

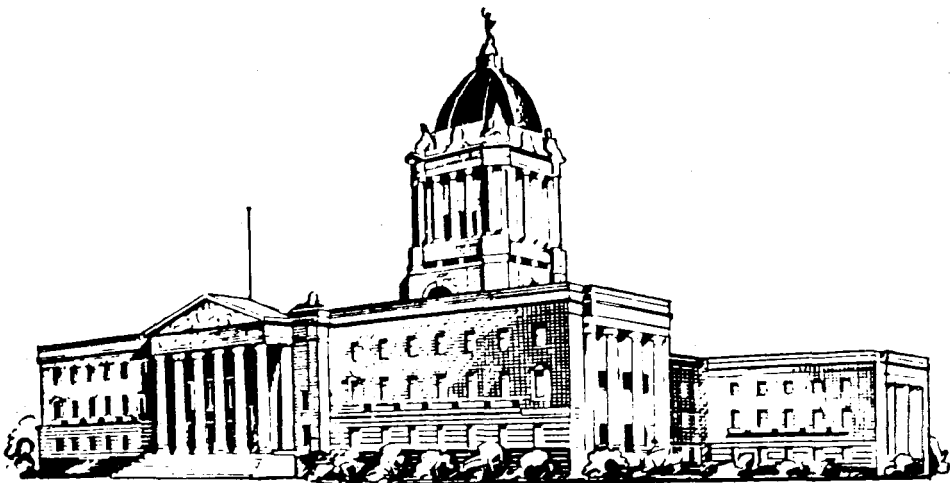


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXI No. 106 2:30 p.m., Monday, April 29th, 1974.

First Session, 30th Legislature.

Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	ROM 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Robin Pl., Winnipeg	R3J 3L8
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Man.	ROJ 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0V8
BRANDON WEST	Edward McGill	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
CHARLESWOOD	Arthur Moug	P.C.	29 Willow Ridge Rd., Winnipeg	R3R 1L5
CHURCHILL	Les Osland	NDP	66 Radisson Blvd., Churchill	ROB 0E0
CRESCENTWOOD	Harvey Patterson	NDP	978 Garwood Ave., Winnipeg	R3M 1N7
DAUPHIN	Hon. Peter Burtniak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ELMWOOD	Hon. Russell J. Doern	NDP	Legislative Bldg., Winnipeg	R3C 0V8
EMERSON	Steve Derewianchuk	NDP	Vita, Manitoba	ROA 2K0
FLIN FLON	Thomas Barrow	NDP	Cranberry Portage, Man.	ROB 0H0
FORT GARRY	L.R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg	R3N 0T9
FORT ROUGE	Lloyd Axworthy	Lib.	132 Osborne St. S., Winnipeg	R3L 1Y5
GIMLI	John C. Gottfried	NDP	44 - 3rd Ave., Gimli, Man.	ROC 1B0
GLADSTONE	James R. Ferguson	P.C.	Gladstone, Man.	ROJ 0T0
INKSTER	Hon. Sidney Green, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
KILDONAN	Hon. Peter Fox	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAC DU BONNET	Hon. Sam Uskiw	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Man.	ROC 3H0
LA VERENDRYE	Bob Banman	P.C.	Steinbach, Man.	ROA 2A0
LOGAN	William Jenkins	NDP	1294 Erin St., Winnipeg	R3E 2S6
MINNEDOSA	David Blake	P.C.	Minnedosa, Man.	ROJ 1E0
MORRIS	Warner H. Jorgenson	P.C.	Morris, Man.	ROG 1K0
OSBORNE	Hon. Ian Turnbull	NDP	Legislative Bldg., Winnipeg	R3C 0V8
PEMBINA	George Henderson	P.C.	Manitou, Man.	ROG 1G0
POINT DOUGLAS	Donald Malinowski	NDP	23 Coralberry Ave., Winnipeg	R2V 2P2
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	135 - 16th St. S.W., Portage la Prairie, Man.	R1N 2W5
RADISSON	Harry Shafransky	NDP	4 Maplehurst Rd., Winnipeg	R2J 1W8
RHINELAND	Arnold Brown	P.C.	Winkler, Man.	ROG 2X0
RIEL	Donald W. Craik	P.C.	3 River Lane, Winnipeg	R2M 3Y8
RIVER HEIGHTS	Sidney Spivak, Q.C.	P.C.	Legislative Bldg., Winnipeg	R3C 0V8
ROBLIN	J. Wally McKenzie	P.C.	Inglis, Man.	ROJ 0X0
ROCK LAKE	Henry J. Einarson	P.C.	Glenboro, Man.	ROK 0X0
ROSSMERE	Hon. Ed. Schreyer	NDP	Legislative Bldg., Winnipeg	R3C 0V8
RUPERTSLAND	Harvey Bostrom	NDP	Manigotagan, Manitoba	ROE 1E0
ST. BONIFACE	J. Paul Marion	Lib.	394 Gaboury Place, Winnipeg	R2H 0L4
ST. GEORGE	Hon. Bill Uruski	NDP	10th flr., 330 Portage Ave., Wpg.	R3C 0C4
ST. JAMES	George Minaker	P.C.	318 Ronald St., Winnipeg	R3J 3J8
ST. JOHNS	Hon. Saul Cherniack, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. MATTHEWS	Wally Johannson	NDP	418 Home St., Winnipeg	R3G 1X4
ST. VITAL	D.J. Walding	NDP	26 Hemlock Place, Winnipeg	R2H 1L7
STE. ROSE	A.R. (Pete) Adam	NDP	Ste. Rose du Lac, Man.	ROL 1S0
SELKIRK	Hon. Howard Pawley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SEVEN OAKS	Hon. Saul A. Miller	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SOURIS KILLARNEY	Earl McKellar	P.C.	Nesbitt, Man.	ROK 1P0
SPRINGFIELD	Hon. Rene E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0V8
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	ROL 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0V8
THOMPSON	Ken Dillen	NDP	1171 Westwood Dr., Thompson	R8N 0G8
TRANSCONA	Hon. Russell Paulley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
VIRDEN	Morris McGregor	P.C.	Kenton, Man.	ROM 0Z0
WELLINGTON	Philip M. Petursson	NDP	681 Banning St., Winnipeg	R3G 2G3
WINNIPEG CENTRE	J.R. (Bud) Boyce	NDP	777 Winnipeg Ave., Winnipeg	R3E 0R5
WOLSELEY	I.H. Asper	Lib.	Legislative Bldg., Winnipeg	R3C 0V8

