 million (2020 - $121 million). These bonds carry fixed coupon rates that range from 3.72% to 9.10%. The Government guarantees $60 million (2020 - $60 million) of these outstanding bonds.

Manitoba Hydro provides guarantees to counterparties for natural gas purchases. At March 31, 2021, there is an outstanding guarantee totalling $30 million (2020 - $30 million) which matures October 31, 2022. Letters of credit for $72 million (2020 - $72 million) have been issued for construction and energy related transactions with maturities until 2049.

The Deposit Guarantee Corporation of Manitoba (Corporation) has guaranteed $34.1 billion in credit union deposits at the end of December 31, 2020 (December 31, 2019 - $31.3 billion). Based upon its ongoing monitoring procedures, the Corporation has concluded that a provision for such contingencies does not need to be established at this time.

8. CONTRACTUAL OBLIGATIONS

The Government has entered into a number of multi-year contracts and agreements for the delivery of services and the acquisition or construction of assets. These contractual obligations will become liabilities in the future when the terms of the contracts are met. The following represents the amounts required to satisfy the contractual obligations, by the year that it is anticipated that the terms of the contract will be met, as at March 31:

($ millions)	2022	2023	2024	2025	2026	2027 and thereafter	Total
Government Organizations and components							
Service contracts	298	119	70	58	89	116	**750**
Rental of capital assets	96	70	55	48	38	250	**557**
Acquisition or construction of capital assets	596	150	142	143	148	607	**1,786**
Other contracts	41	13	11	4	1	-	**70**
Government Business Enterprises	34	36	27	23	20	30	**170**
Total	**1,065**	**388**	**305**	**276**	**296**	**1,003**	**3,333**

Other significant obligations not included in the table are:

GOVERNMENT ORGANIZATIONS

Government organizations have entered into contractual arrangements related to construction projects totalling $341 million (2020 - $474 million), and details relating to the settlement year cannot be reasonably estimated.

GOVERNMENT BUSINESS ENTERPRISE CONTRACTUAL OBLIGATIONS

Manitoba Hydro has energy purchase commitments of $1,913 million (2020 - $2,534 million) that relate to future purchases of wind, natural gas (including transportation and storage contracts) and electricity.

Commitments are primarily for transmission right access which expire in 2041, wind and solar purchases which expire in 2040 and natural gas purchases which expire in 2038. In addition, other outstanding commitments principally for construction are approximately $1,561 million (2020 - $1,737 million).

Manitoba Liquor and Lotteries Corporation has purchase commitments of $nil (2020 - $15 million) related to the casino and liquor operations construction projects.

9. DEBT SERVICING

Debt servicing costs of $969 million (2020 - $1,037 million) are net of interest recoveries from GBEs of $858 million (2020 - $838 million), interest on provincial debt held as investments of $5 million (2020 - $12 million) and includes $14 million (2020 - $5 million) representing interest expense of government organizations. GBEs debt servicing costs of $859 million (2020 - $852 million) are reported in Schedule 3.

10. AMOUNTS HELD IN TRUST

Amounts held in trust are assets over which the Manitoba Legislature has no power of appropriation. These amounts are not included in the summary financial statements because the Government has no equity in the amounts and administers them according to trust or other agreed-upon arrangements. As at March 31, 2021 amounts held in trust were as follows:

	Valuation Method	($ millions) 2021 Actual	2020 Actual
Various Universities and Colleges	cost	549	541
The Public Guardian and Trustee of Manitoba	various	301	277
Production Insurance Trust	cost	525	472
The Public Service Group Insurance Fund	market	282	235
Manitoba Development Corporation	cost	39	54
Hail Insurance Trust	cost	74	61
Other Fiduciary Trust	various	60	58
Custodial trust held by Departments	various	19	19
Suitor's Money Act	cost	9	15
		1,858	1,732

Universities and Colleges hold endowment and trust funds in the form of cash, cash equivalents, bonds, equities, real estate and other securities.

The Public Guardian and Trustee of Manitoba administers the estates and trusts of mentally disabled persons, deceased persons, and infants. The estates and trusts under administration are in the form of bonds, equities, real estate, mortgages and other securities.

Manitoba Agricultural Services Corporation (MASC) is the trustee for the Production Insurance Trust and the Hail Insurance Trust. These trusts were created for the benefit of program participants. The trusts will be used to pay program indemnities to participating producers. Funding for the trusts will be provided based on insurance premiums collected by MASC.

The Public Service Group Insurance Fund is administered by the Civil Service Superannuation Board. It includes three plans to provide life insurance, accidental death and disablement insurance, and dependents insurance for eligible employees and retired employees (and their eligible dependents) of the Government of Manitoba and most of its Agencies and Boards. These funds are in the form of cash, cash equivalents and equities.

Manitoba Development Corporation administers funds from the Business Investor Stream of the Provincial Nominee Program. These funds are invested in the form of cash, cash equivalents, bonds and investments.

Other Fiduciary Trust funds are interest bearing deposits which are pooled with the Government's investments in order to earn a market rate of interest. Government departments also hold custodial trust funds in the form of bonds and other securities.

11. RISK MANAGEMENT AND THE USE OF DERIVATIVE FINANCIAL INSTRUMENTS

Borrowings in both Canadian and foreign financial markets result in exposure to risks, which include foreign exchange risk, interest rate risk, credit risk and liquidity risk.

The Government employs various risk management strategies and operates within fixed risk exposure limits to ensure exposure to risk is managed in a prudent and cost effective manner. Varieties of strategies are used, including the use of derivative financial instruments (derivatives).

Derivatives are financial contracts, the value of which is derived from underlying instruments. The Government uses derivatives to hedge and mitigate foreign exchange risk and interest rate risk. The Government does not use derivatives for speculative purposes.

FOREIGN EXCHANGE RISK

Foreign exchange risk is the risk that the cash flows needed to repay the interest and principal on loans in foreign currencies will vary due to fluctuations in foreign exchange rates.

To manage this risk, the Government uses derivative contracts, including foreign exchange forward contracts as well as swaps, to convert foreign currency principal and interest cash flows into Canadian dollar denominated cash flows. The current portfolio of foreign debt is fully hedged through the use of derivatives and U.S. dollar sinking funds, except for the impact of the unamortized foreign exchange fluctuation account of $ nil (2020 - $ nil). This account is fixed with no sensitivity to future foreign exchange rates.

Derivative contracts hedge the underlying debt by matching the critical terms to achieve effectiveness. The policy has effectively hedged the foreign currency debt principal and interest payments in relation to general purpose debt.

Manitoba Hydro has exposure to U.S. dollar foreign exchange fluctuations primarily through the sale and purchase of electricity and fuel in the U.S. This exposure is managed through a long-term natural hedge between U.S. dollar cash inflows from export revenues and U.S. dollar cash outflows for long-term debt coupon and principal payments. As a means to bridge temporary timing differences between inflows and outflows to future years' U.S. dollar requirements, Manitoba Hydro also utilizes derivative foreign exchange forward contracts as required.

INTEREST RATE RISK

Interest rate risk is the risk that debt servicing costs will vary unfavourably according to interest rate fluctuations.

To reduce its exposure to interest rate risk, the Government uses derivatives to manage the fixed and floating interest rate mix of its debt portfolio.

After taking into account derivatives used to manage interest rate risk, investments held as sinking funds and eliminating debt incurred on behalf of Manitoba Hydro, the structure of the debt as at March 31, 2021 was 93% at fixed rates and 7% at floating rates (2020 - 91% at fixed rates and 9% at floating rates). A 1.0% (100 basis points) movement in interest rates on the 7% floating rate debt for an entire year would increase/ decrease debt servicing costs, net of recoveries, by $21 million (2020 - $26 million).

CREDIT RISK

Credit risk is the risk that a counterparty will default on its contractual obligations. The Government manages its credit risk exposure from derivatives by, among other activities, dealing only with high credit quality counterparties and regularly monitoring compliance to credit limits. In addition, the Government enters into contractual agreements ("master agreements") with all of its counterparties. As at March 31, 2021 the Government has a gross credit risk exposure related to derivatives of $383 million (2020 - $20 million).

LIQUIDITY RISK

Liquidity risk is the risk that the Government will not be able to meet its financial commitments over the short term. To reduce liquidity risk, the Government maintains liquid reserves (i.e. cash and cash equivalents) at levels that will meet future cash requirements and will give the Government flexibility in the timing of issuing debt. In addition, the Government has short-term note programs, bank lines and sinking funds as alternative sources of liquidity. This risk is also managed by distributing debt maturities over many years.

DERIVATIVE PORTFOLIO

The following table presents the fair value of derivative financial instruments with contractual or notional principal amounts outstanding at March 31:

	($ millions)			
	2021 Actual		2020 Actual	
	Notional Value	Fair Value	Notional Value	Fair Value
Interest rate and cross currency swaps	48,629	(64)	50,969	(1,289)

Notional amounts of derivatives contracts represent the contractual amounts to which a rate or price is applied for computing the cash flows to be exchanged. The notional amounts are used to determine the gains/losses and fair value of the contracts and is generally a measure of the exposure to the asset class to which the contract relates. They are not recorded as assets or liabilities on the statement of financial position. Notional amounts do not represent the potential gain or loss associated with the market risk or credit risk associated with the derivative contract.

Fair values of the swap agreements are the estimated amount that the Government would receive or pay, based on market factors, if the agreements were terminated on March 31. They are established by discounting the expected cash flows of the swap agreements using year-end market interest and exchange rates. A positive (negative) fair value indicates that the government would receive (make) a payment if the agreements were terminated.

12. SIGNIFICANT TRANSACTIONS WITH GOVERNMENT BUSINESS ENTERPRISES

Transactions with GBEs are not eliminated for purposes of summary reporting because they are reported in these summary financial statements using the modified equity method of accounting. These financial statements include the following transactions between the Government and GBEs, which have not been eliminated:

A. ACCOUNTS RECEIVABLE AND LOANS AND ADVANCES

Amounts receivable includes receivables from GBEs as reported in Schedule 1 to the summary financial statements. Loans and advances to GBEs are reflected in Schedule 2 to the summary financial statements.

B. INVESTMENTS

MPIC holds $567 million (2020 - $611 million) of Provincial bonds and debentures with maturities dates ranging from 2021 to 2052 and interest rates ranging from 3.0% to 7.0%.

C. WATER POWER RENTALS

Water power rental fees charged to Manitoba Hydro, for $117 million (2020 - $115 million), are included in the Consolidated Statement of Revenue and Expense under the fees and other revenue category. Water power rental rates are authorized by Regulation 25/88 and 197/2001 under The Water Power Act. Rentals are paid to the Government for the use of water resources in the operation of Manitoba Hydro's hydroelectric generating stations.

D. FEES ON GOVERNMENT GUARANTEES

Manitoba Hydro remitted $222 million (2020 - $207 million) to the Government based on the amount of their debt that is guaranteed by the Government. The fees are included in the Consolidated Statement of Revenue and Expense under the sinking funds and other investment earnings category.

E. DRIVER LICENSING OPERATIONS

The Government, by agreement, paid $30 million (2020 - $30 million) to MPIC for the management and administration of driver licensing. MPIC, on behalf of the Government, collected driver licensing fees totalling $25 million (2020 - $26 million) and motor vehicle registration fees totalling $187 million (2020 - $192 million).

The fees received by the Government are included in the Consolidated Statement of Revenue and Expense under the fees and other revenue category.

F. OTHER REVENUE

Manitoba Liquor and Lotteries Corporation provided $5 million in funding to the Addictions Foundation of Manitoba for the year ended March 31, 2021 (2020 - $5 million) for addictions and problem gambling services programs. In addition, the Corporation provided $5 million (2020 - $5 million) in funding to the Liquor, Gaming and Cannabis Authority of Manitoba and the Ministry of Crown Services through the payment of annual licence fees and levies.

Manitoba Hydro paid the Government $117 million (2020 - $112 million) for corporation capital tax. MPIC paid the Government $32 million (2020 - $44 million) for insurance premium tax. GBEs paid the Government a combined total of $18 million (2020 - $18 million) for Levy for Health and Education.

MPIC paid the Manitoba Health Services Insurance Fund $30 million (2020 - $30 million) to cover non-insured medical expenses.

These amounts are included in the Consolidated Statement of Revenue and Expense under the fees and other revenue and other taxes categories.

13. EMPLOYEE FUTURE BENEFITS

	($ millions)	
	2021 Actual	**2020 Actual**
Severance	468	463
Long term disability income plan	41	40
Workers compensation claims	58	49
	567	552

The severance liability is valued using discount rates that range from 2.60% to 5.75% and salary increase rates that range from 1.82% to 3.75%. Unamortized actuarial gains and losses are amortized over the estimated average remaining service life (EARSL). Periods range from 7.8 to 15 years. As of March 31, 2021, net unamortized losses were $40 million (March 31, 2020 - $26 million).

The long term disability income plan is valued using a discount rate of 3.30%. Actuarial gains and losses are recognized as income as they occur. Workers compensation claims are recognized based on an actuarial valuation prepared for the Workers Compensation Board. The December 31, 2020 valuation was prepared using a discount rate of 5.75% and a salary increase rate of 3.25%. Actuarial gains and losses are recognized as income as they occur.

14. EXPENSES IN EXCESS OF LEGISLATIVE AUTHORITY

The budget estimates presented on the Consolidated Statement of Revenue and Expense, excludes $1,977 million in supplementary estimates related to the departments. The original budget estimate amounts plus the $1,977 million in supplementary estimates becomes the revised estimates, against which expenses in excess of legislative authority are determined. Based upon the revised estimates, the following departments were over-expended at March 31, 2021:

PART A – OPERATING EXPENSE:

	($ millions)
Central Services	91
Conservation and Climate	177
Employee Pensions and Other Costs	5
Emergency and Other Appropriations	31

15. LIABILITY FOR CONTAMINATED SITES

The Province reports environmental liabilities related to the management and remediation of contaminated sites where the Province is obligated to incur such costs. A contaminated sites liability of $379 million (2020 - $265 million) has been recorded based on environmental assessments or estimations for those sites where an assessment has not been conducted.

As of March 31, 2021 the Province has identified 556 sites which require remediation from contamination.

The Province is responsible for the risk management and potential remediation of certain orphaned and abandoned mine sites that exist on Crown land. For most of these mine sites, the companies that caused the contamination no longer exist. The mining operations were primarily comprised of gold and other metals. The risk of contamination at these sites primarily comes from mine tailings and other possible contaminants that were left on site. The liability also includes sites associated with highway maintenance, airports, marines, landfills, sewage treatment facilities, commercial and industrial operations, parks and other protected areas.

The nature of contamination includes petroleum hydrocarbons, polyaromatic hydrocarbons, BTEX, toxic heavy metals, polychlorinated biphenyl and other organic contaminants. The sources of contamination include above ground and underground fuel storage tanks, fuel handling, pipelines, chemical storage, by-product waste, metal based paint, and the leaching of materials deposited in landfills. Sites often have multiple sources of contamination.

Where sites require ongoing remediation, monitoring, or maintenance all estimated future costs are discounted using the province's weighted average cost of capital. Remediation at three sites requires the operation of water treatment systems for the next 40 years. Expenditures of $198 million for the future operation of the water treatment plants have been discounted at 3.2% over the next 40 years. The assumed rate of inflation is 2.0%.

Manitoba Hydro will incur future costs associated with the assessment and remediation of contaminated lands and facilities for the phase-out and destruction of polychlorinated biphenyl contaminated mineral oil from electrical equipment. A reasonable estimate of the associated costs, not already recognized as asset retirement obligations, cannot be made at this time. No provision has been included for these items as of March 31, 2021.

16. RELATED PARTY DISCLOSURES

A related party exists when one party has the ability to exercise control or shared control over the other. Related parties include key management personnel, their close family members and the entities they control or have shared control over. For the summary financial statements, related party transactions do not include transactions and balances eliminated on consolidation and those with entities accounted for under the modified equity method. Related parties do not include restructuring transactions, disclosure of key management personnel compensation arrangements, expense allowances, and other similar payments routinely paid in exchange for services rendered.

Related party transactions are disclosed if they occurred at a value different from that which would have been arrived if the parties were unrelated and the transaction has a material effect on the summary financial statements.

For the year ended March 31, 2021, there were no material related party transactions or balances to disclose.

17. TRANSFERS TO THE WINNIPEG FOUNDATION

During the fiscal year, the Province transferred and deposited $98 million (2020 - $119 million) in various trust accounts either directly or on behalf of certain Manitoba community foundations to The Winnipeg Foundation (TWF). TWF is a registered charity and is classified as a public foundation for the purposes of the Income Tax Act (Canada).

The funds transferred to the trust are irrevocable. The trust funds are administered and invested by TWF for the purpose of generating revenue for purposes specified in the trust agreements. The trusts are not controlled by the Province and therefore are not consolidated as part of the GRE. The total transfers have been expensed in the following ministries and the balances as at March 31, 2021 are as follows:

17. Transfers to the Winnipeg Foundation (continued)

Trust Balances at The Winnipeg Foundation (listed at cost)

	$ (millions)	
	2021 Actual	2020 Actual
Agriculture and Resource Development		
Fish and Wildlife Enhancement Fund	22	20
GROW	52	52
Wetlands GROW	50	50
Highway One West Shelterbelt Renewal	2	2
Conservation Trust Fund	102	102
Manitoba Habitat Heritage Corporation Fund Foundation	15	15
Harry J. Enns Oak Hammock Marsh Fund	6	6
Oak Hammock Marsh Capital Renewal	2	2
Fort Whyte Endowment Fund	4	4
Watershed District Association	3	-
Growing Outcomes in Watersheds Trust Fund	3	-
Hunter Education and Firearms Safety	2	-
Conservation and Climate		
Provincial Parks Endowment Fund	20	-
Families		
Child Care Sustainability Fund	2	2
Employment and Income Assistance Fund	20	-
Manitoba Accessibility Fund	20	-
Municipal Relations		
Trails Manitoba Endowment Fund	8	8
Endow Manitoba Fund	10	10
Manitoba Trails Strategic Fund – Rural	3	-
Sport, Culture and Heritage		
Signature Museum Sustainability Funds	10	10
Manitoba Heritage Trust Program	5	5
Military Memorials Conservation Fund	2	2
The Bay Building Heritage Preservation Fund	25	-
	388	290

18. CONTRACTUAL RIGHTS

The Government is involved in various contracts and agreements arising in the ordinary course of business. This results in contractual rights to economic resources, leading to both assets and revenue in the future. The total amounts outstanding from these agreements at March 31, 2021 are as follows:

($ millions)	2022	2023	2024	2025	2026	2027 and thereafter	Total
Federal transfers - Capital	72	40	22	9	1	4	148
Federal transfers - Operating	80	17	1	1	1	-	100
Lease and rental agreements	140	138	136	135	135	188	872
Other	14	14	15	15	16	327	401
Total	306	209	174	160	153	519	1,521

Under section 22(4) of The Manitoba Liquor and Lotteries Corporation Act, the Province is entitled to receive the net revenue from the Manitoba Liquor And Lotteries Corporation. The future amounts to be received are unknown; therefore, they have not been included in the table above. These contractual rights could be significant.

The contractual rights for water power rentals included in Lease and rental agreements has been estimated using the current year's revenue for the next 6 years. This contract has no expiration date and amounts beyond 2027 may be significant. Contractual rights amounts relating to Provincial Park land leases with cottagers included in Lease and rental agreements have been calculated based on the current year revenue for the next 6 years. These lease agreements have various expiration dates, however, the amounts beyond 2027 are not included and these future amounts could be significant.

The Province is also entitled to receive investment revenue from various investments held in irrevocable trusts by The Winnipeg Foundation. The amount of revenue to be received is unknown and dependent on the rate of return earned on the investments.

Manitoba Hydro has dependable export sales contracts to U.S. and Canada totaling approximately $9.5 billion expiring in 2052. Dependable sales are export contracts sourced from Manitoba Hydro's hydraulic energy available during lowest water conditions.

19. ADJUSTMENTS TO ACCUMULATED DEFICIT

Effective for fiscal years beginning on or after January 1, 2009, local governments were required to record their tangible capital assets in their financial statements. An analysis of unincorporated communities' tangible capital assets was recently concluded and effective April 1, 2019, the Government has made an adjustment to record these tangible capital assets in these financial statements. The adjustment decreased the opening net accumulated deficit at April 1, 2020 by $58 million (2019 - $58 million). Amortization charges for the year ended March 31, 2020 were nil.

20. IMPACT OF COVID-19 PANDEMIC

Through the entire 2020/21 fiscal year, the Government maintained a state of emergency in response to the COVID–19 pandemic. The government's response to the COVID–19 pandemic had a significant financial impact on the summary financial statements for the year ended March 31, 2021.

The Province received equipment and supplies at no cost from the Government of Canada in response to COVID-19. These are recorded at fair value estimated to be $63 million. No amounts have been recorded for the COVID-19 vaccines because the fair value of these vaccines received from the Government of Canada cannot be reasonably determined. Due to confidentiality clauses embedded in contracts between the Government of Canada and the various COVID-19 vaccine manufacturers, information related to the price per dose of vaccine could not be shared with the Province.

The pandemic has increased measurement uncertainty as noted in Note 1.E Measurement uncertainty. The COVID-19 pandemic has increased risks related to the operations and financial reporting processes of the Province and for this reason the pandemic has been identified as a key audit matter by the Auditor General. Many staff worked remotely during the fiscal year. There is inevitably an increase in risk due to the remote accessing of information technology systems.

An additional $1,977 million in expenditure authority was authorized for fiscal year 2020/21 by the Legislative Assembly to support the pandemic response and economic recovery. The future financial impacts of the pandemic on the province are ongoing and cannot be fully determined at this time.

21. RESTATED BUDGET

The restated budget on the Consolidated Statement of Revenue and Expense are taken from Budget 2020 as presented to the Legislative Assembly on March 19, 2020 and restated for comparability to the current year results.

Refer to Schedule 10 for further details. The restated amounts do not include other authorizations granted for COVID-19 in subsequent Main Estimates Supplements of $1,977 million.

22. COMPARATIVE FIGURES

On January 5, 2021, the Government announced organizational changes that resulted in certain functions being transferred between departments. As a result, certain 2020 financial statement balances have also been reclassified to be presented on the same basis as the 2021 results.

SCHEDULE 1
SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF AMOUNTS RECEIVABLE
As at March 31, 2021

	($ millions)	
	2021 Actual	2020 Actual
TAXATION:		
Income taxes	244	254
Retail sales tax	264	231
Other taxes	146	135
	654	620
GOVERNMENT OF CANADA AND OTHER GOVERNMENTS:		
Government of Canada shared cost programs/agreements	532	646
Other	506	468
	1,038	1,114
OTHER:		
Health and social services	185	175
Government business enterprises	23	18
Sundry departmental revenue	158	112
Other	259	167
	625	472
	2,317	2,206
Less: Allowances	416	349
Total Amounts Receivable	1,901	1,857

SCHEDULE 2
SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF LOANS AND ADVANCES
As at March 31, 2021

	($ millions) 2021 Actual	2020 Actual
GOVERNMENT BUSINESS ENTERPRISES:		
Manitoba Hydro-Electric Board	23,937	23,078
Manitoba Liquor and Lotteries Corporation	357	381
	24,294	23,459
Less: Debt incurred for and repayable by the Manitoba Hydro-Electric Board	23,937	23,078
	357	381
OTHER:		
Loans and mortgages - Note a	1,039	1,099
Stadium loan - Note b	137	137
Manitoba student loans - Note c	223	182
Family services agencies - Note d	26	27
Other	58	32
	1,483	1,477
TOTAL LOANS AND ADVANCES	1,840	1,858
Less: Valuation allowance	249	254
NET LOANS AND ADVANCES	1,591	1,604

The government business enterprises loans and advances portfolio is due in varying annual amounts to the year 2120, bearing interest at either:

i) Fixed with rates ranging from 1.25% to 10.50%; or

ii) Floating Canadian - Bankers Acceptance (BA) setting, established quarterly or monthly, with the lowest rate currently set at 0.61% and the highest set at 0.93% as at March 31, 2021.

Note a

i)	Agricultural direct lending and special assistance program mortgages, due in varying annual amounts to the year 2046, bearing interest at rates ranging from 2.50% to 9.00%.	901	943
ii)	Housing direct lending and special assistance program mortgages, due in varying annual amounts to the year 2053, bearing interest at rates ranging from 0% to 13.50%.	72	80
iii)	Business development assistance loans, due in varying annual amounts to the year 2040, bearing interest at rates ranging from 0% to 5.88%.	43	52
iv)	Northern business development and fishing industry assistance loans, due in varying annual amounts to the year 2031, bearing interest at rates ranging from 4.50% to 8.08%.	23	24
		1,039	1,099

Note b Stadium loan to Triple B Stadium Inc., bearing interest at 4.65%; and issued in two phases, with Phase 1 due in varying annual amounts to 2038 and Phase 2 due in annual payments of principal and interest to 2058.

Note c Student loans, interest-free and not repayable until 6 months past the completion of studies, due 114 to 174 months after that time.

Note d Advances to provide family services agencies with prepayment of fee for service charges, to be repaid when no longer required, bearing no interest.

SCHEDULE 3

SUMMARY FINANCIAL STATEMENTS

GOVERNMENT BUSINESS ENTERPRISES

SCHEDULE OF CONSOLIDATED OPERATING RESULTS AND FINANCIAL POSITION

For the Year Ended March 31, 2021

($ millions)	UTILITY	INSURANCE	FINANCE	TOTAL 2021	TOTAL 2020
CHANGES IN EQUITY					
Results from Operations:					
Revenues from operations	2,845	1,593	1,270	5,708	5,872
Expenses: From operations	1,880	1,537	832	4,249	4,107
Debt servicing	846	-	13	859	852
Total expenses	2,726	1,537	845	5,108	4,959
Net income	119	56	425	600	913
Other comprehensive income (loss)	187	56	-	243	69
Total comprehensive income	306	112	425	843	982
Transfers to the Government	-	-	(425)	(425)	(606)
Net increase in equity in government business enterprises	306	112	-	418	376
FINANCIAL POSITION					
Assets:					
Cash and temporary investments	1,142	184	51	1,377	1,234
Amounts receivable	464	514	55	1,033	975
Portfolio investments: Due from Government and government organizations	-	591	-	591	629
Due from others	-	3,267	-	3,267	2,847
Capital assets	26,023	143	338	26,504	25,662
Other assets	3,086	123	146	3,355	2,993
Total assets	30,715	4,822	590	36,127	34,340
Liabilities:					
Accounts payable, accrued liabilities and deferred revenue	2,769	1,051	164	3,984	3,594
Long-term debt: Owing to Government	23,937	-	357	24,294	23,459
Other borrowings, discounts and deferred transaction costs	249	7	64	320	283
Net pension obligations	737	458	-	1,195	1,141
Future cost of existing claims	-	2,182	-	2,182	2,150
Total liabilities	27,692	3,698	585	31,975	30,627
Equity:					
Non-controlling interests	323	-	-	323	302
Equity in government business enterprises	2,700	1,124	5	3,829	3,411
Total equity	3,023	1,124	5	4,152	3,713
Total liabilities and equity	30,715	4,822	590	36,127	34,340
EQUITY COMPRISED OF:					
Retained earnings	3,260	1,107	5	4,372	4,197
Accumulated other comprehensive income (loss)	(560)	17	-	(543)	(786)
Equity in government business enterprises	2,700	1,124	5	3,829	3,411

Note: For government business enterprises whose fiscal year end is prior to March 31, the amounts reflected are as at their fiscal year end. The financial statements of the Manitoba Public Insurance Corporation for the 2019/20 fiscal period includes 13 months ending March 31, 2020.

SCHEDULE 4
SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF BORROWINGS
As at March 31, 2021

($ millions)

Fiscal Year of Maturity	Bonds and Debentures Cdn	Bonds and Debentures US	Canada Pension Plan Cdn	Loans and Mortgages Cdn	Promissory Notes and Treasury Bills Cdn	Totals 2021 Actual	Totals 2020 Actual
2021	-	-	-	-	-	-	5,834
2022	2,480	377	-	1	2,025	4,883	2,907
2023	2,529	189	-	-	-	2,718	2,741
2024	2,788	440	-	-	-	3,228	2,884
2025	3,473	-	-	-	-	3,473	3,473
2026	3,965	-	-	-	-	3,965	2,735
2021-2026	15,235	1,006	-	1	2,025	18,267	20,574
2027-2031	11,735	-	-	-	-	11,735	8,879
2032-2041	7,155	-	300	-	-	7,455	6,003
2042-2071	16,289	-	178	-	-	16,467	16,278
2072-2122	600	-	-	-	-	600	-
2027-2122	35,779	-	478	-	-	36,257	31,160
2022-2057 Government Organizations	453	-	-	248	-	701	766
Total borrowings	51,467	1,006	478	249	2,025	55,225	52,500
Reduced by:							
Debt incurred for and repayable by the Manitoba Hydro-Electric Board						(23,937)	(23,078)
Unamortized debt issue costs						(287)	(277)
Unamortized gains and losses on derivative contracts.						435	268
Province of Manitoba debt issues held as investments in sinking funds and cash and cash equivalents						(97)	(141)
						31,339	29,272

	March 31/21 Cdn $ Valuation (See Notes)	March 31/20 Cdn $ Valuation (See Notes)
Borrowings payable in:		
Canadian dollars	42,257	37,996
Foreign issues hedged to Canadian dollars	11,962	13,014
U.S. dollars	377	426
Issues hedged to U.S. dollars	629	1,064
Total borrowings	55,225	52,500

Note a: The hedges are derivative contracts which include swaps and forward foreign exchange contracts.

Note b: The Canadian dollar valuation is calculated using the foreign currency exchange rates in effect at each March 31 adjusted for any forward foreign exchange contracts entered into for settlement after year-end.

Note c: Interest rates on these borrowings fall into one of two categories:

i) Fixed with rates ranging from 1.32% to 10.68%.

ii) Floating Canadian - Bankers Acceptance (BA) setting, established quarterly or monthly, with the lowest rate currently set at 0.22% and the highest set at 2.09% as at March 31, 2021.

SCHEDULE 5

SUMMARY FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF ACCOUNTS PAYABLE, ACCRUED CHARGES, PROVISIONS AND UNEARNED REVENUE

As at March 31, 2021

	($ millions)	
	2021 Actual	2020 Actual
ACCOUNTS PAYABLE	2,272	1,507
ACCRUED CHARGES:		
Interest	184	200
Disaster financial assistance	99	62
Liability for contaminated sites (Note 15)	379	265
Salaries and benefits	1,138	975
Employee future benefits (Note 13)	568	552
Other	397	177
	2,765	2,231
PROVISION FOR FUTURE LOSSES (Note 7)	10	11
UNEARNED REVENUE	704	650
Total Accounts Payable, Accrued Charges, Provisions and Unearned Revenue	5,751	4,399

SCHEDULE 6

SUMMARY FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PENSION LIABILITY

As at March 31, 2021

	Civil Service Superannuation Plan	Teachers' Pension Plan	Post-Secondary Education Plans (Note A)	Public School Division Plans (Note A)	Other Plans (Note A)	($ millions) Total 2021	Total 2020
ACCRUED BENEFIT OBLIGATION							
Obligation at beginning of year	3,295	4,412	1,644	594	150	10,095	9,780
Current service costs	82	111	67	18	4	282	284
Interest cost on benefit obligation	184	262	88	34	7	575	562
Change in actuarial (gains) losses and reserves	29	-	37	1	-	67	56
Benefits paid	(258)	(231)	(129)	(32)	(8)	(658)	(587)
Obligation at end of year	3,332	4,554	1,707	615	153	10,361	10,095
PLAN ASSETS							
Plan assets at beginning of year	2,320	2,413	1,643	592	57	7,025	6,861
Employer contributions	92	121	41	12	7	273	281
Employee contributions	-	-	30	10	1	41	43
Transfer of plan assets	-	-	-	-	-	-	2
Benefits paid	(258)	(231)	(129)	(32)	(8)	(658)	(587)
Expected return on plan assets	127	146	84	33	3	393	387
Experience gains (losses)	126	252	31	11	1	421	38
Market value of plan assets	2,407	2,701	1,700	626	61	7,495	7,025
Deferred investment losses (gains)	(117)	(128)	(97)	-	1	(341)	(38)
Market related value of plan assets	2,290	2,573	1,603	626	62	7,154	6,987
PENSION LIABILITY							
Plan deficit (surplus)	1,042	1,981	104	(11)	91	3,207	3,108
Unamortized actuarial gains (losses)	18	43	12	(10)	(7)	56	(32)
Surplus adjustments (Note B)	-	-	-	22	7	29	21
Pension liability	1,060	2,024	116	1	91	3,292	3,097
PENSION EXPENSE							
Defined benefit pension plan expense:							
Current service cost	82	111	67	18	4	282	284
Interest cost on benefit obligation	184	262	88	34	7	575	561
Return on plan assets	(127)	(146)	(84)	(33)	(3)	(393)	(387)
Employee contributions	-	-	(30)	(10)	(1)	(41)	(44)
Amortization of actuarial (gains) losses	3	17	13	4	2	39	46
Change in surplus adjustments	-	-	-	7	1	8	(6)
Defined benefit pension plan expense	142	244	54	20	10	470	454
Defined contribution pension plan expense	-	-	6	25	198	229	228

SCHEDULE 6 (cont'd)

SUMMARY FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PENSION LIABILITY

As at March 31, 2021

	Civil Service Superannuation Plan	Teachers' Pension Plan	Post-Secondary Education Plans	Public School Division Plans	Other Plans	Total 2021	Total 2020
MEMBER DATA							
Defined benefit pension plan							
Number of active and deferred members	20,300	23,500	5,400	5,100	200	54,500	54,900
Number of pensioners	17,200	16,000	2,600	2,200	300	38,300	37,300
Total number of plan members	37,500	39,500	8,000	7,300	500	92,800	92,200
ACTUARIAL ASSUMPTIONS							
Discount rate on accrued benefits	5.75%	6.00%	5.20% - 5.50%	4.75% - 5.75%	3.20% - 5.50%		
Expected long-term rate of return	5.75%	6.00%	5.20% - 5.50%	4.75% - 5.75%	3.20% - 5.50%		
Inflation	2.00%	2.00%	2.00% - 2.50%	0.75% - 2.50%	2.00% - 2.00%		
Real rate of return	3.75%	4.00%	3.00% - 3.30%	2.75% - 4.75%	1.20% - 3.50%		
Rate of salary increase	3.75%	2.50%	1.00% - 3.00%	3.00% - 4.50%	0.00% - 3.75%		
Latest valuation	(Note C)	(Note C)	(Note C)	(Note C)	(Note C)		

Note A: Post-Secondary Education plans include the University of Manitoba Pension Plans, the University of Winnipeg Pension Plan and the Brandon University Retirement Plan.

Public School Division plans include the Winnipeg School Division Pension Fund for Employees Other Than Teachers, Retirement Plan for Non-Teaching Employees of the St. James-Assiniboia School Division, Retirement Plan for Employees of Frontier School Division and The School District of Mystery Lake No. 2355 Pension Plan.

Other plans include the Members of Legislative Assembly Pension Plan, the Legislative Assembly Pension Plan, the Judges' Supplemental Pension Plan, and the Winnipeg Child and Family Services Employee Benefits Retirement Plan.

Note B: For those plans that the Government is unable to access surplus funds within the plan, adjustments are made to record an allowance against these surplus amounts. These pension surplus allowances represent the excess of the adjusted benefit asset over the employers' share of the expected future benefit.

Note C: The latest actuarial valuation report dates and the estimated average remaining service life (EARSL), in years, are as follows:

	Valuation Date	EARSL
- Civil Service Superannuation Plan	Dec-19	13.0
- Teachers' Retirement Allowance Plan	Jan-18	12.0
- University of Manitoba Pension Plans	Dec-19	9.0
- University of Winnipeg Pension Plan	Dec-19	6.2
- Brandon University Retirement Plan	Dec-19	9.0
- Winnipeg School Division Pension Fund for Employees Other than Teachers	Dec-19	11.4
- Retirement Plan for Non-Teaching Employees of the St. James-Assiniboia School Division	Dec-19	14.0
- Retirement Plan for Employees of Frontier School Division	Dec-19	13.1
- School District of Mystery Lake	Jun-18	16.7
- Members of Legislative Assembly Pension Plan	Mar-20	0.0
- Legislative Assembly Pension Plan	Dec-19	9.0
- Judges' Supplemental Pension Plan	Mar-20	9.2
- Winnipeg Child and Family Services Employee Benefits Retirement Plan	Dec-19	0.0

SCHEDULE 7
SUMMARY FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF TANGIBLE CAPITAL ASSETS
For the Year Ended March 31, 2021

($ millions)

	General Capital Assets					Infrastructure				Totals	
	Land	Buildings and Leasehold Improvements	Vehicles and Equipment	Computer Hardware and Software	Assets Under Construction Note b	Land and Land Improvements	Transportation	Dams and Water Management Structures	Assets Under Construction Note b	2021 Actual	2020 Restated
Cost											
Opening cost	329	10,793	2,793	1,256	704	576	7,208	760	137	24,556	23,984
Restatements - Note a	-	34	12	-	5	86	25	-	-	162	(77)
Adjusted Opening Balance	329	10,827	2,805	1,256	709	662	7,233	760	137	24,718	23,907
Add:											
Additions during the year	7	287	98	23	260	37	275	(2)	76	1,061	1,025
Less:											
Disposals and write downs	(32)	(5)	(73)	(19)	(18)	(3)	(2)	-	(2)	(154)	(214)
Settlements and reclassifications	1	129	52	3	(185)	2	51	6	(59)	-	-
Closing cost	305	11,238	2,882	1,263	766	698	7,557	764	152	25,625	24,718
Accumulated amortization											
Opening accumulated amortization	-	4,484	2,049	897	-	102	2,888	153	-	10,573	10,127
Restatements - Note a		26	8	-	-	52	18	-	-	104	(74)
Adjusted Opening Balance	-	4,510	2,057	897	-	154	2,906	153	-	10,677	10,053
Add:											
Amortization	-	310	151	66	-	9	235	12	-	783	745
Less:											
Accumulated amortization on disposals and write downs	-	(6)	(65)	(18)	-	(1)	-	-	-	(90)	(121)
Closing accumulated amortization	-	4,814	2,143	945	-	162	3,141	165	-	11,370	10,677
Net Book Value of Tangible Capital Assets	305	6,424	739	318	766	536	4,416	599	152	14,255	14,041

Note a - Restatements are related to the inclusion of unincorporated communities' tangible capital assets.
Note b - During the year the Province capitalized $3 million of interest relating to assets under construction (2020 - $6 million).

SCHEDULE 8

GOVERNMENT ORGANIZATIONS, COMPONENTS AND BUSINESS ENTERPRISES COMPRISING THE GOVERNMENT REPORTING ENTITY

HEALTH

Health and Seniors Care

- CancerCare Manitoba
- Manitoba Health Services Insurance Plan - Note f
- Not-for-Profit Personal Care Homes and Community Health Agencies
  - 3885136 Manitoba Association Inc. (operating as Calvary Place Personal Care Home)
  - Actionmarguerite (Saint-Boniface) (Saint-Vital) and (St. Joseph)
  - Bethania Menonite Personal Care Home, Inc.
  - Clinique Youville Clinic Inc.
  - Donwood Manor Personal Care Home Inc.
  - Eden Mental Health Centre
  - Fred Douglas Personal Care Home
  - Holy Family Home Inc. and Sisters Servants of Mary Immaculate Plant Fund
  - Hope Centre Health Care Incorporated
  - Klinic Incorporated
  - LHC Personal Care Home Inc.
  - Luther Home Corporation
  - MFL Occupational Health and Safety Centre Inc.
  - Main Street Project, Inc.
  - Meadowood Manor
  - Menno Home for the Aged Inc. (Personal Care Home 1122 Division)
  - Mount Carmel Clinic
  - Nine Circles Community Health Centre Inc.
  - Niverville Heritage PCH Inc.
  - NorWest Co-op Community Health Centre, Inc.
  - Odd Fellows and Rebekahs (Personal Care Homes Inc. Golden Links Lodge)
  - Park Manor Care Inc.
  - Pembina Place Mennonite Personal Care Home Inc.
  - Prairie View Lodge
  - Rest Haven Nursing Home
  - Rock Lake Health District
  - Salem Home Inc.
  - Sexuality Education Resource Centre Manitoba, Inc.
  - Southeast Personal Care Home Inc.
  - Tabor Home Inc.
  - The Convalescent Home of Winnipeg
  - The Salvation Army Golden West Centennial Lodge
  - The Saul and Claribel Simkin Centre Personal Care Home Inc.
  - The Saul and Claribel Simkin Centre Foundation Inc. - Note f
  - Villa Youville Inc. - Nursing
  - West Park Manor Personal Care Home Inc.
  - Women's Health Clinic Inc.
- Regional Health Authorities (including controlled organizations)
  - Interlake-Eastern Regional Health Authority
  - Northern Regional Health Authority Inc.
  - Prairie Mountain Health
  - Southern Health-Santé Sud
  - Winnipeg Regional Health Authority
- Rehabilitation Centre for Children, Inc.
- St.Amant Inc.
- Shared Health Inc.