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Monday, April 29, 1974

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 70 students of Grade 9 standing of the Yellow Quill School. These students are under the direction of Mr. Sushelnitsky, Mr. Wallace, Mrs. Wright and Mrs. Green. This school is located in the constituency of the Honourable Member for Portage la Prairie. On behalf of all the honourable members of the Legislative Assembly I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Questions.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): A question to the First Minister. I wonder if he can confirm that he and the former Minister in charge of Autopac were both aware of the deficits of Autopac prior to the 1973 election?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I can certainly confirm that we were not aware of any deficit of the magnitude that was finally involved before June of 1973, for the simple reason that by June of the year the operations of the Public Insurance Corporation for that given fiscal year are only two or three months of duration and therefore it's obvious that we could not have been aware and were not aware.

MR. CRAIK: Mr. Speaker, I wonder if either the First Minister or on behalf of the former Minister in charge of Autopac could indicate that the deficit or the trend in the deficit would have been indicated had it been asked in the Legislature prior to the 1973 election?

MR. SCHREYER: Well, Mr. Speaker, that's rather hypothetical but I could reply even to that and indicate that until one has passed the halfway point in a year's fiscal operation it is really quite highly speculative as to what the final year's deficit or profit position will be.

MR. CRAIK: Mr. Speaker, I direct a question to the current Minister in charge of Autopac and ask him whether the hail damages regarding Autopac were in fact \$1 million or less out of the total \$10 million deficit whereas hail was indicated to be one of the major factors for the deficit.

MR. SPEAKER: The Honourable Minister for Autopac.

HON. BILLIE URUSKI (Minister responsible for the Manitoba Public Insurance Corporation) (St. George): Mr. Speaker, the questions raised by the honourable member can be answered tomorrow at the committee level but the damages incurred insofar as paid out damages were in the amount of \$3 million.