Mental Health, Wellness and Recovery

- Addictions Foundation of Manitoba

EDUCATION AND ECONOMIC DEVELOPMENT

Advanced Education, Skills and Immigration

- Assiniboine Community College
- Brandon University
- Helen Betty Osborne Memorial Foundation - Note f
- Red River College
- Université de Saint-Boniface
- University College of The North
- University of Manitoba
- University of Winnipeg

Education

- Manitoba Learning Resource Centre - Note f
- Public School Divisions
  - Beautiful Plains School Division
  - Border Land School Division
  - Brandon School Division
  - Division scolaire franco-manitobaine
  - Evergreen School Division
  - Flin Flon School Division
  - Fort La Bosse School Division
  - Frontier School Division
  - Garden Valley School Division
  - Hanover School Division
  - Interlake School Division
  - Kelsey School Division
  - Lakeshore School Division
  - Lord Selkirk School Division
  - Louis Riel School Division
  - Manitoba Institute of Trades and Technology
  - Mountain View School Division
  - Mystery Lake School District
  - Park West School Division
  - Pembina Trails School Division
  - Pine Creek School Division
  - Portage la Prairie School Division
  - Prairie Rose School Division
  - Prairie Spirit School Division
  - Red River Valley School Division
  - River East Transcona School Division
  - Rolling River School Division
  - Seine River School Division
  - Seven Oaks School Division
  - Southwest Horizon School Division
  - St James-Assiniboia School Division
  - Sunrise School Division
  - Swan Valley School Division
  - Turtle Mountain School Division
  - Turtle River School Division
  - Western School Division
  - Whiteshell School District
  - Winnipeg School Division
- Public Schools Finance Board - Note f

To view the results of these entities please visit Province of Manitoba | https://www.gov.mb.ca/government/finances

SCHEDULE 8 (cont'd)

GOVERNMENT ORGANIZATIONS, COMPONENTS AND BUSINESS ENTERPRISES COMPRISING THE GOVERNMENT REPORTING ENTITY

EDUCATION AND ECONOMIC DEVELOPMENT (continued)

Economic Development and Jobs
- Community Revitalization Fund - Note f
- Communities Economic Development Fund
- Co-operative Loans and Loans Guarantee Board - Note f
- Economic Development Winnipeg Inc. - Note c
- Industrial Technology Centre
- Manitoba Development Corporation
- Manitoba Opportunities Fund Ltd.
- Research Manitoba
- Rural Manitoba Economic Development Corporation
- Travel Manitoba

FAMILIES

Families
- General Child and Family Services Authority
- Manitoba Housing and Renewal Corporation

COMMUNITY AND RESOURCE DEVELOPMENT

Agriculture and Resource Development
- Abandonment Reserve Fund
- Farm Machinery and Equipment Act Fund - Note f
- Fish and Wildlife Enhancement Fund - Note f
- Food Development Centre - Note f
- Manitoba Agricultural Services Corporation
- Manitoba Habitat Heritage Corporation - Note f
- Manitoba Potash Corporation
- Mining Community Reserve - Note f
- Mining Rehabilitation Reserve Fund
- Quarry Rehabilitation Reserve Fund
- Veterinary Science Scholarship Fund - Note f

Conservation and Climate
- Efficiency Manitoba Inc.
- Manitoba Hazardous Waste Management Corporation
- Waste Reduction and Recycling Support Fund - Note f

Indigenous and Northern Relations

Infrastructure
- Manitoba Trucking Productivity Improvement Fund - Note f

Municipal Relations
- Manitoba Water Services Board
- North Portage Development Corporation - Note b

General Government
- Public Debt

SPECIAL ACCOUNTS, not attached to a Sector or Department
- Rainy Day Fund - Note d

JUSTICE AND OTHER EXPENDITURES

Civil Service Commission
Crown Services
Employee Pensions and Other Costs
Executive Council
Legislative and Public Affairs
Legislative Assembly
Tax Credits

Central Services
- Leaf Rapids Town Properties Ltd.
- Manitoba Education, Research and Learning Information Networks (MERLIN)
- Materials Distribution Agency
- Vehicle and Equipment Management Agency

Finance
- Entrepreneurship Manitoba
- Financial Literacy Fund - Note f
- Funeral Board of Manitoba
- Insurance Council of Manitoba
- Land Titles Assurance Fund - Note f
- Manitoba Financial Services Agency
- Pension Asset Fund
- Special Operating Agencies Financing Authority
- The Public Guardian and Trustee of Manitoba
- Vital Statistics Agency - Note f
- Workplace Safety and Health Public Education Fund - Note f

Justice
- Legal Aid Manitoba
- Liquor, Gaming and Cannabis Authority of Manitoba
- Manitoba Horse Racing Commission - Note f
- Manitoba Law Reform Commission
- Victims Assistance Fund - Note f

Sport, Culture and Heritage
- Le Centre culturel franco-manitobain
- Manitoba Arts Council
- Manitoba Centennial Centre Corporation
- Manitoba Combative Sports Commission
- Manitoba Film and Sound Recording Development Corporation
- Sport Manitoba Inc.

GOVERNMENT BUSINESS ENTERPRISES:
(Schedule 3)

Utility:
- Manitoba Hydro-Electric Board - Note a

Insurance:
- Deposit Guarantee Corporation of Manitoba - Note e
- Manitoba Public Insurance Corporation - Note a

Finance:
- Manitoba Liquor and Lotteries Corporation - Note a

Notes:
a. This entity reports to Crown Services.
b. North Portage Development Corporation is a government business partnership.
c. Economic Development Winnipeg is a government partnership.
d. Fiscal Stabilization Account
e. This entity reports to Finance.
f. This is the last year the entity will be reported in the GRE.

To view the results of these entities please visit Province of Manitoba | https://www.gov.mb.ca/government/finances

SCHEDULE 9

SUMMARY FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS BY SECTOR

For the Year Ended March 31, 2021

($ millions)

	Health		Education and Economic Development		Families		Community and Resource Development	
	2021 Actual	2020 Restated	2021 Actual	2020 Restated	2021 Actual	2020 Restated	2021 Actual	2020 Restated
	$	$	$	$	$	$	$	$
REVENUE								
Income taxes	-	-	-	-	-	-	-	-
Other taxes	-	-	943	919	-	-	-	-
Fees and other revenue	535	614	739	835	139	172	624	630
Federal transfers	1,604	1,574	295	255	63	72	116	151
Contributions from entities within the Government Reporting Entity	98	60	266	264	1	-	3	-
Sinking funds and other investment earnings	6	6	49	56	-	1	2	6
TOTAL REVENUE	2,243	2,254	2,292	2,329	203	245	745	787
EXPENSE								
Personnel services	4,277	3,827	3,335	3,290	169	210	297	301
Grants/Transfer payments	1,634	1,725	496	374	386	371	912	625
Transportation	71	82	15	36	2	3	36	44
Communication	23	14	29	34	5	4	8	8
Supplies and services	978	907	479	512	156	150	329	151
Social assistance related	-	-	138	96	1,393	1,408	199	211
Other operating	244	143	19	16	94	28	156 *	102
Debt servicing	56	51	88	94	41	43	27	28
Minor capital	19	17	97	78	-	-	5	3
Amortization	213	196	178	170	59	54	262	251
TOTAL EXPENSE	7,515	6,962	4,874	4,700	2,305	2,271	2,231	1,724
NET INCOME (LOSS) FOR THE YEAR	(5,272)	(4,708)	(2,582)	(2,371)	(2,102)	(2,026)	(1,486)	(937)

* As of February 1, 2021, Manitoba Habitat Heritage Corporation was incorporated under The Corporations Act and ceased to be an reporting entity of the Province. As a result of this change in control, $48 million has been included in Other operating expenses of the Community and Resource Development sector.

SCHEDULE 9 (cont'd)

SUMMARY FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF OPERATIONS BY SECTOR

For the Year Ended March 31, 2021

($ millions)

	Justice and Other Expenditures		General Government (Note a)		Adjustments (Note b)		Total	
	2021 Actual	2020 Restated	2021 Actual	2020 Restated	2021 Actual	2020 Restated	2021 Actual	2020 Restated
	$	$	$	$	$	$	$	$
REVENUE								
Income taxes	-	-	4,199	4,515	-	-	4,199	4,515
Other taxes	-	-	3,533	3,618	(47)	(45)	4,429	4,492
Fees and other revenue	308	224	5	7	(18)	(17)	2,332	2,465
Federal transfers	140	23	3,718	2,804	-	-	5,936	4,879
Contributions from entities within the Government Reporting Entity	(6)	-	600	913	(362)	(324)	600	913
Sinking funds and other investment earnings	(10)	2	276	306	-	-	323	377
TOTAL REVENUE	432	249	12,331	12,163	(427)	(386)	17,819	17,641
EXPENSE								
Personnel services	644	596	6	3	12	14	8,740	8,241
Grants/Transfer payments	534	131	162	27	(461)	(444)	3,663	2,809
Transportation	34	17	-	-	-	-	158	182
Communication	12	15	-	-	-	-	77	75
Supplies and services	558	280	1	3	8	32	2,509	2,035
Social assistance related	12	13	-	-	-	-	1,742	1,728
Other operating	431	358	131	20	13	11	1,088	678
Debt servicing	6	3	751	817	-	1	969	1,037
Minor capital	85	7	-	1	1	-	207	106
Amortization	66	67	5	7	-	-	783	745
TOTAL EXPENSE	2,382	1,487	1,056	878	(427)	(386)	19,936	17,636
NET INCOME (LOSS) FOR THE YEAR	(1,950)	(1,238)	11,275	11,285	-	-	(2,117)	5

Note a: The general government category includes revenue from sources that cannot be attributed to a particular sector. It also includes federal revenues and expenses related to emergency services and disaster assistance.

Note b: Consolidation adjustments are necessary to conform sectors to Government accounting policies and to eliminate transactions between sectors.

SCHEDULE 10
SUMMARY FINANCIAL STATEMENTS
RESTATED BUDGET
For the Year Ended March 31, 2021

($ millions)

	Print	Adjustments Note a	Adjustments Note b	Restated
TOTAL REVENUE	17,737	-	-	17,737
EXPENSES				
Legislative Assembly	50	-	-	50
Executive Council	4	2	-	6
Advanced Education, Skills and Immigration	-	6	1,494	1,500
Agriculture and Resource Development	429	44	16	489
Central Services	212	2	-	214
Civil Service Commission	25	-	1	26
Conservation and Climate	212	23	(16)	219
Crown Services	2	-	-	2
Economic Development and Jobs	1,707	22	(1,496)	233
Education	3,003	1	-	3,004
Families	2,161	18	1	2,180
Finance	111	1	(2)	110
Health and Seniors Care	6,819	5	(340)	6,484
Indigenous and Northern Relations	33	-	-	33
Infrastructure	494	-	1	495
Justice	700	29	(1)	728
Legislative and Public Affairs	-	1	2	3
Mental Health, Wellness and Recovery	-	11	341	352
Municipal Relations	386	52	(3)	435
Sport, Culture and Heritage	116	26	(33)	109
Tax Credits	-	-	36	36
Enabling Appropriations	391	(243)	(1)	147
Emergency and Other Appropriations	101	-	-	101
Debt Servicing	1,001	-	-	1,001
Total Expenses	17,957	-	-	17,957
NET INCOME (LOSS) FOR THE YEAR	(220)	-	-	(220)

Note a: In addition to government ministries, separate "service headings" exist to provide expenditure authority for programs that are delivered by a number of ministries, where it is desirable to know the total amount allocated to the program, or where the allocation to various ministries is not known at the time of printing the budget. In some cases funding is allocated, as required, from Enabling Appropriations to ministries by the Minister of Finance under authority granted by section 33 of The Financial Administration Act. This restatement has no impact to net loss.

Note b: On January 5, 2021, the Province announced organizational changes that resulted in transfers of certain functions between departments. This restatement has no impact to net loss.

Information Provided Under Statutory Requirement

FOR THE YEAR ENDED MARCH 31, 2021

INFORMATION PROVIDED UNDER STATUTORY REQUIREMENT

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Auditor General
MANITOBA

INDEPENDENT AUDITOR'S REPORT

To the Legislative Assembly of the Province of Manitoba

Opinion

We have audited the accompanying Fiscal Stabilization Account "Rainy Day Fund" Statement of Transfers and Account Balance of the Province of Manitoba ("the Province") for the year ended March 31, 2021 ("the statement").

In our opinion, the financial information in the statement of the Province of Manitoba for the year ended March 31, 2021 is prepared, in all material respects, in accordance with Note 2 to the statement.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Province in accordance with the ethical requirements that are relevant to our audit of the statement in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 2 to the statement, which describes the basis of accounting. The statement is prepared to assist the Province to meet the requirements of Section 65(1)(b) of *The Financial Administration Act*. As a result, the statement may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Matter – Supplementary Information

We draw attention to the fact that the supplementary information included in The Schedule of Supplementary Information does not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Province of Manitoba Annual Report and Public Accounts ("annual report"), but does not include the statement and our auditor's report thereon.

Our opinion on the statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the statement, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the statement or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the annual report prior to the date of this auditor's report. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Statement

Management is responsible for the preparation of this statement in accordance with Note 2, and for such internal control as management determines is necessary to enable the preparation of the statement that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the Province's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this statement.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Province's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

"Original document signed by"

Winnipeg, Manitoba
September 20, 2021

Tyson Shtykalo, CPA, CA
Auditor General

RAINY DAY FUND*
STATEMENT OF TRANSFERS AND ACCOUNT BALANCE
For the Year Ended March 31, 2021

	($ thousands)	
	2021	**2020**
Transfer (to) / from Core Government operations	(215,000)	228,477
Account Balance, beginning of year	800,000	571,523
Account Balance, end of year	585,000	800,000

* Refers to the Fiscal Stabilization Account established under The Fiscal Stabilization Fund Act

RAINY DAY FUND*
NOTES TO STATEMENT OF TRANSFERS AND ACCOUNT BALANCE

For the Year Ended March 31, 2021

1. The Fiscal Stabilization Account is also known and commonly referred to as the Rainy Day Fund. The Fiscal Stabilization Account was established under the authority of subsection 26.1(1) of The Financial Administration Act. The legislated purpose of the Account is to assist in stabilizing the fiscal position by supporting core government operations in a fiscal year or to repay debt. Under subsection 26.1(3) the Minister of Finance, with the approval of the Lieutenant Governor in Council, may deposit in the Account any part of the revenue or other financial assets received in the core government in any fiscal year. Under subsection 26.1(4), the Minister of Finance may, with the approval of the Lieutenant Governor in Council, transfer all or part of the Account balance to the core government.

2. Transactions in the Fiscal Stabilization Account are accounted for on an accrual basis and reflect the transfers made under Section 26.1(3) and 26.1(4) of The Financial Administration Act. Transfers are determined by the Minister of Finance and are authorized with an Order in Council. The report on these transactions is made in accordance with Section 65(1)(b) of The Financial Administration Act.

3. Subsection 26.1(2) of The Financial Administration Act stipulates that the Minister of Finance shall make every effort to ensure that the balance of the Account at the end of each fiscal year is at least 5% of the core government expenditures for that year.

* Refers to the Fiscal Stabilization Account established under The Fiscal Stabilization Fund Act

RAINY DAY FUND*
SCHEDULE OF SUPPLEMENTARY INFORMATION
(Unaudited)
For the Year Ended March 31, 2021

	($ thousands)	
	2021	**2020**
Account Balance, beginning of year	800,000	571,523
- Transfer to Core Government - allocated to COVID-19 related expenditures	(215,000)	-
- Transfer from Core Government - allocated to general purposes	-	228,477
Account Balance, end of year	585,000	800,000

* Refers to the Fiscal Stabilization Account established under The Fiscal Stabilization Fund Act

STATEMENT OF THE TOTAL AMOUNT OF DEBT OR OBLIGATION DUE HER MAJESTY WRITTEN OFF IN WHOLE OR IN PART

As Required by Section 24B of The Financial Administration Act
For the Year Ended March 31, 2021

	$	$
AGRICULTURE AND RESOURCE DEVELOPMENT (III)		
Manitoba Agricultural Services Corporation		65,886
CONSERVATION AND CLIMATE (XII)		
Accounts Receivable		55,007
ECONOMIC DEVELOPMENT AND JOBS (X)		
Accounts Receivable		126,793
Co-op Loan and Loan Guarantee Board		1,895,528
EDUCATION (XVI)		
Accounts Receivable		486
FAMILIES (IX)		
Accounts Receivable		1,541,849
FINANCE (VII)		
Levy for Health and Post Secondary Education Tax	23,663	
Retail Sales Tax	1,425,042	1,448,705
HEALTH AND SENIORS CARE(XXI)		
Accounts Receivable		6,885
INFRASTRUCTURE (XV)		
Accounts Receivable		107,272
MENTAL HEALTH, WELLNESS AND RECOVERY (XXIV)		
Accounts Receivable		5,557
		5,253,968

STATEMENT OF SPECIAL WARRANTS OF HER HONOUR THE LIEUTENANT-GOVERNOR OF MANITOBA

As Required by Section 32(4) of The Financial Administration Act
Issued Relative to the Year Ended March 31, 2021

OPERATING EXPENSES	$
NIL	-
Total Special Warrants.....	-

STATEMENT OF THE CLAIMS SETTLED

As Required by Section 41(7) of The Financial Administration Act
For the Year Ended March 31, 2021

	$
Agriculture and Resource Development (III)	35,000
Conservation and Climate (XII)	19,823
Economic Development and Jobs (X)	49,000
Families (IX)	78,866
Infrastructure (XV)	1,250,000
Justice (IV)	52,517
	1,485,206

STATEMENT OF EXPENDITURES RELATED TO CAPITAL AND FUTURE CONTRACT COMMITMENTS

As Required by Section 45(3) of The Financial Administration Act
For the Year Ended March 31, 2021

	Future Commitment $
LEGISLATIVE ASSEMBLY (I)	
Service contracts	604,320
	604,320
EXECUTIVE COUNCIL (II)	
Service contracts	764
	764
ADVANCED EDUCATION, SKILLS AND IMMIGRATION (XLIV)	
Acquisition or construction of capital	422,625
	422,625
AGRICULTURE AND RESOURCE DEVELOPMENT (III)	
Service contracts	580,000
	580,000
CENTRAL SERVICES (VIII)	
Service contracts	125,633,369
Rental of capital assets	21,207,664
Acquisition or construction of capital	12,588,575
	159,429,608
CONSERVATION AND CLIMATE (XII)	
Service contracts	35,028,064
Acquisition or construction of capital	9,576,900
	44,604,964
EDUCATION (XVI)	
Service contracts	406,170
	406,170
FAMILIES (IX)	
Service contracts	33,942,841
Rental of capital assets	300,516
	34,243,357
FINANCE (VII)	
Service contracts	228,480
	228,480
HEALTH AND SENIORS CARE (XXI)	
Service contracts	16,895,234
	16,895,234
INDIGENOUS AND NORTHERN RELATIONS (XIX)	
Service contracts	70,500
	70,500
INFRASTRUCTURE (XV)	
Service contracts	41,970,427
Rental of capital assets	4,032,223
Acquisition or construction of capital	215,537,886
	261,540,536

STATEMENT OF EXPENDITURES RELATED TO CAPITAL AND FUTURE CONTRACT COMMITMENTS (cont'd)

As Required by Section 45(3) of The Financial Administration Act
For the Year Ended March 31, 2021

	Future Commitment $
JUSTICE (IV)	
Service contracts	1,637,220
Acquisition or construction of capital	6,055,000
	7,692,220
MENTAL HEALTH, WELLNESS AND RECOVERY (XXIV)	
Service contracts	461,924
	461,924
MUNICIPAL RELATIONS (XIII)	
Service contracts	292,581
Acquisition or construction of capital	671,398
	963,979
Totals	
Service contracts	257,751,894
Rental of capital assets	25,540,403
Acquisition or construction of capital	244,852,384
TOTAL	528,144,681

NOTE: The Appropriation Act, 2020 authorizes the Government to commit to expenditures up to an amount not exceeding $700,000,000 for the purpose of ensuring completion of projects or fulfilling contracts initiated in the year ended March 31, 2021. Any expenditures so committed must be included in the estimates of the fiscal year in which the expenditure is to be made or incurred.

STATEMENT OF REVENUE AND EXPENSE RELATED TO ROADWAY AND MUNICIPAL INFRASTRUCTURE

As Required by Section 67.1(3) of The Financial Administration Act
For the Year Ended March 31, 2021

	2021	2020 Restated
	$	$
REVENUE		
Net Gasoline and Motive Fuel Tax - Note 1	299,371,004	338,013,155
	299,371,004	338,013,155
Less: Tax attributed to aircrafts and locomotives	13,931,760	16,367,686
TOTAL REVENUE	285,439,244	321,645,469
EXPENSES		
Highways and Transportation Programs	1,885,041	1,837,274
Construction and Maintenance		
Maintenance and preservation of provincial trunk highways, provincial roads and related projects	147,038,982	143,313,024
Winter roads	8,371,075	8,740,175
Infrastructure assets - provincial roads and highways	231,849,529	224,423,121
Road construction and maintenance	387,259,586	376,476,320
General assets - road related	3,372,224	5,242,782
Other construction and maintenance	3,372,224	5,242,782
Total Construction and Maintenance	390,631,810	381,719,102
TOTAL EXPENSES	392,516,851	383,556,376
NET RESULT FOR THE YEAR	(107,077,607)	(61,910,907)

Note 1: Amount refers to proceeds of tax paid into the Consolidated Fund, net of authorized refunds.

REPORT ON TRANSFER BETWEEN OPERATING EXPENDITURE APPROPRIATIONS WITHIN DEPARTMENT

As Required by Section 34.1(3) of The Financial Administration Act
Issued Relative to the Year Ended March 31, 2021

TRANSFER BETWEEN OPERATING EXPENDITURE APPROPRIATIONS WITHIN DEPARTMENT

The net effect of all transfers, as reported to the Minister of Finance pursuant to Section 34.1(3) of The Financial Administration Act, are as follows:

	$
Net effect of all transfers for the year ended March 31, 2021	**NIL**

STATEMENT OF CALCULATION OF SURPLUS OR DEFICIT UNDER THE FISCAL RESPONSIBILITY AND TAXPAYER PROTECTION ACT

(Unaudited)

For the Year Ended March 31, 2021

	($ millions)	
	Budget	**2021 Base Line Deficit**
Revenue	17,737	17,819
Expenditure	17,957	19,936
Net Income (Loss)	(220)	(2,117)
Less adjustments:		
1) Net Income Manitoba Hydro	(47)	(119)
2) Rainy Day Fund (also known as the Fiscal Stabilization Account)	(72)	215
Deficit balance for the purposes of The Fiscal Responsibility and Taxpayer Protection Act	**(339)**	**(2,021)**

NOTE 1: The Fiscal Responsibility and Taxpayer Protection Act requires the government not to incur a deficit greater than the baseline amount and penalizes ministers by reducing their salaries if this requirement is not met. Amendments to the Act received Royal Assent on May 20, 2021 that reset the baseline amount to be the deficit calculated in accordance with provisions of the Act for fiscal year 2021. In subsequent years, the baseline amount is reduced by 1/8 of the 2020-21 deficit. The deficit in fiscal year 2021 of $2,021 million is the baseline amount.

NOTE 2: The Act requires the government to withhold 20% of the ministerial salaries. This percentage will increase to 40% if the government has a deficit exceeding the baseline amount for two consecutive years. The withheld amounts will be paid back to the ministers if there is no deficit incurred or if the deficit is below the baseline amount. However, the repayment amounts will be prorated if the deficit is below the baseline amount by less than 1/8 of the 2020-21 deficit.

NOTE 3: Since the 2021 fiscal year is a transition year where the baseline amount is reset, the Amendments to the Act specify that the provisions on Ministerial salary withholding and reductions do not apply in the 2020-21 fiscal year.

REPORT OF INCOME FROM CROWN AGENCIES

As Required by Section 52.27.1(1) of The Legislative Assembly Act
Issued Relative to the Year Ended March 31, 2021

PAYMENTS TO MLAs FROM CROWN AGENCIES

The reported amounts do not include remuneration or expenses received by the MLAs during the fiscal year for duties performed as a board member of a Crown agency. These amounts, as reported to the Minister of Finance pursuant to Section 52.27.1(1) of The Legislative Assembly Act, are as follows:

	$
Amounts issued for the year ended March 31, 2021	**NIL**

Northern Affairs Fund

AUDITED FINANCIAL STATEMENTS MARCH 31, 2016

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Manitoba
Indigenous and Northern Relations

Financial and Adminstrative Services
400-352 Donald Street, Winnipeg, Manitoba R3B 2H8
T 204-945-2510 **F** 204-948-2274
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October 23, 2020

NORTHERN AFFAIRS FUND

MANAGEMENT REPORT

The accompanying financial statements are the responsibility of management and have been prepared in accordance with the Canadian public sector accounting standards as stated in the notes to the financial statements. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available.

Management maintains internal controls to provide reasonable assurance that the financial information is reliable and accurate, and that the assets of the Fund are properly safeguarded.

The responsibility of the Auditor General for Manitoba is to express an independent professional opinion as to whether the financial statements are presented fairly in all material respects.

The Executive Financial Officer has reviewed and approved these financial statements.

On Behalf of Management

Original signed by Amber Zhang

Ms. Amber Zhang
Executive Director of Finance and Administration
Department of Indigenous and Northern Relations

Auditor General
MANITOBA

INDEPENDENT AUDITOR'S REPORT

To the Minister of Indigenous and Northern Relations
To the Legislative Assembly of Manitoba

We have audited the accompanying financial statements of the Northern Affairs Fund, which comprise the statement of financial position as at March 31, 2016, and the statements of operations and accumulated surplus/ (deficit), change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Northern Affairs Fund as at March 31, 2016, and the results of its operations, changes in net debt and its cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

Original signed by

Office of the Auditor General
October 23, 2020
Winnipeg, Manitoba

NORTHERN AFFAIRS FUND
STATEMENT OF FINANCIAL POSITION
As at March 31, 2016

	2016	(Restated, Note 15) 2015
Financial Assets		
Cash and cash equivalents (Note 3)	$ 14,554,846	$ 13,447,428
Accounts receivable (Notes 4, 5, 10)	1,906,547	2,294,581
Total Financial Assets	**16,461,393**	**15,742,009**
Liabilities		
Accounts payable (Notes 6, 10)	2,278,910	2,653,796
Loans payable (Note 7)	26,961,070	23,452,858
Total Liabilities	**29,239,980**	**26,106,654**
Net Debt	**(12,778,587)**	**(10,364,645)**
Non-Financial Assets		
Construction in progress (Note 8)	**2,848,290**	**4,122,317**
Total Non-Financial Assets	**2,848,290**	**4,122,317**
Accumulated Deficit	**$ (9,930,297)**	**$ (6,242,328)**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS/(DEFICIT)
For the Year Ended March 31, 2016

	2016	(Restated, Note 15) 2015
Revenues		
Aboriginal and Northern Communities	$ 12,545,228	$ 13,257,926
Aboriginal and Northern Affairs	686,246	1,094,570
Department of Municipal Government	148,368	148,368
Department of Finance	2,869,309	2,869,310
Department of Jobs and Economy	45,796	146,279
Federal Gas Tax	471,818	479,711
Cottage Subdivision Funds	568,487	552,836
Manitoba Hydro	100,000	-
Specific Purpose - Various	291,525	161,480
Cottage Administration Fees	22,578	23,077
Tax Revenue (Sch 2, NTRA)	2,385,584	2,359,370
Total Revenue	**20,134,939**	**21,092,927**
Expenses		
Aboriginal and Northern Communities	16,729,644	23,492,879
Aboriginal and Northern Affairs	787,982	1,317,432
Department of Municipal Government	132,311	136,832
Department of Finance	2,794,682	2,775,962
Department of Jobs and Economy	43,472	47,754
Federal Gas Tax	-	-
Cottage Subdivision Funds	482,652	537,569
Manitoba Hydro	188,319	83,461
Specific Purpose - Various	472,242	493,131
Cottage Administration Fees	20,697	10,250
Tax Administered Expenses (Sch 2, NTRA)	2,170,907	2,260,564
Total Expenses	**23,822,908**	**31,155,834**
Annual Deficit	**(3,687,969)**	**(10,062,907)**
Accumulated Surplus, Beginning of Year - as previously reported	807,969	5,940,502
Correction of an Error (Note 15)	(7,050,297)	(2,119,923)
Accumulated Surplus/(Deficit), Beginning of Year - as restated	(6,242,328)	3,820,579
Accumulated Deficit, End of Year	**$ (9,930,297)**	**$ (6,242,328)**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
STATEMENT OF CHANGE IN NET DEBT
For the Year Ended March 31, 2016

	2016	(Restated, Note 15) 2015
Annual Deficit	**$ (3,687,969)**	**$ (10,062,907)**
Non-Financial Assets		
New construction costs (Note 8)	2,940,907	4,456,302
Closed projects (Note 8)	(4,214,934)	(10,261,747)
	(1,274,027)	**(5,805,445)**
Decrease in Net Debt	**(2,413,942)**	**(4,257,462)**
Net Debt, Beginning of Year	**(10,364,645)**	**(6,107,183)**
Net Debt, End of Year	**$ (12,778,587)**	**$ (10,364,645)**

The accompanying notes are an integral part of these financial statements

NORTHERN AFFAIRS FUND
STATEMENT OF CASH FLOW
For the Year Ended March 31, 2016

	2016	(Restated, Note 15) 2015
Operating Activities		
Annual Deficit	$ **(3,687,969)**	$ **(10,062,907)**
Change in:		
Accounts receivable	388,034	85,358
Accounts payable	(374,887)	(724,460)
Cash used in operating activities	**(3,674,822)**	**(10,702,009)**
Capital Activities		
Increase in construction in progress	1,274,027	5,805,445
Cash provided by capital activities	**1,274,027**	**5,805,445**
Financing Activities		
Increase in loans payable	3,508,213	5,754,153
Cash provided by financial transactions	**3,508,213**	**5,754,153**
Increase in Cash	1,107,418	857,589
Cash and Cash Equivalents, Beginning of Year	13,447,428	12,589,839
Cash and Cash Equivalents, End of Year (Note 3)	$ **14,554,846**	$ **13,447,428**
Supplemental Cash Flow Information		
Interest Received	181,636	181,123
Interest Paid	763,252	562,010

The accompanying notes are an integral part of these financial statements.

SCHEDULE 1
NORTHERN AFFAIRS FUND
SPECIFIC PURPOSE FUNDS AND ACCUMULATED DEFICIT
For the Year Ended March 31, 2016

	Balance (Restated, Note 15) 31-Mar-15	Revenue	Expense	SPF Transfers	Transfer from Taxation Fund Account (Note 10)	Balance 31-Mar-16
Aboriginal and Northern Communities						
Community Council Funds (Note 11)	**$ (13,935,805)**	**$ 11,933,424**	**$ 15,825,528**	**$ 42,728**		**$ (17,785,181)**
Community Capital Support	(373,507)	611,804	904,116			(665,819)
	(14,309,312)	**12,545,228**	**16,729,644**	**42,728**	**-**	**(18,451,000)**
Cottage Administration Fees	84,406	22,578	20,697	-	-	86,287
Aboriginal and Northern Affairs						
Department Revenue/Transfer Payments	-	554,466	554,466			-
RBC Payment Distribution	289	2,200	1,324			1,165
Firefighters Insurance	82,018	21,398	21,398			82,018
Fire Inspections	40,710					40,710
CDO Pilot Project	64,681		473			64,208
Fire Trucks and Equipment	134,247	50	50			134,247
Fire Training	91,727		21,465			70,262
Sturgeon Landing Road	20,788					20,788
Northern Youth Empowerment Initiative	84,956					84,956
Community Ergonomics	22,930					22,930
Northern Consultation Board	(263)			263		-
Northern Ministers Development Forum	164,629	15,000	31,558			148,071
Workplace Safety and Health Training	14,427		33,135	19,971		1,263
Workplace Safety and Health Equipment	1,585		735			850
Constable Program	25,691					25,691
Community Clerk Workshop	24,413		5,993			18,420
Water Operator Certification	17,432	2,335	2,160			17,607
Incorporation	285,253					285,253
Water Treatment Plant Assessments	37,564					37,564
Surveys	10,249					10,249
Resource Management Boards	171,658	10,000	39,550			142,108
Resource Management Boards Wildlife Projects	1,987	26,332	6,608			21,711
Hollow Water Waste Disposal Site	60,632	54,465	54,231			60,866
911 Emergency Services	58,913		1,490			57,423
North Central Summer Students	13,500		13,346	6,088		6,242
	1,430,016	**686,246**	**787,982**	**26,322**	**-**	**1,354,602**
Department of Municipal Government						
Municipal Program Grant	-	148,368	132,311	(16,057)		-
Department of Finance						
General Assistance Grant	262,036	2,869,309	2,794,682	(9,003)		327,660
Department of Jobs and Economy						
Building Independence Program	(60)	45,796	43,472			2,264
Federal Gas Tax	2,641,918	471,818	-	(15,868)		3,097,868
Cottage Subdivision Funds						
Northern Affairs Levy	717,664	568,487	482,652			803,499
Manitoba Hydro						
Nelson River Archaeological Survey	28,202		19,009			9,193
Pimichikamak Archaeological Project	168,496	100,000	74,227			194,269
SWAP 2006	194,430		95,083			99,347
	391,128	**100,000**	**188,319**	**-**	**-**	**302,809**
Specific Purpose - Various						
Nelson House Claims Account	11,507	57				11,564
Sturgeon Management Program	30,413	170,500	164,786			36,127
Winnipegosis Lake Water Study	77,500					77,500
Cross Lake Negotiations	6,965					6,965
Northern Healthy Foods Initiative	48,418	74,199	109,612			13,005
Treaty Land Entitlement	195,939	40,000	11,513			224,426
OPCN/CUFMA	191,497		40,103			151,394
MMF Historical Research/Tripartite	78,217		22,624			55,593
Consultation Unit	45,163					45,163
Property Tax Enhancement (Note 10)	291,799	6,769	123,604	(28,122)	78,174	225,016
	977,418	**291,525**	**472,242**	**(28,122)**	**78,174**	**846,753**
Accumulated Deficit	**$ (7,804,786)**	**$ 17,749,355**	**$ 21,652,001**	**$-**	**$ 78,174**	**$ (11,629,258)**

The accompanying notes are an integral part of these financial statements.

SCHEDULE 2

NORTHERN AFFAIRS FUND
NET TAX REVENUES ADMINISTERED AND ACCUMULATED SURPLUS

For the Year Ended March 31, 2016

	2016	2015
Tax Revenues		
Taxation levies	$ 1,463,624	$ 1,464,458
Grants in lieu of taxes	701,003	700,676
Tax penalties	157,194	135,074
Rentals - Hay and Grazing	62,943	57,568
Other	820	1,594
Total Tax Revenues	**2,385,584**	**2,359,370**
Administered Expenses		
Frontier School Division special levy	1,069,990	1,073,553
Public Schools Finance Board – education support levy	474,424	471,083
Municipal levy	338,239	462,674
Hay and Grazing leases	25,008	23,441
Department of Municipal Government	50,916	51,002
Budgeted allowance for doubtful accounts	205,281	167,164
Other	7,049	11,647
Total Administered Expenses	**2,170,907**	**2,260,564**
Net Tax Revenue Administered	**214,677**	**98,806**
Accumulated Surplus at Beginning of Year	**1,562,458**	**1,473,459**
Transfer to Specific Purpose Funds Account (Note 10)	**(78,174)**	**(9,807)**
Accumulated Surplus at End of Year	**$ 1,698,961**	**$ 1,562,458**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended March 31, 2016

1. Purpose of the Organization

The purpose of the Northern Affairs Fund (the Fund) is to administer trust funds on behalf of the designated communities and administer the property tax system within the jurisdiction of the Department of Aboriginal and Northern Affairs (as of the audit report date they report to the Department of Indigenous and Northern Relations) in compliance with *The Northern Affairs Act*.

a) Specific Purpose Funds Account

Used to account for all monies advanced to the Minister of Aboriginal and Northern Affairs to provide financial services to community councils in northern areas of Manitoba.

b) Taxation Fund Account

Levies property and business taxes based on real property assessments and remits the tax requirements to school divisions and The Public Schools Finance Board. Taxes collected for local purposes in the communities are remitted to the community councils when collected.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

The financial statements of the Fund are prepared by management in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

b) Revenues and Expenses

Revenue and expenses are recognized in the period in which the transaction or events occurred. Revenue and expenses are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

Interest revenue earned on short-term deposits is recognized in the period in which the transaction occurred and recorded on an accrual basis.

c) Government Transfers

Government transfers are recognized in the Fund's financial statements as expenses or revenues in the period that the events giving rise to the transfer occurred as long as the transfer is authorized, eligibility criteria, if any, have been met by the recipient, and a reasonable estimate of the amount can be made.

d) Construction in Progress

Construction in Progress represents purchased or constructed assets and is recorded at cost. When the asset is ready to be put into use for the community, the asset is authorized as completed and the project is closed. Subsequently the closed project/asset is transferred to the community by clearing through the Community Council Funds specific purpose account.

e) Cash and Cash Equivalents

Cash and cash equivalents includes cash and short-term deposits with maturities of three months or less from the deposit date and are held for meeting short-term commitments rather than for investing.

f) Financial Instruments

Financial instruments are classified into one of the two measurement categories; (a) fair value; or (b) cost or amortized cost. Financial instruments including cash and cash equivalents, accounts receivable and other receivables – Province of Manitoba, accounts payable and loans payable – Province of Manitoba are recorded at cost.

Gains and losses on financial instruments measured at fair value are recorded in accumulated surplus as re-measurement gains and losses until recognized. Upon disposition of the financial instruments, the cumulative re-measurement gains and losses are reclassified to the statement of operations.

As at March 31, 2016, the Fund does not have any financial instruments measured at fair value. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the statement of operations in the period the gain or loss occurs.

The Fund did not incur any re-measurement gains and losses during the year ended March 31, 2016.

g) Allowance for Uncollectible Taxes and Grants in Lieu of Taxes

The allowance for uncollectible taxes and grants in lieu of taxes consists of tax cancellations relating to specific tax rolls and an estimate of uncollectible accounts based on the history of tax collections.

h) Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from management's best estimate as additional information becomes available in the future.

i) Administrative Support

The Department of Aboriginal and Northern Affairs provides administrative services at no charge to the Fund. The cost of these services for the year ended March 31, 2016 is estimated to be $283,359 (2015 - $284,752)

j) Budget

The statement of operations and accumulated surplus and the statement of change in net financial assets do not present budgeted financial results due to the nature of the Northern Affairs Fund, which administers the funds on behalf of designated communities.

3. Cash and Cash Equivalents

	2016	(Restated, Note 15) 2015
Cash – Specific Purpose Funds	$9,275,841	$7,679,960
Cash – Taxation Fund	178,374	109,907
Cash Equivalents	5,100,631	5,657,561
	$14,554,846	**$13,447,428**

Cash equivalents are 90 day callable deposits with an interest rate in range of 0.50%-0.57% and within the Province of Manitoba trust account. Deposits are normally held to maturity, but if early withdrawal is required the interest rates are applicable up to date of withdrawal.