MR. CRAIK: A supplementary question, Mr. Speaker. Of the \$3 million, is it not a fact that \$2 million were covered through reinsurance?

MR. URUSKI: In that neighbourhood, that is correct.

MR. SPEAKER: The Honourable Member for Wolseley, the Leader of the Liberal Party.

MR. I. H. ASPER (Leader of the Liberal Party) (Wolseley): Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Mines and Natural Resources. Could he provide the House with a report on the meeting in Winnipeg on Friday held between the special committee consisting of water experts from Manitoba and North Dakota relative to the Garrison Diversion, and in answering I wonder if he might indicate were any new analyses presented with respect to the effect of the project on Manitoba and what recommendations or assurance have now been given if any.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I just spoke verbally to my Deputy Minister concerning this this morning. The meeting was concerned merely with providing for a method of exchange of information. There were no changes in position taken, the Americans have not done anything to satisfy the Government of Manitoba relative to the compliance with their undertaking. There is

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(MR. GREEN cont'd) no change in the position that was previously stated. The officials merely, to my understanding, got together for the purpose of indicating as to how exchanges of information would take place.

MR. ASPER: Mr. Speaker, to the same Minister. Would he indicate whether this committee is operating with the full support and authority of all levels of government, Federal, Provincial, State, Federal. In light of the boycott of that meeting by a U.S. Bureau of Reclamation official, could the Minister indicate whether there is full information being given to the committee on both sides?

MR. GREEN: Mr. Speaker, a rather unusual situation developed with respect to the meeting. The Federal and Provincial authorities met in Winnipeg, the Federal Government of Canada and Manitoba officials met in Winnipeg with respect to the strategy of the meeting. Therefore it was concurred in by all parties concerned. Also the American officials to our understanding, that is the Federal American officials, were ready to leave and were advised then not to come. When the American Federal people were advised not to come I'm advised that the Canadian Federal people were advised not to come and their meeting took place as between North Dakota people and Manitoba people. But, with respect to the meetings generally and the strategy to be involved the over-all responsibility is with the Government of Canada and the Government of Manitoba and the Government of Canada are in all respects on all fours with respect to the meetings that are taking place. The Federal people, the Canadian people did not come when the American Government people did not come.

MR. ASPER: Mr. Speaker, a supplementary question to the Minister. Does the committee have available to it the latest information involving the impact of the Garrison Diversion on Manitoba as it is understood exists, or there is some screening process that is going on whereby some agency of government is deciding what this committee will have and when it will have it or is there an automatic flow through of information to the committee and if so, does the committee have the latest report which is prepared by the U.S. - not the Bureau of Reclamation but I think the Department of the--in the Interior?

MR. GREEN: Mr. Speaker, my understanding is that there is one recent report that the committee does not have and I am told that one of the reasons that the American Federal Government did not participate is that there was a reluctance to deal with that particular report immediately. I am hoping in accordance with the ready exchange of information that has been available to this point that that report will be made available; and certainly the Canadian Government is aware of it, the Department of External Affairs is not aware of the contents but aware of its existence. The Department of External Affairs has indicated that meetings in the future will have to be dealt with taking into account that particular report.

MR. ASPER: Mr. Speaker, a final supplementary. Has the Minister been given some assurance, or will he undertake to obtain some assurance that he will obtain the supplementary environmental study which has now been prepared and regardless of when the committee meets again make that information public by tabling it in the House?

MR. GREEN: Well, Mr. Speaker, I can only answer as I've answered before, that we sincerely hope that as in the past the American Government will be passing on to the Canadian Government such information as is available, and when such information is obtained it will certainly be made available to the public, with the concurrence of course of the Canadian Government which will be the initial body that I understand will be receiving this information, or that would be the normal recipient of the information.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable the Minister of Labour. Can the Minister advise the House whether any meetings are scheduled for later today or tonight between the two sides in the Health Sciences dispute?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, I've been officially notified by Mr. Steward Martin, Q. C. that he has accepted the appointment as Industrial Inquiry Commission. I have been informed that he has already had conversations with a representative, a prime representative of CUPE. I believe a meeting is teed up either for this evening or tomorrow. It's my understanding that a meeting will be held, internal meeting of the labour organization this evening. We'll go from there.

I may say, Mr. Speaker, in order that I cannot be accused sometime in the distant future

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(MR. PAULLEY cont'd) or near distant future that I haven't disclosed to the House what has transpired, I may say that following the announcement which I made on Friday morning at 10:00 o'clock in the morning, a request was made of me by representatives of the United Health Services meeting which was held in my office on Friday just to brief the terms of reference to the commission. The indications are, as given to me, that the commission will first of all meet with the employees' representatives and then follow that with another meeting, a follow-up meeting with the management representatives, and it's anticipated and hoped that before too long the commission will be able to get both parties together for a thorough discussion of the problems with which each are confronted.

MR. SHERMAN: A supplementary, Mr. Speaker. I thank the Minister for his information. In other words, the Industrial Inquiry Commission has not yet had the opportunity or the occasion to meet with the management side, the administrative side?

MR. PAULLEY: It is my understanding, Mr. Speaker, that in the wisdom of the commission that it is felt that the first step would be with the representatives of the union organization. Having said that, Mr. Speaker, I want to put a caveat on what I have just said, to the fact the things are happening so rapidly it could conceivably be that a meeting will be held with the management prior to a meeting with the labour organization.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I direct my question to the Minister of Mines in respect to his responsibility for flood control. My question relates to the Portage Diversion and the use of it in the last few days. Because a number of farms near the outlet have been seriously flooded, can the Minister inform the House as to what has been done to relieve the pressure by redirecting some of the water back into the Assiniboine River?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I want to thank my honourable friend for having apprised me of this situation earlier this morning. I didn't hear from him directly but I got a note - he wasn't able to reach me personally but I got his note. I was in touch with the Water Control Branch of my Department. The situation he speaks of is correct, Mr. Speaker. There was a spill on the Portage Diversion close to the inlet into Lake Manitoba. I am advised that the flooding will get no worse than it is at the present time; that the minimum amount of water to maintain the existing levels east of the diversion is being maintained. That is, only that amount is being let into the Portage Diversion as would maintain the levels east of the diversion, they are not putting more water into the diversion than will be necessary to do exactly that. They are on the other hand not diverting water from the diversion so as to raise levels east of the diversion. It would not do much good in any event because apparently the spill is at prairie level. The break in the diversion is down to the point that if any water flowed into the diversion it would spill into the area the honourable member is referring to, and some people who would not have been damaged if it were not for the diversion, and therefore, Mr. Speaker, they are in a special case and it would be quite likely that the province would be responsible for full compensation to the people who have been hurt as a result of that spill.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Honourable Minister of Health and Social Services. I wonder if the Minister or the Government has given any consideration to the request from the union at the Manitoba Health Sciences to remove the eight percent budgetary ceiling so that they can increase the wages to the non-medical employees?

HON. SAUL A. MILLER (Minister of Health and Social Development)(Seven Oaks): Mr. Speaker, this ceiling that's being referred to constantly is a global ceiling, a global amount which is turned over to a hospital and within that global amount they determine the allocation of funds. It does not mean that any particular salary was to be limited to eight percent or any administrative or maintenance costs are to be limited to eight percent. So that within a global amount there's considerable flexibility by the Health Science Centre to determine where it will increase and where it will perhaps make savings. So that the suggestion that the MHSC, the Health Services Commission guideline of eight percent should suddenly be lifted I think would really not be a correct procedure, because in the final analysis the hospital and the Health Services Commission have to sit down and determine what is feasible and what isn't feasible.

MR. PATRICK: Mr. Speaker, my question is on the same topic to the Honourable

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(MR. PATRICK cont'd) Minister of Labour. I wonder if the Minister of Labour can tell us what the situation is at Brandon Hospital with respect to non-medical workers. Can he give us a report on that?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, the information that I have is that there either is the possibility or there will be a strike vote with the union to take place on May 2nd.

MR. PATRICK: A supplementary. Are the two parties negotiating at the present time or can they be brought together for the purpose of resuming negotiations? Can the Minister advise in respect to that?