4. Accounts Receivable

	2016	(Restated, Note 15) 2015
Accounts Receivable - Province of Manitoba (Specific Purpose Funds)	$307,786	$832,180
Accounts Receivable - Taxation Fund (Note 5)	1,598,761	1,462,401
	$1,906,547	**$2,294,581**

5. Accounts Receivable-Taxation Fund

	2016	2015
Taxes Receivable, End of year	$2,953,244	$2,617,729
Allowance for Doubtful Accounts	(1,389,706)	(1,193,420)
Total Net Taxes Receivable, End of Year	1,563,538	1,424,309
Other Receivables – Province of Manitoba	35,223	38,092
	$1,598,761	**$1,462,401**

6. Accounts Payable

Accounts Payable - Specific Purpose Funds	2016	(Restated, Note 15) 2015
Accrued Liabilities	$507,232	$863,091
Interest Payable	752,670	611,805
Invested Community/Reserves Payable	1,019,008	1,178,857
Accounts Payable-Taxation Fund	-	43
	$2,278,910	**$2,653,796**

7. Loans Payable

Loans from the Province of Manitoba include the following:

	2016	2015
Province of Manitoba, interest 4.45%, repayable in annual instalments plus interest until May 31, 2019 (Original draw November 30, 2009; $2,600,000)	$1,152,140	$1,410,164
Province of Manitoba, interest 4.45%, repayable in annual instalments plus interest until May 31, 2019 (Original draw February 1, 2010; $1,950,000)	857,612	1,049,676
Province of Manitoba, interest 4.95%, repayable in annual instalments plus interest until May 31, 2020 (Original draw May 11, 2010; $1,600,000)	896,161	1,050,848
Province of Manitoba, interest 4.00%, repayable in annual instalments plus interest until May 31, 2025 (Original draw October 1, 2010; $4,100,000)	2,926,309	3,168,334
Province of Manitoba, interest 3.875%, repayable in annual instalments plus interest until May 31, 2020 (Original draw March 31, 2011; $1,000,000)	530,373	624,877
Province of Manitoba, interest 3.00%, repayable in annual instalments plus interest until May 31, 2022 (Original draw December 1, 2011; $2,000,000)	1,326,980	1,495,139
Province of Manitoba, interest 3.00%, repayable in annual instalments plus interest until May 31, 2022 (Original draw March 31, 2012; $2,000,000)	1,467,814	1,653,820
Province of Manitoba, interest 4.25%, repayable in annual instalments plus interest until May 31, 2034 (Original draw December 31, 2013; $6,000,000)	5,803,681	6,000,000
Province of Manitoba, interest 3.50%, repayable in annual instalments plus interest until May 31, 2035 (Original draw December 31, 2014; $7,000,000)	7,000,000	7,000,000
Province of Manitoba, interest 3.75%, repayable in annual instalments plus interest until May 31, 2036 (Original draw December 31, 2015; $5,000,000)	5,000,000	-
	$ 26,961,070	**$23,452,858**

Interest payable includes the following:

$ 1,152,140 – 305 days, 4.45%	$42,725
$ 857,612 – 305 days, 4.45%	31,803
$ 896,161 – 305 days, 4.95%	36,967
$ 2,926,309 – 305 days, 4.00%	97,544
$ 530,373 – 305 days, 3.875%	17,127
$ 1,326,980 – 305 days, 3.00%	33,265
$ 1,467,814 – 305 days, 3.00%	36,796
$ 5,803,681 – 305 days, 4.25%	205,547
$ 7,000,000 – 305 days, 3.50%	204,167
$ 5,000,000 – 91 days, 3.75%	46,619
	$ 752,560

Annual payments, made on May 31st, are as follows:

	Loan Principal	Interest
2016	$1,799,083	$925,210
2017	2,042,750	963,272
2018	2,123,225	882,796
2019	2,206,941	799,080
2020	1,734,378	712,093
Subsequent Years	17,054,693	5,054,008
	$26,961,070	**$9,336,459**

8. Construction in Progress

		(Restated, Note 15)
	2016	**2015**
Balance, Beginning of Year – as previously reported	$11,172,614	$12,047,685
Correction of an Error (Note 15)	(7,050,297)	(2,119,923)
Balance, Beginning of Year – as restated	4,122,317	9,927,762
New Construction Costs	2,940,907	4,456,302
Closed Projects	(4,214,934)	(10,261,747)
Balance, End of Year – as restated	**$2,848,290**	**$4,122,317**

9. Northern Affairs Fund – Specific Purpose Funds

The Northern Affairs Fund administers the following Specific Purpose Funds:

Aboriginal and Northern Affairs Communities:

Community Council Funds – The Department of Aboriginal and Northern Affairs provides funding to support communities in the Aboriginal and Northern Affairs jurisdiction for the operation, maintenance and construction of their municipal infrastructure.

Community Capital Support – The Department of Aboriginal and Northern Affairs provides funding to satisfy principal and interest due on loans payable to the Province of Manitoba (community capital funding source).

Cottage Administration Fees:

Cottage Administration Fees – A portion of funds from the cottagers levy are set aside within the specific purpose fund to provide administrative support to cottage areas.

Aboriginal and Northern Affairs:

Departmental Revenue/Transfer Payments – Revenue received from a variety of sources by the Department of Aboriginal and Northern Affairs is transferred to the consolidated fund of the Province of Manitoba.

RBC Payment Distribution – The Department of Aboriginal and Northern Affairs covers the costs for electronic bank transfer services for payroll cheques for communities and programs where funds are administered in trust.

Firefighters Insurance - The Department of Aboriginal and Northern Affairs provides to community volunteer firefighters basic loss of life, accident and sickness benefits while on duty or participating in training. The Department provides this insurance at no cost to the community or volunteer firefighter through the Volunteer Firemen's Insurance Services (VFIS).

Fire Inspections - The Department of Aboriginal and Northern Affairs is responsible for completing inspections in all communities as per the Fire Safety Inspections Regulation of *The Fires Prevention and Emergency Response Act*.

CDO Pilot Project – The Department of Aboriginal and Northern Affairs provides funding to support community based economic strategy development.

Fire Trucks and Equipment – The Department of Aboriginal and Northern Affairs and community councils provide funding to enhance equipment/fire trucks in support of the Fire Program.

Fire Training – The Department of Aboriginal and Northern Affairs provides funding for community fire training requirements identified as a result of the Fire Program Review.

Sturgeon Landing Road – The Department of Aboriginal and Northern Affairs provides funding to maintain the Sturgeon Landing Road and recovers 50% of the costs from the Saskatchewan Provincial Government.

Northern Youth Empowerment Initiative – The Department of Aboriginal and Northern Affairs provides funding and program support to youth-focused programs or projects in Northern Manitoba.

Community Ergonomics – The Department of Aboriginal and Northern Affairs provides funding as per Workplace Safety and Health Regulation 217/2006 to assist community councils with developing a Community Ergonomic Plan (CEP).

Northern Consultation Board – The Department of Aboriginal and Northern Affairs provides funding to assist the Board with reviewing/addressing matters and providing recommendations concerning any proposals with respect to the incorporation process.

Northern Ministers Development Forum – The Department of Aboriginal and Northern Affairs and other provincial governments provide funding for a special project on Maximizing the Economic and Social Impacts from Major Projects in the North.

Workplace Safety and Health Training – The Department of Aboriginal and Northern Affairs provides funding for community workplace safety and health program training requirements.

Workplace Safety and Health Equipment – The Department of Aboriginal and Northern Affairs provides funding for community workplace safety and health program equipment requirements.

Constable Program – The Department of Aboriginal and Northern Affairs provides funding to enhance equipment/vehicles in support of the Constable Program.

Community Clerk Workshop – The Department of Aboriginal and Northern Affairs provides funding to support training and development of the Community Administrative Officers and support staff.

Water Operator Certification – The Department of Aboriginal and Northern Affairs provides funding for community water/wastewater plant operator certification.

Incorporation – The Department of Aboriginal and Northern Affairs provides funding for community development on incorporation under *The Northern Affairs Act*.

Water Treatment Plant Assessments – The Department of Aboriginal and Northern Affairs provides funding of engineering assessments on all water treatment plants within Aboriginal and Northern Affairs jurisdiction to meet legislated requirements.

Surveys – The Department of Aboriginal and Northern Affairs provides funding to conduct land surveys within the communities.

Resource Management Boards – The Department of Aboriginal and Northern Affairs provides funding to resource management boards for land use planning activities.

Resource Management Boards Wildlife Projects – The Department of Aboriginal and Northern Affairs provides funding for wildlife projects under the resource management boards for polar bear and caribou activities.

Hollow Water Waste Disposal Site – Communities in the Aboriginal and Northern Affairs jurisdiction provide funding for the operations and maintenance for a regional waste disposal site for Hollow Water, Manigotagan, Bissett, Aghaming and Seymourville.

911 Emergency Services - The Department of Aboriginal and Northern Affairs provides support to implement the 911 emergency response systems in Aboriginal and Northern Affairs Communities.

North Central Summer Students – The Department of Aboriginal and Northern Affairs provides funding to support the employment equity program. Aboriginal students are hired to support the program in the analytical, municipal and technical areas.

Department of Municipal Government:

Municipal Programs Grant – The Department of Municipal Government provides unconditional funding to support municipal services.

Department of Finance:

General Assistance Grant – The Department of Finance provides funding through the distribution of tax revenue on a per capita basis (based on the most recent census) to support municipal services.

Department of Jobs and Economy:

Building Independence Program – The Department of Jobs and Economy provides funding to support a program directed at providing work experience for recipients of social assistance living in Aboriginal and Northern Affairs communities.

Federal Government:

Federal Gas Tax – Funds provided through the Department of Municipal Government to support community infrastructure projects within the jurisdiction of Aboriginal and Northern Affairs.

Cottage Subdivision Funds:

Northern Affairs Levy – Funds levied to provide municipal services to unassessed cottage properties within the Aboriginal and Northern Affairs jurisdiction.

Manitoba Hydro:

Nelson River Archaeological Survey – Manitoba Hydro provides funding to support archaeological investigation in areas of historical and cultural importance, which has been impacted by hydro-electric development.

Pimichikamak Archaeological Project – Manitoba Hydro provides funding to prepare a plan for an archaeological survey at Sipiwisk Lake.

SWAP 2006 – Manitoba Hydro provides funding to support the system-wide archaeological project.

Specific Purpose – Various:

Nelson House Claims Account – Manitoba Hydro and the Department of Aboriginal and Northern Affairs provide funding for the Nelson House Community Settlement Agreement.

Sturgeon Management Program – Manitoba Hydro and the Department of Aboriginal and Northern Affairs provide funding for the operation of the Sturgeon Management Board.

Winnipegosis Lake Water Study – The Department of Aboriginal and Northern Affairs provides funding to assist in the evaluations of various types of organic compounds in the water source and their removal to improve overall quality of water and health in the region.

Cross Lake Negotiations – The Department of Aboriginal and Northern Affairs provides funding to undertake research, community consultations and provide advice and recommendations regarding the implementation of the Northern Flood Agreement.

Northern Healthy Foods Initiative – The Department of Aboriginal and Northern Affairs in partnership in MAFRI and Healthy Living and Healthy Child Manitoba provide funding to assist northern communities with their food self-sufficiency projects.

OPCN/CUFMA – The Department of Aboriginal and Northern Affairs had completed a multi-year Capital Upgrading Funding Management Agreement (CUFMA) to support the conversion of South Indian Lake to a federal reserve for the O-Pipon-Na-Piwin Cree Nation (OPCN) in 2013/14 and continued to provide funding to support the implementation of the reserve conversion.

Treaty Land Entitlement – The Federal Government provides funding for photogrammetric land surveys to support and expedite the Treaty Land Entitlement process.

MMF Historical Research/Tripartite – The Department of Aboriginal and Northern Affairs has an agreement with the Government of Canada and the Manitoba Metis Federation to provide funding for this historical research project, an initiative under the Manitoba Metis Policy.

Consultation Unit – The Department of Aboriginal and Northern Affairs provides funding to assist with the Crown-Aboriginal consultation process.

Property Tax Enhancement – The Taxation Fund Account transfers any cash in excess of $100,100 as at March 31, 2016 as a contribution to remote communities. In addition, other governmental departments and organizations provide funding to enhance community programs.

10. Interfund Transfers

A maximum cash balance of $100,100 is retained in the Taxation Fund Account as at March 31 of each year to cover current needs. Cash in excess of $100,100 is transferred from the Taxation Fund Account to the Specific Purpose Funds Account as a contribution to costs incurred by the fund in providing services in remote areas which do not have a local government to provide these services. The amount of excess at March 31, 2016 was $78,174 (2015 -$9,807).

The transfer of $78,174 from the Taxation Fund Account to the Specific Purpose Funds Account is excluded from accounts receivable & accounts payable on the Statement of Financial Position and revenue & expenses on the Statement of Operations and Accumulated Surplus.

11. Community Council Funds Revenue

Community Council Funds revenue includes the following:

	2016	2015
Province of Manitoba, Department of Aboriginal and Northern Affairs	$11,616,573	$12,380,742
Locally generated revenue	4,930	3,659
Municipal tax collections transferred from Taxation Fund Account	286,913	406,985
Department of Agriculture, Food and Rural Initiatives, hay and grazing rental transferred from Taxation Fund Account	25,008	23,441
	$11,933,424	**$12,814,827**

12. Public Sector Compensation Disclosure Act

In accordance to the Public Sector Compensation Disclosure Act the Northern Affairs Fund shall disclose to the public an amount of compensation it pays or provides in the fiscal year to any member of council, officer or employee of the communities if the amount paid is $50,000 or more annually. For the year ended March 31, 2016:

a) There were no members of council, officers or employees of the communities receiving compensation of $50,000 or more individually.

b) The aggregate compensation paid to all communities was $13,110 in 2016 and $14,490 in 2015 as follow:

Community	2016	2015
Aghaming	$1,380	$1,380
Baden	1,380	1,380
Granville Lake	1,380	1,380
Herb Lake Landing	1,380	1,380
Loon Straits	1,380	1,380
National Mills	-	1,380
Powell	1,380	1,380
Princess Harbour	1,380	1,380
Red Deer Lake	1,380	1,380
Red Sucker Lake	1,380	1,380
Salt Point	690	690
	$13,110	**$14,490**

13. Related Party Transactions

The Northern Affairs Fund is related to all Province of Manitoba created Departments, Agencies, Crown Corporations and Community Councils. The Northern Affairs Fund enters into transactions with these entities in the normal course of operations and they are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

14. Financial Risk Management

The Northern Affairs Fund has exposure to the following risks from its use of financial instruments: liquidity risk, interest rate risk, credit risk and currency risk.

Liquidity risk

Liquidity risk arises from the possibility of the Northern Affairs Fund having insufficient financial resources to meet its financial obligations when they come due.

The Northern Affairs Fund mitigates this risk through cash management. The Northern Affairs Fund continuously monitors and reviews both actual and forecasted cash flows through periodic financial reporting. Accounts payable are typically paid when due or in the case of loans payable – Province of Manitoba are repaid in accordance with a schedule over the term to maturity.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to cash and cash equivalents and loans payable – Province of Manitoba.

The interest rate risk on cash and cash equivalents is considered low due to their short-term nature.
The Northern Affairs Fund is exposed to interest rate risk on its loans payable – Province of Manitoba which carries specific rates of interest. A 1% increase in interest rates would have an effect of $269,611 and increase expenditures.
However, the interest rate risk on loans payable – Province of Manitoba is low because the rate is fixed for the term to maturity and the Province of Manitoba is funding all required interest payments. Therefore, revenue of the Community Capital Support Funds would also be increased by 269,611.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to the counter-party. The financial instruments that potentially subject the Northern Affairs Fund to credit risk consist principally of cash and cash equivalents and accounts receivable – Province of Manitoba.

The maximum exposure of Northern Affairs Fund to credit risk at March 31st is:

	2016	(Restated, Note 15) 2015
Cash and Cash Equivalents (Note 3)	$14,554,846	$13,447,428
Accounts Receivable – Province of Manitoba (Specific Purpose Funds) (Note 4)	307,786	832,180
Other Receivables – Province of Manitoba (Note 5)	35,223	38,092
	$14,897,855	**$14,317,700**

Cash in bank: The Northern Affairs Fund is not exposed to significant risk as the cash in bank is held with a large Canadian financial institution.
Cash equivalents: The Northern Affairs Fund is not exposed to significant risks as the deposits are held within the Province of Manitoba's Trust account.
Accounts Receivable and Other Receivables – Province of Manitoba: The Northern Affairs Fund is not exposed to significant risk as the receivable is from the Province of Manitoba.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Northern Affairs Fund is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency.

15. Correction of an Error

Cash and Cash Equivalent and Accounts Payable: During the year it was determined that cash and cash equivalents and accounts payable as previously reported were understated. Therefore, an adjustment was made to the prior period's financial statements. This change was done to recognize the amount of invested funds on behalf of and payable to the communities. This change resulted in an increase of the amount Cash and Cash Equivalent of $1,178,857 in 2015, with an offsetting increase to Accounts Payable by the same amount. This represents a net neutral impact on the statement of the financial position. The financial statement of 2016 has been adjusted accordingly.

Construction in Progress: Adjustments were made to the opening accumulated deficit to recognize the expense of completed Loan Act capital projects that were not accounted for as transferred to the communities from Construction in Progress in prior years. This change resulted in an increase of $2,119,923 in accumulated deficit at the beginning of 2015 and an increase of $4,930,374 in-year (Aboriginal and Northern Communities) expenses in 2015, with an offsetting adjustment to Construction in Progress by the same amount. These adjustments resulted in a total change to opening accumulated deficit for the trust fund at the beginning of year 2016 of $7,050,297.

Northern Affairs Fund

AUDITED FINANCIAL STATEMENTS MARCH 31, 2017

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Manitoba
Indigenous and Northern Relations

Financial and Adminstrative Services
400-352 Donald Street, Winnipeg, Manitoba R3B 2H8
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February 10, 2021

NORTHERN AFFAIRS FUND

MANAGEMENT REPORT

The accompanying financial statements are the responsibility of management and have been prepared in accordance with the Canadian public sector accounting standards as stated in the notes to the financial statements. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available.

Management maintains internal controls to provide reasonable assurance that the financial information is reliable and accurate, and that the assets of the Fund are properly safeguarded.

The responsibility of the Auditor General for Manitoba is to express an independent professional opinion as to whether the financial statements are presented fairly in all material respects.

The Executive Financial Officer has reviewed and approved these financial statements.

On Behalf of Management

Original signed by Mike Sosiak

Mr. Mike Sosiak
Executive Financial Officer
Department of Indigenous and Northern Relations

Auditor General
MANITOBA

INDEPENDENT AUDITOR'S REPORT

To the Minister of Indigenous and Northern Relations
To the Legislative Assembly of Manitoba

We have audited the accompanying financial statements of the Northern Affairs Fund, which comprise the statement of financial position as at March 31, 2017, and the statements of operations and accumulated deficit, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Northern Affairs Fund as at March 31, 2017, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

Original signed by

Office of the Auditor General
February 6, 2021
Winnipeg, Manitoba

NORTHERN AFFAIRS FUND
STATEMENT OF FINANCIAL POSITION
As at March 31, 2017

	2017	2016
Financial Assets		
Cash and cash equivalents (Note 3)	$ 16,020,058	$ 14,554,846
Accounts receivable (Notes 4, 5, 10)	1,875,080	1,906,547
Total Financial Assets	**17,895,138**	**16,461,393**
Liabilities		
Accounts payable (Notes 6, 10)	3,017,436	2,278,910
Loans payable (Note 7)	30,161,988	26,961,070
Total Liabilities	**33,179,424**	**29,239,980**
Net Debt	**(15,284,286)**	**(12,778,587)**
Non-Financial Assets		
Construction in progress (Note 8)	**4,569,487**	**2,848,290**
Total Non-Financial Assets	**4,569,487**	**2,848,290**
Accumulated Operating Deficit	**$ (10,714,799)**	**$ (9,930,297)**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT
For the Year Ended March 31, 2017

	2017	2016
Revenues (Sch 1, SPF)		
Indigenous and Northern Communities	$ 12,555,789	$ 12,545,228
Cottage Administration Fees	27,625	22,578
Indigenous and Northern Affairs	671,135	686,246
Municipal Relations	148,368	148,368
Department of Finance	2,869,310	2,869,309
Department of Families	45,600	45,796
Federal Gas Tax	496,662	471,818
Cottage Subdivision Funds	610,932	568,487
Manitoba Hydro	-	100,000
Specific Purpose - Various	290,191	291,525
Tax Revenue (Sch 2, NTRA)	2,403,050	2,385,584
Total Revenue	**20,118,662**	**20,134,939**
Expenses (Sch 1, SPF)		
Indigenous and Northern Communities	13,256,615	16,729,644
Cottage Administration Fees	34,729	20,697
Indigenous and Northern Affairs	1,049,948	787,982
Municipal Relations	132,311	132,311
Department of Finance	2,794,682	2,794,682
Department of Families	24,185	43,472
Federal Gas Tax	7,157	-
Cottage Subdivision Funds	648,573	482,652
Manitoba Hydro	111,459	188,319
Specific Purpose - Various	480,853	472,242
Tax Administered Expenses (Sch 2, NTRA)	2,362,652	2,170,907
Total Expenses	**20,903,164**	**23,822,908**
Annual Deficit	(784,502)	(3,687,969)
Accumulated Operating Deficit, Beginning of Year	(9,930,297)	(6,242,328)
Accumulated Operating Deficit, End of Year	**$ (10,714,799)**	**$ (9,930,297)**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
STATEMENT OF CHANGE IN NET DEBT
For the Year Ended March 31, 2017

	2017	2016
Annual Deficit	**$ (784,502)**	**$ (3,687,969)**
Non-Financial Assets		
New construction costs (Note 8)	(2,849,726)	(2,940,907)
Closed projects (Note 8)	1,128,529	4,214,934
	(1,721,197)	**1,274,027**
Increase in Net Debt	**(2,505,699)**	**(2,413,942)**
Net Debt, Beginning of Year	**(12,778,587)**	**(10,364,645)**
Net Debt, End of Year	**$ (15,284,286)**	**$ (12,778,587)**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
STATEMENT OF CASH FLOW
For the Year Ended March 31, 2017

	2017	2016
Operating Activities		
Annual Deficit	**$ (784,502)**	**$ (3,687,969)**
Change in:		
Accounts receivable	31,467	388,034
Accounts payable	738,526	(374,887)
Cash used in operating activities	**(14,509)**	**(3,674,822)**
Capital Activities		
Increase (decrease) in construction in progress	(1,721,197)	1,274,027
Cash provided by (used in) capital activities	**(1,721,197)**	**1,274,027**
Financing Activities		
Increase in loans payable	3,200,918	3,508,213
Cash provided by financial transactions	**3,200,918**	**3,508,213**
Increase in Cash	1,465,212	1,107,418
Cash and Cash Equivalents, Beginning of Year	14,554,846	13,447,428
Cash and Cash Equivalents, End of Year (Note 3)	**$ 16,020,058**	**$ 14,554,846**

Supplemental Cash Flow Information

Interest Received	196,743	181,636
Interest Paid	952,210	763,252

The accompanying notes are an integral part of these financial statements.