MR. PAULLEY: I'm sorry, Mr. Speaker, I can't definitively say that they will or that they are. I suspect, and I use that term with caution, I suspect there may be a relationship between the negotiations insofar as the Health Services Centre and CUPE, there may be a relationship there with the situation that is prevailing at Brandon.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I have a question for the First Minister, I regret I haven't given him prior notice. Why were the members of the Legislative Assembly denied the privilege of being personally introduced to Her Majesty's representatives on their initial visit to the province last week? This in the light of the fact that the City Councillors and their wives were summoned to Government House to be presented to Their Excellencies.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I perhaps could tender a feeling of regret to the Member for Swan River but he'll appreciate that matter of protocol and the itinerary for His Excellency and Mrs. Leger was something which I did not presume to involve myself in. I didn't think it would be proper and so the matter was handled or dealt with by other people. However, I don't dispute that there may be some validity to his question and I will undertake to make some inquiries.--(Interjection)--Well I repeat, Mr. Speaker, that I don't question the validity of the question however, I did not in any way participate in the arrangements and the protocol.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): I should like to also direct a similar question to the First Minister and ask him if he will also look into the reasons why RCMP Officers were permitted to stand in this Chamber during the course of His Excellency's visit. Another indication of a breach of protocol I think.

MR. PAULLEY: Oh John Diefenbaker would have liked that.

MR. SCHREYER: Well, Mr. Speaker, I can certainly do that. At the same time not having been involved with the arrangements and the protocol it came as somewhat as a surprise to me; I'm not sure the extent of the seriousness of the matter but I do agree with the Member from Morris that it is somewhat unusual to have security personnel extraneous to that required for the Chamber itself to be posted within the Chamber. At least I share with the Member for Morris that understanding as to what is proper.

MR. JORGENSEN: Mr. Speaker, I should also like to ask the First Minister if he will undertake to convene a meeting of the municipalities, EMO, the Army, and perhaps more important than all, the Mennonite Disaster Committee who perhaps contributed more to fighting the floods than any other organization, following the receding of the waters so that the complaints and the problems that arose during the course of the flood can be aired and perhaps steps taken to ensure that there is no recurrence of the confusion that existed during this year's flood.

MR. SCHREYER: Mr. Speaker, without accepting the last point in my honourable friend's question as to degree of confusion, I could point out to the Honourable Member for Morris that I have already made some preliminary inquiries of municipal officials to obtain their views, even if preliminary, as to ways and means, if any, of improving on a liaison and co-ordination in the period prior to flooding based on flood forecasting, and certainly it is regarded as worthwhile to convene a meeting of those that are most directly involved at the municipal level, provincial authorities, and that includes Emergency Measures personnel and other groups that have been involved in flood fighting, to see what if anything can be done to bring about improvements of the kind I referred to.

MR. SPEAKER: The Honourable Member for Roblin.

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MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, my question is to the Honourable the First Minister. Since the 1974 Portage Diversion flooding problems are now classed as a special case, can I ask the Honourable First Minister if the 1972 flooding of the Assiniboine River due to the gates of the Shellmouth Reservoir being left open and the 1973 problem at the Cowan and Drake Rivers, can also be classed as special problems?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, obviously we will have to obtain advice from Water Control as to the extent to which, if any, damage caused by reservoir regulation would be greater or lesser than would have occurred had no reservoir control works been in place at all. I refer to the fact that the flood level reports indicate that at various levels the amount of the level of water exceeds or is less than previous peak stages and flows. But it is a question which I will not give a definitive answer to at this time, for the simple reason that if there is to be a widespread, an ironclad assurance given that there will be compensation for the least amount of flood damage as a result of the operation of costly flood control works it may tend to cause the under-utilization of those flood control works in the future. So what my honourable friend is asking about is something which will have to be taken up with the Water Resources and Water Control Branch.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: A supplementary question, Mr. Speaker. Will it be in order for the municipalities of Shellmouth and the Local Government District of Mountain to make application to the Flood Disaster Fund Board for their losses?