SCHEDULE 1
NORTHERN AFFAIRS FUND
SPECIFIC PURPOSE FUNDS AND ACCUMULATED DEFICIT
For the Year Ended March 31, 2017

	Balance 31-Mar-2016	Revenue	Expense	SPF Transfers	Transfer from Taxation Fund Account (Note 10)	Balance 31-Mar-2017
Indigenous and Northern Communities						
Community Council Funds (Note 11)	$ (17,785,181)	$ 11,803,120	$ 12,235,027	$ 35,256		$ (18,181,832)
Community Capital Support	(665,819)	752,669	1,021,588			(934,738)
	(18,451,000)	**12,555,789**	**13,256,615**	**35,256**		**(19,116,570)**
Cottage Administration Fees	86,287	27,625	34,729			79,183
Indigenous and Northern Affairs						
Department Revenue/Transfer Payments	-	563,647	563,647			-
RBC Payment Distribution	1,165	200	1,338			27
Firefighters Insurance	82,018	-	-	(82,018)		-
Fire Inspections	40,710	-	-	(40,710)		-
CDO Pilot Project	64,208	-	31,810	(32,398)		-
Winnipegosis Lake Water Study	77,500	22,200	99,700			-
Fire Trucks and Equipment	134,247			(134,247)		-
Fire Training	70,262	-	111,163	256,976		216,075
Sturgeon Landing Road	20,788	24,705	4,726			40,767
Northern Youth Empowerment Initiative	84,956	-	-	(84,956)		-
Community Ergonomics	22,930	-	1,380			21,550
Northern Ministers Development Forum	148,071	-	78,000			70,071
Workplace Safety and Health Training	1,263	-	-			1,263
Workplace Safety and Health Equipment	850	-	-	(850)		-
Constable Program	25,691	-	25,691			-
Community Clerk Workshop	18,420	542	3,478	33,373		48,857
Water Operator Certification	17,607	-	-			17,607
Incorporation	285,253	-	-	(285,253)		-
Water Treatment Plant Assessments	37,564	-	-			37,564
Surveys	10,249	-	-			10,249
Resource Management Boards	142,108	-	56,023			86,085
Resource Management Boards Wildlife Projects	21,711	-	9,781			11,930
Hollow Water Waste Disposal Site	60,866	59,384	56,638			63,612
911 Emergency Services	57,423	-	-	(9,199)		48,224
North Central Summer Students	6,242	-	6,116	(126)		-
Bluff Road	-	457	457			-
	1,432,102	**671,135**	**1,049,948**	**(379,408)**		**673,881**
Municipal Relations						
Municipal Program Grant	-	148,368	132,311	(16,057)		-
Department of Finance						
General Assistance Grant	327,660	2,869,310	2,794,682		-	402,288
Department of Families						
Building Independence Program	2,264	45,600	24,185		-	23,679
Federal Gas Tax	3,097,868	496,662	7,157		-	3,587,373
Cottage Subdivision Funds						
Northern Affairs Levy	803,499	610,932	648,573		-	765,858
Manitoba Hydro						
Nelson River Archaeological Survey	9,193	-	9,188			5
Pimichikamak Archaeological Project	194,269	-	52,290			141,979
SWAP 2006	99,347	-	49,981			49,366
	302,809	**-**	**111,459**		**-**	**191,350**
Specific Purpose - Various						
Nelson House Claims Account	11,564	68	-			11,632
Sturgeon Management Program	36,127	207,200	232,803			10,524
Cross Lake Negotiations	6,965	73,372	80,337			-
Northern Healthy Foods Initiative	13,005	2,782	13,204			2,583
Treaty Land Entitlement	224,426	-	49,563			174,863
OPCN/CUFMA	151,394	-	11,926			139,468
MMF Historical Research/Tripartite	55,593	-	4,245			51,348
Consultation Unit	45,163	-	21,551			23,612
Property Tax Enhancement (Note 10)	225,016	6,769	67,224	360,209	107,207	631,977
	769,253	**290,191**	**480,853**	**360,209**	**107,207**	**1,046,007**
Accumulated Deficit	**$ (11,629,258)**	**$ 17,715,612**	**$ 18,540,512**	**-**	**$ 107,207**	**$ (12,346,951)**

The accompanying notes are an integral part of these financial statements.

SCHEDULE 2
NORTHERN AFFAIRS FUND
NET TAX REVENUES ADMINISTERED AND ACCUMULATED SURPLUS
For the Year Ended March 31, 2017

	2017	2016
Tax Revenues		
Taxation levies	$ 1,467,926	$ 1,463,624
Grants in lieu of taxes	696,883	701,003
Tax penalties	174,519	157,194
Rentals - Hay and Grazing	62,024	62,943
Other	1,698	820
Total Tax Revenues	**2,403,050**	**2,385,584**
Administered Expenses		
Frontier School Division special levy	1,049,441	1,069,990
Public Schools Finance Board – education support levy	460,427	474,424
Municipal levy	608,181	338,239
Hay and Grazing leases	23,980	25,008
Department of Indigenous and Municipal Relations	52,537	50,916
Budgeted allowance for doubtful accounts	163,676	205,281
Other	4,410	7,049
Total Administered Expenses	**2,362,652**	**2,170,907**
Net Tax Revenue Administered	**40,398**	**214,677**
Accumulated Surplus at Beginning of Year	**1,698,961**	**1,562,458**
Transfer to Specific Purpose Funds Account (Note 10)	(107,207)	(78,174)
Accumulated Surplus at End of Year	**$ 1,632,152**	**$ 1,698,961**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended March 31, 2017

1. Purpose of the Fund

The purpose of the Northern Affairs Fund (the Fund) is to administer trust funds on behalf of the designated communities and administer the property tax system within the jurisdiction of the Department of Indigenous and Municipal Relations (as of the audit report date they report to the Department of Indigenous and Northern Relations) in compliance with *The Northern Affairs Act*.

a) Specific Purpose Funds Account

Used to account for all monies advanced to the Minister of Indigenous and Municipal Relations to provide financial services to community councils in northern areas of Manitoba.

b) Taxation Fund Account

Levies property and business taxes based on real property assessments and remits the tax requirements to school divisions and The Public Schools Finance Board. Taxes collected for local purposes in the communities are remitted to the community councils when collected.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

The financial statements of the Fund are prepared by management in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

b) Revenues and Expenses

Revenue and expenses are recognized in the period in which the transaction or events occurred. Revenue and expenses are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

Interest revenue earned on short-term deposits is recognized in the period in which the transaction occurred and recorded on an accrual basis.

c) Government Transfers

Government transfers are recognized in the Fund's financial statements as expenses or revenues in the period that the events giving rise to the transfer occurred as long as the transfer is authorized, eligibility criteria, if any, have been met by the recipient, and a reasonable estimate of the amount can be made.

d) Construction in Progress

Construction in Progress represents purchased or constructed assets and is recorded at cost. When the asset is ready to be put into use for the community, the asset is authorized as completed and the project is closed. Subsequently the closed project/asset is transferred to the community by clearing through the Community Council Funds specific purpose account.

e) Cash and Cash Equivalents

Cash and cash equivalents includes cash and short-term deposits with maturities of three months or less from the deposit date and are held for meeting short-term commitments rather than for investing.

f) Financial Instruments

Financial instruments are classified into one of the two measurement categories; (a) fair value; or (b) cost or amortized cost. Financial instruments including cash and cash equivalents, accounts receivable and other receivables – Province of Manitoba, accounts payable and loans payable – Province of Manitoba are recorded at cost.

Gains and losses on financial instruments measured at fair value are recorded in accumulated surplus as re-measurement gains and losses until recognized. Upon disposition of the financial instruments, the cumulative re-measurement gains and losses are reclassified to the Statement of Operations and Accumulated Deficit.

As at March 31, 2017, the Fund does not have any financial instruments measured at fair value. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the Statement of Operations and Accumulated Deficit in the period the gain or loss occurs.

The Fund did not incur any re-measurement gains and losses during the year ended March 31, 2017.

g) Allowance for Uncollectible Taxes and Grants in Lieu of Taxes

The allowance for uncollectible taxes and grants in lieu of taxes consists of tax cancellations relating to specific tax rolls and an estimate of uncollectible accounts based on the history of tax collections.

h) Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from management's best estimate as additional information becomes available in the future.

i) Administrative Support

The Department of Indigenous and Municipal Relations provides administrative services at no charge to the Fund. The cost of these services for the year ended March 31, 2017 is estimated to be $326,582 (2016 - $283,359).

j) Budget

The statement of operations and accumulated surplus and the statement of change in net financial assets do not present budgeted financial results due to the nature of the Northern Affairs Fund, which administers the funds on behalf of designated communities.

3. Cash and Cash Equivalents

	2017	2016
Cash – Specific Purpose Funds	$ 10,930,735	$ 9,275,841
Cash – Taxation Fund	100,200	178,374
Investments Payable to Communities	1,044,426	1,019,008
Cash Equivalents	3,944,697	4,081,623
	$ 16,020,058	**$ 14,554,846**

Cash equivalents are 90 day callable deposits with an interest rate in range of 0.50%-0.57% and within the Province of Manitoba trust account. Deposits are normally held to maturity, but if early withdrawal is required the interest rates are applicable up to date of withdrawal.

4. Accounts Receivable

	2017	2016
Accounts receivable - Province of Manitoba (Specific purpose fund)	$ 343,130	$ 307,786
Accounts receivable - Taxation Fund (Note 5)	1,531,950	1,598,761
	$ 1,875,080	**$ 1,906,547**

5. Accounts Receivable-Taxation Fund

	2017	2016
Taxes Receivable, End of year	$ 3,047,290	$ 2,953,244
Allowance for Doubtful Accounts	(1,553,043)	(1,389,706)
Total Net Taxes Receivable, End of Year	1,494,247	1,563,538
Other Receivables – Province of Manitoba	37,703	35,223
	$ 1,531,950	**$ 1,598,761**

6. Accounts Payable

	2017	2016
Accounts Payable - Specific Purpose Funds		
Accrued Liabilities	$ 1,123,963	$ 507,232
Interest Payable	849,047	752,670
Invested Community/Reserves Payable	1,044,426	1,019,008
	$ 3,017,436	**$ 2,278,910**

7. Loans Payable

Payment of principal and interest is funded primarily by grants from the Province of Manitoba.

Loans from the Province of Manitoba include the following:

	2017	2016
Province of Manitoba, interest 4.45%, repayable in annual instalments plus interest until May 31, 2019 (Original draw November 30, 2009; $2,600,000)	$882,634	$1,152,140
Province of Manitoba, interest 4.45%, repayable in annual instalments plus interest until May 31, 2019 (Original draw February 1, 2010; $1,950,000)	$657,002	$857,612
Province of Manitoba, interest 4.95%, repayable in annual instalments plus interest until May 31, 2020 (Original draw May 11, 2010; $1,600,000)	$733,816	$896,161
Province of Manitoba, interest 4.00%, repayable in annual instalments plus interest until May 31, 2025 (Original draw October 1, 2010; $4,100,000)	$2,674,603	$2,926,309
Province of Manitoba, interest 3.875%, repayable in annual instalments plus interest until May 31, 2020 (Original draw March 31, 2011; $1,000,000)	$432,207	$530,373
Province of Manitoba, interest 3.00%, repayable in annual instalments plus interest until May 31, 2022 (Original draw December 1, 2011; $2,000,000)	$1,153,886	$1,326,981
Province of Manitoba, interest 3.00%, repayable in annual instalments plus interest until May 31, 2022 (Original draw March 31, 2012; $2,000,000)	$1,276,350	$1,467,814
Province of Manitoba, interest 4.25%, repayable in annual instalments plus interest until May 31, 2034 (Original draw December 31, 2013; $6,000,000)	$5,599,018	$5,803,680
Province of Manitoba, interest 3.50%, repayable in annual instalments plus interest until May 31, 2035 (Original draw December 31, 2014; $7,000,000)	$6,752,472	$7,000,000
Province of Manitoba, interest 3.75%, repayable in annual instalments plus interest until May 31, 2036 (Original draw December 31, 2015; $5,000,000)	$5,000,000	$5,000,000
Province of Manitoba, interest 3.75%, repayable in annual instalments plus interest until May 31, 2037 (Original draw December 31, 2016; $5,000,000)	$5,000,000	-
	$ 30,161,988	**$ 26,961,070**

Interest payable includes the following:

$ 1,152,140 – 305 days, 4.45%	32,713
$ 857,612 – 305 days, 4.45%	24,364
$ 896,161 – 305 days, 4.95%	30,253
$ 2,926,309 – 305 days, 4.00%	89,105
$ 530,373 – 305 days, 3.875%	13,949
$ 1,326,980 – 305 days, 3.00%	28,831
$ 1,467,814 – 305 days, 3.00%	31,891
$ 5,803,681 – 305 days, 4.25%	198,191
$ 7,000,000 – 305 days, 3.50%	196,839
$ 5,000,000 – 91 days, 3.75%	156,164
$ 5,000,000 – 305 days, 3.75%	46,747
$	**849,047**

	Loan Principal	**Interest**
2017	$ 2,042,749	$ 1,040,840
2018	2,295,535	1,070,296
2019	2,385,714	980,118
2020	1,919,854	886,427
2021	1,667,193	813,666
Subsequent Years (from 2022)	19,850,943	5,893,679
	$ 30,161,988	**$ 10,685,026**

8. Construction in Progress

	2017	**2016**
Balance, Beginning of Year	**$ 2,848,290**	**$ 4,122,317**
New Construction Costs	2,849,726	2,940,907
Closed Projects	(1,128,529)	(4,214,934)
Balance, End of Year	**$ 4,569,487**	**$ 2,848,290**

9. Northern Affairs Fund – Specific Purpose Funds

The Northern Affairs Fund administers the following Specific Purpose Funds:

Indigenous and Northern Affairs Communities:

Community Council Funds – The Department of Indigenous and Municipal Relations provides funding to support communities in the Indigenous and Northern Affairs jurisdiction for the operation, maintenance and construction of their municipal infrastructure.

Community Capital Support – The Department of Indigenous and Municipal Relations provides funding to satisfy principal and interest due on loans payable to the Province of Manitoba (community capital funding source).

Cottage Administration Fees:

Cottage Administration Fees – A portion of funds from the cottagers levy are set aside within the specific purpose fund to provide administrative support to cottage areas.

Indigenous and Northern Affairs:

Departmental Revenue/Transfer Payments – Revenue received from a variety of sources by the Department of Indigenous and Municipal Relations is transferred to the consolidated fund of the Province of Manitoba.

RBC Payment Distribution – The Department of Indigenous and Municipal Relations covers the costs for electronic bank transfer services for payroll cheques for communities and programs where funds are administered in trust.

Firefighters Insurance - The Department of Indigenous and Municipal Relations provides to community volunteer firefighters basic loss of life, accident and sickness benefits while on duty or participating in training. The Department provides this insurance at no cost to the community or volunteer firefighter through the Volunteer Firemen's Insurance Services (VFIS).

Fire Inspections - The Department of Indigenous and Municipal Relations is responsible for completing inspections in all communities as per the Fire Safety Inspections Regulation of *The Fires Prevention and Emergency Response Act*.

CDO Pilot Project – The Department of Indigenous and Municipal Relations provides funding to support community based economic strategy development.

Winnipegosis Lake Water Study – The Department of Indigenous and Municipal Relations provides funding to assist in the evaluations of various types of organic compounds in the water source and their removal to improve overall quality of water and health in the region.

Fire Trucks and Equipment – The Department of Indigenous and Municipal Relations and community councils provide funding to enhance equipment/fire trucks in support of the Fire Program.

Fire Training – The Department of Indigenous and Municipal Relations provides funding for community fire training requirements identified as a result of the Fire Program Review.

Sturgeon Landing Road – The Department of Indigenous and Municipal Relations provides funding to maintain the Sturgeon Landing Road and recovers 50% of the costs from the Saskatchewan Provincial Government.

Northern Youth Empowerment Initiative – The Department of Indigenous and Municipal Relations provides funding and program support to youth-focused programs or projects in Northern Manitoba.

Community Ergonomics – The Department of Indigenous and Municipal Relations funding as per Workplace Safety and Health Regulation 217/2006 to assist community councils with developing a Community Ergonomic Plan (CEP).

Northern Ministers Development Forum – The Department of Indigenous and Municipal Relations and other provincial governments provide funding for a special project on Maximizing the Economic and Social Impacts from Major Projects in the North.

Workplace Safety and Health Training – The Department of Indigenous and Municipal Relations provides funding for community workplace safety and health program training requirements.

Workplace Safety and Health Equipment – The Department of Indigenous and Municipal Relations provides funding for community workplace safety and health program equipment requirements.

Constable Program – The Department of Indigenous and Municipal Relations provides funding to enhance equipment/vehicles in support of the Constable Program.

Community Clerk Workshop – The Department of Indigenous and Municipal Relations provides funding to support training and development of the Community Administrative Officers and support staff.

Water Operator Certification – The Department of Indigenous and Municipal Relations provides funding for community water/wastewater plant operator certification.

Incorporation – The Department of Indigenous and Municipal Relations provides funding for community development on incorporation under *The Northern Affairs Act*.

Water Treatment Plant Assessments – The Department of Indigenous and Municipal Relations provides funding of engineering assessments on all water treatment plants within Indigenous and Northern Affairs jurisdiction to meet legislated requirements.

Surveys – The Department of Indigenous and Municipal Relations provides funding to conduct land surveys within the communities.

Resource Management Boards – The Department of Indigenous and Municipal Relations provides funding to resource management boards for land use planning activities.

Resource Management Boards Wildlife Projects – The Department of Indigenous and Municipal Relations provides funding for wildlife projects under the resource management boards for polar bear and caribou activities.

Hollow Water Waste Disposal Site – Communities in the Indigenous and Northern Affairs jurisdiction provide funding for the operations and maintenance for a regional waste disposal site for Hollow Water, Manigotagan, Bissett, Aghaming and Seymourville.

911 Emergency Services - The Department of Indigenous and Municipal Relations provides support to implement the 911 emergency response systems in Indigenous and Northern Affairs Communities.

North Central Summer Students – The Department of Indigenous and Municipal Relations provides funding to support the employment equity program. Indigenous students are hired to support the program in the analytical, municipal and technical areas.

Bluff Road – The Department of Aboriginal and Northern Affairs provides funding to maintain the Bluff Road.

Municipal Relations:

Municipal Programs Grant – The Municipal Relations Division of the Department of Indigenous and Municipal Relations provides unconditional funding to support municipal services.

Department of Finance:

General Assistance Grant – The Department of Finance provides funding through the distribution of tax revenue on a per capita basis (based on the most recent census) to support municipal services.

Department of Families:

Building Independence Program – The Department of Families provides funding to support a program directed at providing work experience for recipients of social assistance living in Indigenous and Northern Affairs communities.

Federal Government:

Federal Gas Tax – Funds provided through the Department of Indigenous and Municipal Relations to support community infrastructure projects within the jurisdiction of Indigenous and Northern Affairs.

Cottage Subdivision Funds:

Northern Affairs Levy – Funds levied to provide municipal services to unassessed cottage properties within the Indigenous and Northern Affairs jurisdiction.

Manitoba Hydro:

Nelson River Archaeological Survey – Manitoba Hydro provides funding to support archaeological investigation in areas of historical and cultural importance, which has been impacted by hydro-electric development.

Pimichikamak Archaeological Project – Manitoba Hydro provides funding to prepare a plan for an archaeological survey at Sipiwisk Lake.

SWAP 2006 – Manitoba Hydro provides funding to support the system-wide archaeological project.

Specific Purpose – Various:

Nelson House Claims Account – Manitoba Hydro and the Department of Indigenous and Municipal Relations provide funding for the Nelson House Community Settlement Agreement.

Sturgeon Management Program – Manitoba Hydro and the Department of Indigenous and Municipal Relations provide funding for the operation of the Sturgeon Management Board.

Cross Lake Negotiations – The Department of Indigenous and Municipal Relations provides funding to undertake research, community consultations and provide advice and recommendations regarding the implementation of the Northern Flood Agreement.

Northern Healthy Foods Initiative – The Department of Indigenous and Municipal Relations in partnership in MAFRI and Healthy Living and Healthy Child Manitoba provide funding to assist northern communities with their food self-sufficiency projects.

OPCN/CUFMA – The Department of Indigenous and Municipal Relations had completed a multi-year Capital Upgrading Funding Management Agreement (CUFMA) to support the conversion of South Indian Lake to a

federal reserve for the O-Pipon-Na-Piwin Cree Nation (OPCN) in 2013/14 and continued to provide funding to support the implementation of the reserve conversion.

Treaty Land Entitlement – The Federal Government provides funding for photogrammetric land surveys to support and expedite the Treaty Land Entitlement process.

MMF Historical Research/Tripartite – The Department of Indigenous and Municipal Relations has an agreement with the Government of Canada and the Manitoba Metis Federation to provide funding for this historical research project, an initiative under the Manitoba Metis Policy.

Consultation Unit – The Department of Indigenous and Municipal Relations provides funding to assist with the Crown-Indigenous consultation process.

Property Tax Enhancement – The Taxation Fund Account transfers any cash in excess of $100,100 as at March 31, 2017 as a contribution to remote communities. In addition, other governmental departments and organizations provide funding to enhance community programs.

10. Interfund Transfers

A maximum cash balance of $100,100 is retained in the Taxation Fund Account as at March 31 of each year to cover current needs. Cash in excess of $100,100 is transferred from the Taxation Fund Account to the Specific Purpose Funds Account as a contribution to costs incurred by the fund in providing services in remote areas which do not have a local government to provide these services. The amount of excess at March 31, 2017 was $107,207 (2016 - $78,174). The transfer of $107,207 from the Taxation Fund Account to the Specific Purpose Funds Account is excluded from accounts receivable & accounts payable on the Statement of Financial Position and revenue & expenses on the Statement of Operations and Accumulated Deficit.

11. Community Council Funds Revenue

Community Council Fund Revenue includes the following:

	2017	2016
Province of Manitoba, Department of Indigenous and Municipal Relations	$ 11,219,551	$ 11,616,623
Locally generated revenue	-	4,930
Municipal tax collections transferred from Taxation Fund Account	559,589	286,913
Department of Agriculture, Food and Rural Initiatives, hay and grazing rental transferred from taxation Fund Account	23,980	25,008
	$ 11,803,120	**$ 11,933,474**

12. Public Sector Compensation Disclosure Act

In accordance to the Public Sector Compensation Disclosure Act the Northern Affairs Fund shall disclose to the public an amount of compensation it pays or provides in the fiscal year to any member of council, officer or employee of the communities if the amount paid is $50,000 or more annually. For the year ended March 31, 2017:

a) There were no members of council, officers or employees of the communities receiving compensation of $50,000 or more individually.

b) The aggregate compensation paid to all communities was $12,880 in 2017 and $13,110 in 2016 as follow:

Community	2017	2016
Aghaming	1,265	1,380
Baden	1,380	1,380
Granville Lake	690	1,380
Herb Lake Landing	1,610	1,380
Loon straits	1,265	1,380
Powell	1,380	1,380
Princess Harbour	1,265	1,380
Red Deer Lake	1,380	1,380
Red Sucker Lake	1,265	1,380
Salt Point	1,380	690
	$ 12,880	**$ 13,110**

13. Related Party Transactions

The Northern Affairs Fund is related to all Province of Manitoba created Departments, Agencies, Crown Corporations and Community Councils. The Northern Affairs Fund enters into transactions with these entities in the normal course of operations and they are measured at the exchange amount which is the amount of consideration established and agreed to by the related parties.

14. Financial Risk Management

The Northern Affairs Fund has exposure to the following risks from its use of financial instruments: liquidity risk, interest rate risk, credit risk and currency risk.

Liquidity risk

Liquidity risk arises from the possibility of the Northern Affairs Fund having insufficient financial resources to meet its financial obligations when they come due.

The Northern Affairs Fund mitigates this risk through cash management. The Northern Affairs Fund continuously monitors and reviews both actual and forecasted cash flows through periodic financial reporting. Accounts payable are typically paid when due or in the case of loans payable – Province of Manitoba are repaid in accordance with a schedule over the term to maturity.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to cash and cash equivalents and loans payable – Province of Manitoba.

The interest rate risk on cash and cash equivalents is considered low due to their short-term nature.
The Northern Affairs Fund is exposed to interest rate risk on its loans payable – Province of Manitoba which carries specific rates of interest. A 1% increase in interest rates would have an effect of $301,620 and increase expenditures.

However, the interest rate risk on loans payable – Province of Manitoba is low because the rate is fixed for the term to maturity and the Province of Manitoba is funding all required interest payments. Therefore, revenue of the Community Capital Support Funds would also be increased by $301,620.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to the counter-party. The financial instruments that potentially subject the Northern Affairs Fund to credit risk consist principally of cash and cash equivalents and accounts receivable – Province of Manitoba.

The maximum exposure of Northern Affairs Fund to credit risk at March 31st is:

		2017		2016
Cash and Cash equivalent (Note 3)	$	16,020,058	$	14,554,846
Account Receivable - Province of Manitoba (Specific Purpose Fund) (Note 4)		343,130		307,786
Other Receivables - Province of Manitoba (Note 5)		37,703		35,223
	$	**16,400,891**	**$**	**14,897,855**

Cash in bank: The Northern Affairs Fund is not exposed to significant risk as the cash in bank is held with a large Canadian financial institution.

Cash equivalents: The Northern Affairs Fund is not exposed to significant risks as the deposits are held within the Province of Manitoba's Trust account.

Accounts Receivable and Other Receivables – Province of Manitoba: The Northern Affairs Fund is not exposed to significant risk as the receivable is from the Province of Manitoba.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Northern Affairs Fund is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency.

15. Comparative Figures

Comparative Figures for the year end March 31, 2016 have been reclassified, where appropriate, to confirm with the presentation adopted for the year end March 31, 2017.

Northern Affairs Fund

AUDITED FINANCIAL STATEMENTS MARCH 31, 2018

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Manitoba
Indigenous and Northern Relations

Financial and Adminstrative Services
400-352 Donald Street, Winnipeg, Manitoba R3B 2H8
T 204-945-2510 **F** 204-948-2274
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August 10, 2021

NORTHERN AFFAIRS FUND

MANAGEMENT REPORT

The accompanying financial statements are the responsibility of management and have been prepared in accordance with the Canadian public sector accounting standards as stated in the notes to the financial statements. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available.

Management maintains internal controls to provide reasonable assurance that the financial information is reliable and accurate, and that the assets of the Fund are properly safeguarded.

The responsibility of the Auditor General for Manitoba is to express an independent professional opinion as to whether the financial statements are presented fairly in all material respects.

The Executive Financial Officer has reviewed and approved these financial statements.

On Behalf of Management

Original signed by Mike Sosiak

Mr. Mike Sosiak
Executive Financial Officer
Department of Indigenous and Northern Relations

Auditor General
MANITOBA

INDEPENDENT AUDITOR'S REPORT

To the Minister of Indigenous Reconciliation and Northern Relations
To the Legislative Assembly of Manitoba

We have audited the accompanying financial statements of the Northern Affairs Fund, which comprise the statement of financial position as at March 31, 2018, and the statement of operations and accumulated deficit, statement of change in net debt and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Northern Affairs Fund as at March 31, 2018, and the results of its operations and its cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

Original signed by

Office of the Auditor General
August 10, 2021
Winnipeg, Manitoba

NORTHERN AFFAIRS FUND
STATEMENT OF FINANCIAL POSITION
As at March 31, 2018

	2018	Restated (Note 17) 2017
Financial Assets		
Cash and cash equivalents (Note 3)	$ 14,027,961	$ 16,020,058
Accounts receivable (Notes 4, 5, 10)	2,137,038	1,961,556
Total Financial Assets	**16,164,999**	**17,981,614**
Liabilities		
Accounts payable (Notes 6, 10)	2,967,757	3,017,436
Loans payable (Note 7)	28,119,239	30,161,988
Total Liabilities	**31,086,996**	**33,179,424**
Net Debt	**(14,921,997)**	**(15,197,810)**
Non-Financial Assets		
Construction in progress (Note 8)	**3,868,888**	**4,569,487**
Total Non-Financial Assets	**3,868,888**	**4,569,487**
Accumulated Deficit	**$ (11,053,109)**	**$ (10,628,323)**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT
For the Year Ended March 31, 2018

	2018	Restated (Note 17) 2017
Revenues (Sch 1, SPF)		
Indigenous and Northern Communities	$ 11,966,079	$ 12,555,789
Cottage Administration Fees	27,938	27,625
Indigenous and Northern Affairs	501,346	671,135
Municipal Relations	2,883,005	3,017,678
Department of Families	18,200	45,600
Federal Gas Tax	507,051	496,662
Cottage Subdivision Funds	656,603	610,932
Manitoba Hydro	-	-
Specific Purpose - Various	163,139	290,191
Tax Revenue (Sch 2, NTRA)	2,478,501	2,403,050
Total Revenue	**19,201,862**	**20,118,662**
Expenses (Sch 1, SPF)		
Indigenous and Northern Communities	13,176,735	13,256,615
Cottage Administration Fees	34,970	34,729
Indigenous and Northern Affairs	513,879	1,049,948
Municipal Relations	2,796,803	2,926,993
Department of Families	38,100	24,185
Federal Gas Tax	49,934	7,157
Cottage Subdivision Funds	516,851	648,573
Manitoba Hydro	82,155	111,459
Specific Purpose - Various	161,996	480,853
Tax Administered Expenses (Sch 2, NTRA)	2,255,225	2,276,176
Total Expenses	**19,626,648**	**20,816,688**
Annual Deficit	(424,786)	(698,026)
Accumulated Surplus (Deficit) at Beginning of Year As previously reported	(10,714,799)	(9,930,297)
Prior Period Adjustments (Note 17)	86,476	
Accumulated Surplus (Deficit), End of Year As Restated	(10,628,323)	(9,930,297)
Accumulated Deficit, End of Year	**$ (11,053,109)**	**$ (10,628,323)**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
STATEMENT OF CHANGE IN NET DEBT
For the Year Ended March 31, 2018

	2018	Restated (Note 17) 2017
Annual Deficit	**$ (424,786)**	**$ (698,026)**
Non-Financial Assets		
New construction costs (Note 8)	864,960	2,849,726
Closed projects (Note 8)	(1,565,559)	(1,128,529)
	(700,599)	**1,721,197**
Decrease in Net Debt	**275,813**	**(2,419,223)**
Net Financial Assets/(Debt), Beginning of Year As previously reported	**(15,284,286)**	**(12,778,587)**
Prior Period Adjustments (Note 17)	**86,476**	
Net Financial Assets/(Debt), Beginning of Year As Restated	**(15,197,810)**	**(12,778,587)**
Net Debt, End of Year	**$ (14,921,997)**	**$ (15,197,810)**

The accompanying notes are an integral part of these financial statements

NORTHERN AFFAIRS FUND
STATEMENT OF CASH FLOW
For the Year Ended March 31, 2018

	2018	Restated (Note 17) 2017
Operating Activities		
Annual Deficit	**$ (424,786)**	**$ (698,026)**
Change in:		
Accounts receivable	(175,482)	(55,009)
Accounts payable	(49,679)	738,526
Cash used in operating activities	**(649,947)**	**(14,509)**
Capital Activities		
Increase in construction in progress	700,599	(1,721,197)
Cash provided by capital activities	**700,599**	**(1,721,197)**
Financing Activities		
Increase in loans payable	(2,042,749)	3,200,918
Cash provided by financial transactions	**(2,042,749)**	**3,200,918**
Increase/(Decrease) in Cash	(1,992,097)	1,465,212
Cash and Cash Equivalents, Beginning of Year	16,020,058	14,554,846
Cash and Cash Equivalents, End of Year (Note 3)	**$ 14,027,961**	**$ 16,020,058**

Supplemental Cash Flow Information

Interest Received	226,326	202,568
Interest Paid	1,040,841	952,210

The accompanying notes are an integral part of these financial statements.

SCHEDULE 1
NORTHERN AFFAIRS FUND
SPECIFIC PURPOSE FUNDS AND ACCUMULATED DEFICIT
For the Year Ended March 31, 2018

	Balance 31-Mar-17	SPF Transfers (Note 10)	Transfer from Taxation Fund Account (Note 10)	Revenue	Expense	Balance 31-Mar-18
Indigenous and Northern Communities						
Community Council Funds (Note 11 & 17)	$ (18,267,523)	$ 193,729		$ 10,925,238	$ 12,093,507	$ (19,242,063)
Community Capital Support (Note 17)	(849,047)			1,040,841	1,083,228	(891,434)
	(19,116,570)	193,729	-	11,966,079	13,176,735	(20,133,497)
Cottage Administration Fees	79,183			27,938	34,970	72,151
Indigenous and Northern Affairs						
Department Revenue/Transfer Payments	-			440,303	440,303	-
RBC Payment Distribution	27			1,100	1,374	(247)
Fire Training	216,075			-	-	216,075
Sturgeon Landing Road	40,767			671	1,251	40,187
Community Ergonomics	21,550			-	994	20,556
Northern Ministers Development Forum	70,071			-	-	70,071
Workplace Safety and Health Training	1,263			-	-	1,263
Community Clerk Workshop	48,857			-	25,000	23,857
Water Operator Certification	17,607			-	-	17,607
Water Treatment Plant Assessments	37,564			-	-	37,564
Surveys	10,249			-	-	10,249
Resource Management Boards	86,085			-	-	86,085
Resource Management Boards Wildlife Projects	11,930			-	1,493	10,437
Hollow Water Waste Disposal Site	63,612			59,272	43,464	79,420
911 Emergency Services	48,224				-	48,224
	673,881			501,346	513,879	661,348
Department of Municipal Relations						
General Assistance Grant	402,288			2,742,605	2,674,725	470,168
Municipal Program Grant	-	(18,322)		140,400	122,078	-
	402,288	(18,322)	-	2,883,005	2,796,803	470,168
Department of Finance						
Department of Families						
Building Independence Program	23,679			18,200	38,100	3,779
Federal Gas Tax	3,587,373			507,051	49,934	4,044,490
Cottage Subdivision Funds						
Northern Affairs Levy	765,858			656,603	516,851	905,610
Manitoba Hydro						
Nelson River Archaeological Survey	5	(5)		-	-	-
Pimichikamak Archaeological Project	141,979	42,364		-	82,155	102,188
SWAP 2006	49,366	(42,364)		-	-	7,002
	191,350	(5)	-	-	82,155	109,190
Specific Purpose - Various						
Nelson House Claims Account	11,632			90	-	11,722
Sturgeon Management Program	10,524			156,280	156,659	10,145
Northern Healthy Foods Initiative	2,583			-	-	2,583
Treaty Land Entitlement	174,863			-	-	174,863
OPCN-CUFMA Agreement	139,468			-	-	139,468
MMF Historical Research/Tripartite	51,348			-	-	51,348
Consultation Unit	23,612			-	-	23,612
Property Tax Enhancement (Note 10)	631,977	(175,402)	49,925	6,769	5,337	507,932
	1,046,007	(175,402)	49,925	163,139	161,996	921,673
Accumulated Deficit	$ (12,346,951)	-	$ 49,925	$ 16,723,361	$ 17,371,423	$ (12,945,088)

The accompanying notes are an integral part of these financial statements.

SCHEDULE 2

NORTHERN AFFAIRS FUND

NET TAX REVENUES ADMINISTERED AND ACCUMULATED SURPLUS

For the Year Ended March 31, 2018

	2018	Restated (Note 17) 2017
Tax Revenues		
Taxation levies	$ 1,527,356	$ 1,467,926
Grants in lieu of taxes	693,034	696,883
Tax penalties	191,109	174,519
Rentals - Hay and Grazing	66,102	62,024
Other	900	1,698
Total Tax Revenues	**2,478,501**	**2,403,050**
Administered Expenses		
Frontier School Division special levy	1,061,354	1,049,441
Public Schools Finance Board – education support levy	461,020	460,427
Municipal levy	394,970	608,181
Hay and Grazing leases	30,233	23,980
Department of Indigenous and Municipal Relations	52,639	52,537
Budgeted allowance for doubtful accounts	251,683	77,200
Other	3,326	4,410
Total Administered Expenses	**2,255,225**	**2,276,176**
Net Tax Revenue Administered	**223,276**	**126,874**
Accumulated Surplus (Deficit) at Beginning of Year As previously reported	**1,718,628**	**1,698,961**
Prior Period Adjustments (Note 17)	**86,476**	
Accumulated Surplus (Deficit), End of Year As Restated	**1,718,628**	**1,698,961**
Transfer to Specific Purpose Funds Account (Note 10)	(49,925)	(107,207)
Accumulated Surplus at End of Year	**$ 1,891,979**	**$ 1,718,628**

The accompanying notes are an integral part of these financial statements.

NORTHERN AFFAIRS FUND
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended March 31, 2018

1. Purpose of the Organization

The purpose of the Northern Affairs Fund (the Fund) is to administer trust funds on behalf of the designated communities and administer the property tax system within the jurisdiction of the Department of Indigenous and Municipal Relations (as of the audit report date they report to the Department of Indigenous and Northern Relations) in compliance with *The Northern Affairs Act*.

a) Specific Purpose Funds Account

Used to account for all monies advanced to the Minister of Indigenous and Municipal Relations to provide financial services to community councils in northern areas of Manitoba.

b) Taxation Fund Account

Levies property and business taxes based on real property assessments and remits the tax requirements to school divisions and The Public Schools Finance Board. Taxes collected for local purposes in the communities are remitted to the community councils when collected.

2. Summary of Significant Accounting Policies

a) Basis of Accounting

The financial statements of the Fund are prepared by management in accordance with Canadian Public Sector Accounting Standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

b) Revenues and Expenses

I. Revenue and expenses are recognized in the period in which the transaction or events occurred. Revenue and expenses are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impractical.

II. Interest revenue earned on short-term deposits is recognized in the period in which the transaction occurred and recorded on an accrual basis.

III. Tax revenues from property tax assessments, including interest & penalties on overdue payments, are recorded in the year earned and are recorded net of the education property tax credit advance. Transfers made through the tax system are recorded as an expense. Due to the timing differences between the entity's fiscal year and the tax calendar year, receivables are accrued based on the tax assessments of the subsequent tax year.

c) Government Transfers

Government transfers are recognized in the Fund's financial statements as expenses or revenues in the period that the events giving rise to the transfer occurred as long as the transfer is authorized, eligibility criteria, if any, have been met by the recipient, and a reasonable estimate of the amount can be made.

d) Construction in Progress

Construction in Progress represents purchased or constructed assets and is recorded at cost. When the asset is ready to be put into use for the community, the asset is authorized as completed and the project is closed. Subsequently the closed project/asset is transferred to the community by clearing through the Community Council Funds specific purpose account.

e) Cash and Cash Equivalents

Cash and cash equivalents includes cash and short-term deposits with maturities of three months or less from the deposit date and are held for meeting short-term commitments rather than for investing.

f) Financial Instruments

Financial instruments are classified into one of the two measurement categories; (a) fair value; or (b) cost or amortized cost. Financial instruments including cash and cash equivalents, accounts receivable and other receivables – Province of Manitoba, accounts payable and loans payable – Province of Manitoba are recorded at cost.

Gains and losses on financial instruments measured at fair value are recorded in accumulated surplus as re-measurement gains and losses until recognized. Upon disposition of the financial instruments, the cumulative re-measurement gains and losses are reclassified to the Statement of Operations and Accumulated Deficit.

As at March 31, 2018, the Fund does not have any financial instruments measured at fair value. Gains and losses on financial instruments measured at cost or amortized cost are recognized in the Statement of Operations and Accumulated Deficit in the period the gain or loss occurs.

The Fund did not incur any re-measurement gains and losses during the year ended March 31, 2018.

g) Allowance for Uncollectible Taxes and Grants in Lieu of Taxes

The allowance for uncollectible taxes and grants in lieu of taxes consists of tax cancellations relating to specific tax rolls and an estimate of uncollectible accounts based on the history of tax collections.

h) Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from management's best estimate as additional information becomes available in the future.

i) Administrative Support

The Department of Indigenous and Municipal Relations provides administrative services at no charge to the Fund. The cost of these services for the year ended March 31, 2018 is estimated to be $ $311,054 (2017 $326,582).

j) Budget

The statement of operations and accumulated surplus and the statement of change in net financial assets do not present budgeted financial results due to the nature of the Northern Affairs Fund, which administers the funds on behalf of designated communities.

3. Cash and Cash Equivalents

		2018		2017
Cash – Specific Purpose Funds	$	9,070,324	$	10,930,735
Cash – Taxation Fund		100,200		100,200
Investments Payable to Communities		925,779		1,044,426
Cash Equivalents		3,931,658		3,944,697
	$	**14,027,961**	**$**	**16,020,058**

Cash equivalents are 90 day callable deposits with an interest rate in range of 0.50%-0.57% and within the Province of Manitoba trust account. Deposits are normally held to maturity, but if early withdrawal is required the interest rates are applicable up to date of withdrawal.

4. Accounts Receivable

		2018		2017
Accounts receivable - Province of Manitoba (Specific purpose fund)	$	295,479	$	343,130
Accounts receivable - Taxation Fund (Note 5)		1,791,778		1,618,426
Taxation Surplus Receivable		49,781		
	$	**2,137,038**	**$**	**1,961,556**

5. Accounts Receivable-Taxation Fund

		2018		2017
Taxes Receivable, End of year	$	3,471,450	$	3,047,290
Allowance for Doubtful Accounts		(1,718,250)		(1,553,043)
Adjustment to the Allowance for Doubtful Accounts (Note 17)				86,476
Adjusted Allowance for Doubtful Accounts		(1,718,250)		(1,466,567)
Total Net Taxes Receivable, End of Year		1,753,200		1,580,723
Other Receivables – Province of Manitoba		38,578		37,703
	$	1,791,778	$	1,618,426

6. Accounts Payable

		2018		2017
Accounts Payable - Specific Purpose Funds				
Accrued Liabilities	$	1,150,544	$	1,123,963
Interest Payable		891,434		849,047
Invested Community /Reserves Payable		925,779		1,044,426
Accounts Payable-Taxation Fund		-		-
	$	**2,967,757**	**$**	**3,017,436**

7. Loans Payable

Payment of principal and interest is funded primarily by grants from the Province of Manitoba.

Loans from the Province of Manitoba include the following:

	2018	2017
Province of Manitoba, interest 4.45%, repayable in annual instalments plus interest until May 31, 2019 (Original draw November 30, 2009; $2,600,000)	$601,135	$882,634
Province of Manitoba, interest 4.45%, repayable in annual instalments plus interest until May 31, 2019 (Original draw February 1, 2010; $1,950,000)	$447,464	$657,002
Province of Manitoba, interest 4.95%, repayable in annual instalments plus interest until May 31, 2020 (Original draw May 11, 2010; $1,600,000)	$563,435	$733,816
Province of Manitoba, interest 4.00%, repayable in annual instalments plus interest until May 31, 2025 (Original draw October 1, 2010; $4,100,000)	$2,412,829	$2,674,603
Province of Manitoba, interest 3.875%, repayable in annual instalments plus interest until May 31, 2020 (Original draw March 31, 2011; $1,000,000)	$330,237	$432,206
Province of Manitoba, interest 3.00%, repayable in annual instalments plus interest until May 31, 2022 (Original draw December 1, 2011; $2,000,000)	$975,490	$1,153,886
Province of Manitoba, interest 3.00%, repayable in annual instalments plus interest until May 31, 2022 (Original draw March 31, 2012; $2,000,000)	$1,079,020	$1,276,350
Province of Manitoba, interest 4.25%, repayable in annual instalments plus interest until May 31, 2034 (Original draw December 31, 2013; $6,000,000)	$5,385,658	$5,599,018
Province of Manitoba, interest 3.50%, repayable in annual instalments plus interest until May 31, 2035 (Original draw December 31, 2014; $7,000,000)	$6,496,281	$6,752,472
Province of Manitoba, interest 3.75%, repayable in annual instalments plus interest until May 31, 2036 (Original draw December 31, 2015; $5,000,000)	$4,827,690	$5,000,000
Province of Manitoba, interest 3.75%, repayable in annual instalments plus interest until May 31, 2037 (Original draw December 31, 2016; $5,000,000)	$5,000,000	$5,000,000
	$28,119,239	**$ 30,161,988**

Interest payable includes the following:

$ 1,152,140 – 305 days, 4.45%	22,280
$ 857,612 – 305 days, 4.45%	16,593
$ 896,161 – 305 days, 4.95%	23,229
$ 2,926,309 – 305 days, 4.00%	80,384
$ 530,373 – 305 days, 3.875%	10,658
$ 1,326,980 – 305 days, 3.00%	24,374
$ 1,467,814 – 305 days, 3.00%	26,961
$ 5,803,681 – 305 days, 4.25%	190,638
$ 7,000,000 – 305 days, 3.50%	189,371
$ 5,000,000 – 305 days, 3.75%	150,783
$5,000,000 - 305 days, 3.75%	156,164
$	**$891,434**

	Loan Principal	Interest
2018	$ 2,295,535	$ 1,070,296
2019	2,385,714	980,118
2020	1,919,854	886,427
2021	1,667,193	813,666
2022	1,727,832	753,027
Subsequent Years (from 2023)	18,123,111	5,140,652
	$ 28,119,239	**$ 9,644,187**

8. Construction in Progress

	2018	2017
Balance, Beginning of Year	**$ 4,569,487**	**$ 2,848,290**
New Construction Costs	864,960	2,849,726
Closed Projects	(1,565,559)	(1,128,529)
Balance, End of Year	**$ 3,868,888**	**$ 4,569,487**

9. Northern Affairs Fund – Specific Purpose Funds

The Northern Affairs Fund administers the following Specific Purpose Funds:

Indigenous and Northern Affairs Communities:

Community Council Funds – The Department of Indigenous and Municipal Relations provides funding to support communities in the Indigenous and Northern Affairs jurisdiction for the operation, maintenance and construction of their municipal infrastructure.

Community Capital Support – The Department of Indigenous and Municipal Relations provides funding to satisfy principal and interest due on loans payable to the Province of Manitoba (community capital funding source).

Cottage Administration Fees:

Cottage Administration Fees – A portion of funds from the cottagers levy are set aside within the specific purpose fund to provide administrative support to cottage areas.

Indigenous and Northern Affairs:

Departmental Revenue/Transfer Payments – Revenue received from a variety of sources by the Department of Indigenous and Municipal Relations is transferred to the consolidated fund of the Province of Manitoba.

RBC Payment Distribution – The Department of Indigenous and Municipal Relations covers the costs for electronic bank transfer services for payroll cheques for communities and programs where funds are administered in trust.

Fire Training – The Department of Indigenous and Municipal Relations provides funding for community fire training requirements identified as a result of the Fire Program Review.

Sturgeon Landing Road – The Department of Indigenous and Municipal Relations provides funding to maintain the Sturgeon Landing Road and recovers 50% of the costs from the Saskatchewan Provincial Government.

Community Ergonomics – The Department of Indigenous and Municipal Relations funding as per Workplace Safety and Health Regulation 217/2006 to assist community councils with developing a Community Ergonomic Plan (CEP).

Northern Consultation Board – The Department of Indigenous and Municipal Relations provides funding to assist the Board with reviewing/addressing matters and providing recommendations concerning any proposals with respect to the incorporation process.

Northern Ministers Development Forum – The Department of Indigenous and Municipal Relations and other provincial governments provide funding for a special project on Maximizing the Economic and Social Impacts from Major Projects in the North.

Workplace Safety and Health Training – The Department of Indigenous and Municipal Relations provides funding for community workplace safety and health program training requirements.

Workplace Safety and Health Equipment – The Department of Indigenous and Municipal Relations provides funding for community workplace safety and health program equipment requirements.

Community Clerk Workshop – The Department of Indigenous and Municipal Relations provides funding to support training and development of the Community Administrative Officers and support staff.

Water Operator Certification – The Department of Indigenous and Municipal Relations provides funding for community water/wastewater plant operator certification.

Water Treatment Plant Assessments – The Department of Indigenous and Municipal Relations provides funding of engineering assessments on all water treatment plants within Indigenous and Northern Affairs jurisdiction to meet legislated requirements.

Surveys – The Department of Indigenous and Municipal Relations provides funding to conduct land surveys within the communities.

Resource Management Boards – The Department of Indigenous and Municipal Relations provides funding to resource management boards for land use planning activities.

Resource Management Boards Wildlife Projects – The Department of Indigenous and Municipal Relations provides funding for wildlife projects under the resource management boards for polar bear and caribou activities.

Hollow Water Waste Disposal Site – Communities in the Indigenous and Northern Affairs jurisdiction provide funding for the operations and maintenance for a regional waste disposal site for Hollow Water, Manigotagan, Bissett, Aghaming and Seymourville.

911 Emergency Services - The Department of Indigenous and Municipal Relations provides support to implement the 911 emergency response systems in Indigenous and Northern Affairs Communities.

Municipal Relations:

Municipal Programs Grant – The Municipal Relations Division of the Department of Indigenous and Municipal Relations provides unconditional funding to support municipal services.

General Assistance Grant – The Department of Finance provides funding through the distribution of tax revenue on a per capita basis (based on the most recent census) to support municipal services.

Department of Families:

Building Independence Program – The Department of Families provides funding to support a program directed at providing work experience for recipients of social assistance living in Indigenous and Northern Affairs communities.

Federal Government:

Federal Gas Tax – Funds provided through the Department of Indigenous and Municipal Relations to support community infrastructure projects within the jurisdiction of Indigenous and Northern Affairs.

Cottage Subdivision Funds:

Northern Affairs Levy – Funds levied to provide municipal services to unassessed cottage properties within the Indigenous and Northern Affairs jurisdiction.

Manitoba Hydro:

Nelson River Archaeological Survey – Manitoba Hydro provides funding to support archaeological investigation in areas of historical and cultural importance, which has been impacted by hydro-electric development.

Pimichikamak Archaeological Project – Manitoba Hydro provides funding to prepare a plan for an archaeological survey at Sipiwisk Lake.

SWAP 2006 – Manitoba Hydro provides funding to support the system-wide archaeological project.

Specific Purpose – Various:

Nelson House Claims Account – Manitoba Hydro and the Department of Indigenous and Municipal Relations provide funding for the Nelson House Community Settlement Agreement.

Sturgeon Management Program – Manitoba Hydro and the Department of Indigenous and Municipal Relations provide funding for the operation of the Sturgeon Management Board.

Cross Lake Negotiations – The Department of Indigenous and Municipal Relations provides funding to undertake research, community consultations and provide advice and recommendations regarding the implementation of the Northern Flood Agreement.

Northern Healthy Foods Initiative – The Department of Indigenous and Municipal Relations in partnership in MAFRI and Healthy Living and Healthy Child Manitoba provide funding to assist northern communities with their food self-sufficiency projects.

Treaty Land Entitlement – The Federal Government provides funding for photogrammetric land surveys to support and expedite the Treaty Land Entitlement process.

OPCN/CUFMA – The Department of Indigenous and Municipal Relations had completed a multi-year Capital Upgrading Funding Management Agreement (CUFMA) to support the conversion of South Indian Lake to a federal reserve for the O-Pipon-Na-Piwin Cree Nation (OPCN) in 2013/14 and continued to provide funding to support the implementation of the reserve conversion.

MMF Historical Research/Tripartite – The Department of Indigenous and Municipal Relations has an agreement with the Government of Canada and the Manitoba Metis Federation to provide funding for this historical research project, an initiative under the Manitoba Metis Policy.

Consultation Unit – The Department of Indigenous and Municipal Relations provides funding to assist with the Crown-Indigenous consultation process.

Property Tax Enhancement – The Taxation Fund Account transfers any cash in excess of $100,100 as at March 31, 2018 as a contribution to remote communities. In addition, other governmental departments and organizations provide funding to enhance community programs.

10. Inter-fund Transfers

A maximum cash balance of $100,100 is retained in the Taxation Fund Account as at March 31 of each year to cover current needs. Cash in excess of $100,100 is transferred from the Taxation Fund Account to the Specific Purpose Funds Account as a contribution to costs incurred by the fund in providing services in remote areas which do not have a local government to provide these services. The amount of excess at March 31, 2018 was $49,925 (2017 $107,207). The transfer of $49,925 from the Taxation Fund Account to the Specific Purpose Funds Account is excluded from accounts receivable & accounts payable on the Statement of Financial Position and revenue & expenses on the Statement of Operations and Accumulated Deficit.

11. Community Council Funds Revenue

Community Council Fund Revenue includes the following:

	2018	2017
Province of Manitoba, Department of Indigenous and Municipal Relations	$ 10,564,694	$ 11,219,551
Locally generated revenue	815	-
Municipal tax collections transferred from Taxation Fund Account	329,496	559,589
Department of Agriculture, Food and Rural Initiatives, hay and grazing rental transferred from taxation Fund Account	30,233	23,980
	$ 10,925,238	**$ 11,803,120**

12. Public Sector Compensation Disclosure Act

In accordance to the Public Sector Compensation Disclosure Act the Northern Affairs Fund shall disclose to the public an amount of compensation it pays or provides in the fiscal year to any member of council, officer or employee of the communities if the amount paid is $50,000 or more annually. For the year ended March 31, 2018:

a) There were no members of council, officers or employees of the communities receiving compensation of $50,000 or more individually.

b) The aggregate compensation paid to all communities was $11,500 in 2018 and $12,880 in 2017 as follow:

Community	2018	2017
Aghaming	1,380	1,265
Baden	1,380	1,380
Granville Lake	-	690
Herb Lake Landing	1,035	1,610
Loon Straits	1,380	1,265
Powell	1,380	1,380
Princess Harbour	1,380	1,265
Red Deer Lake	1,380	1,380
Red Sucker Lake	1,380	1,265
Salt Point	805	1,380
	$ 11,500	**$ 12,880**

13. Related Party Transactions

The Minister of Indigenous and Northern Relations has control of the Northern Affairs Fund. Key management personnel and their close family members are related parties. They are identified as the Minister and Deputy Minister of Indigenous and Northern Relations, and their spouses, and any controlled business.

Related party transactions are recorded at the exchange amount. Material transactions, in aggregate, or balances are disclosed separately. Indigenous and Northern Relations administrative provides services to the Northern Affairs Fund at no charge. The cost of these services include a portion of the salaries and benefits

of departmental staff and other expenses. Management has not estimated the cost of these services and these unallocated costs are not recognized in the financial statements.

14. Contractual Obligations

As part of operations, Indigenous and Northern Relations entered into agreements with Manitoba Sustainable Development (now Conservation and Climate) on October 25, 2016 to allow Indigenous and Northern Relations to access the Cuprus sewage lagoon for the disposal of wastewater and sewage generated from cottagers located in the Bakers Narrow area within Indigenous and Northern Relations' jurisdiction. The agreement expires on October 31, 2026. Pursuant to the agreement, Indigenous and Northern Relations must pay a total of $414,373to Manitoba Conservation and Climate. Payments are made on monthly basis from the Northern Affairs Fund as customers pay their share of the fee. The full balance is due by October 31, 2026.

15. Financial Risk Management

The Northern Affairs Fund has exposure to the following risks from its use of financial instruments: liquidity risk, interest rate risk, credit risk and currency risk.

Liquidity risk

Liquidity risk arises from the possibility of the Northern Affairs Fund having insufficient financial resources to meet its financial obligations when they come due.

The Northern Affairs Fund mitigates this risk through cash management. The Northern Affairs Fund continuously monitors and reviews both actual and forecasted cash flows through periodic financial reporting. Accounts payable are typically paid when due or in the case of loans payable – Province of Manitoba are repaid in accordance with a schedule over the term to maturity.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to cash and cash equivalents and loans payable – Province of Manitoba.

The interest rate risk on cash and cash equivalents is considered low due to their short-term nature.
The Northern Affairs Fund is exposed to interest rate risk on its loans payable – Province of Manitoba which carries specific rates of interest. A 1% increase in interest rates would have an effect of $281,192 and increase expenditures.

However, the interest rate risk on loans payable – Province of Manitoba is low because the rate is fixed for the term to maturity and the Province of Manitoba is funding all required interest payments. Therefore, revenue of the Community Capital Support Funds would also be increased by $281,192.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to the counter-party. The financial instruments that potentially subject the Northern Affairs Fund to credit risk consist principally of cash and cash equivalents and accounts receivable – Province of Manitoba.

The maximum exposure of Northern Affairs Fund to credit risk at March 31st is:

		2018		2017
Cash and Cash equivalent (Note 3)	$	14,027,961	$	16,020,058
Account Receivable - Province of Manitoba (Specific Purpose Fund) (Note 4)		295,479		343,130
Other Receivables - Province of Manitoba (Note 5)		38,578		37,703
	$	**14,362,018**	**$**	**16,400,891**

Cash in bank: The Northern Affairs Fund is not exposed to significant risk as the cash in bank is held with a large Canadian financial institution.

Cash equivalents: The Northern Affairs Fund is not exposed to significant risks as the deposits are held within the Province of Manitoba's Trust account.

Accounts Receivable and Other Receivables – Province of Manitoba: The Northern Affairs Fund is not exposed to significant risk as the receivable is from the Province of Manitoba.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Northern Affairs Fund is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency.

16. Comparative Figures

Department of Municipal Relations revenues and expenses for 2017 have been re-stated in the Statement of Operations and Accumulated Surplus. Department of Municipal Relations provides both General Assistance Grant and the Municipal Grant.

17. Restatement

I. Capital Support Prior Period Adjustment

At year-end revenue and expenses of the capital support interest need to be accrued as payments are made annually in the month of May. The accruals related to the ten month period of June to March was missed.

	Community Capital Support Interest	Community Council Funds
2017 Ending Balance as previously reported in Schedule-1	(934,738)	(18,181,832)
Prior Period Interest Adjustment	85,691	(85,691)
Adjusted Opening Balance for 2018 (10 months accrued interest for 2017)	(849,047)	(18,267,523)

II. Allowance for doubtful account was restated due to miscalculation in 2017.

The Allowance for Doubtful Accounts should be equal to the balance of unpaid taxes from five years prior. As at March 31, 2018, the Allowance for Doubtful Accounts should be the balance as of March 31, 2013.

The incorrect balances were used in 2017, resulting in an overstatement of the Allowance for Doubtful Accounts by $86,476, therefore an adjustment is required to reduce this account.

Previously reported Allowance for Doubtful Accounts balance for 2017	$	1,553,043
Corrected Allowance for Doubtful Accounts balance for 2017	$	1,466,567
	$	86,476

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