MR. SCHREYER: Well, Mr. Speaker, there is, and in fact we intend to make known some time this week the compensation of the Flood Assessment and Compensation Board and the procedures as well as to how local government is to proceed to make their claims known to this board. I might add that the Flood Compensation Board will be relating primarily to claims on damage with respect to private property. With respect to damage to municipal property - roads, culverts, bridges - a mechanism is being developed now, also to be announced very soon, whereby they can make their assessments of damage known to the provincial authorities and there will be a team of three or four people, involving a person from the Union of Manitoba Municipalities in all probability who will then go out to make their on-site investigation and reports and there will be compensation to municipalities for damage pursuant to a formula which will be announced later this week as well.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Health and Social Development. In view of the closing of a number of beds in the Winnipeg region and the early discharge of patients, can the Minister tell this House whether his Department or the hospitals or the Manitoba Health Services Commission have undertaken any special planning or organization of home care services for early discharged patients, particularly in the therapeutic and in the medical arrangements?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, as I indicated last week, the hospitals in the region of Greater Winnipeg have been alerted to the possibilities of withdrawal of services, have been making arrangements amongst themselves to look after patient loads and emergencies and cases that must have care. The Health Sciences Centre, it has been indicated in the press and that's how I know about it, have geared down by a discharge of patients and from what I understand have instructed their staff and are making arrangements for people to be looked after at home through either home care services or by having arrangements with a VON or other agencies to do that sort of work.

MR. AXWORTHY: Thank you, Mr. Speaker. To the same Minister. In view of the fact that many patients are now being sent home, is the Department or the Health Services Commission prepared to provide any special assistance to agencies providing home care services such as VON and others to enable them to meet the extra burden or the extra kinds of demands that will be required to care for patients in a home situation?

MR. MILLER: Mr. Speaker, the Manitoba Health Services Commission does use the services of VON and contracts for them as they're needed.

MR. AXWORTHY: A supplementary, Mr. Speaker. I would like to repeat the question in a more specific way. Has the Minister asked the Manitoba Health Services Commission

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(MR. AXWORTHY cont'd) in its contractual arrangements with these home care services if they, because of the extra demand, because of the large number of patients who are now being discharged, were they prepared to provide any additional assistance to these agencies to insure that all those who need additional home care will be provided with such?

MR. MILLER: Mr. Speaker, I can't give a pat answer but I'd be very surprised if the Manitoba Health Services Commission didn't do that because that's exactly the arrangement. The Victorian Order of Nurses is contracted to the Health Services Commission to provide just that kind of role, and if the demand increases than I'm sure that the Health Services Commission will of course call on the VON to perform a greater service.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question to the Honourable the First Minister arises out of a meeting that I had with flood victims in my constituency during the weekend. Can the Minister advise the House and other people affected by the floods whether persons wishing to begin the job of clean-up and repair to their properties can do so at this stage of events without running the risk of jeopardizing claims for reparations that would be based on the condition of their property as it was left by the floods?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, there is certainly no reason why a person or persons should not proceed with clean-up and rehabilitation just as soon as it is practical to do so. Without going into the details of any formula for flood damage assistance or compensation, I might indicate that the common sense thing to do would be simply to proceed as soon as it's practical, to save all invoices that will provide some substantiation of costs incurred and those that are eligible for compensation, those items will be approved and those that are not will not be approved. But nothing is lost by proceeding as soon as it's practical, as long as invoices are kept.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I have another question for the Honourable the First Minister on a different subject. Has the Minister as the Minister responsible for Hydro had brought to his attention a grievance expressed by a number of workers on the Missi Falls site which has prompted many of them to leave their jobs over a change in working schedule on the site and an accompanying lack of recreational facilities?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: No, Mr. Speaker, that has not been brought to my attention. I can only assume that if it has already been brought to the attention of Manitoba Hydro offices that it will be communicated to me at some early stage.

While I'm on my feet, Mr. Speaker, I think it would interest members of the House to note that with the actual passing of the crest, anticipated crest at Winnipeg, that very close to what was anticipated a week ago, the water levels at Winnipeg would have been - I'm putting this on the basis of had there been no control works in place - the water levels would have been very close to, slightly less, but very close to 1950 levels and with the flow in the order of 100,000 cfs. which is approximately 97 percent of 1950 flows as measured at the James Street Pumping Station. Members will recall that a week ago, Monday, last Monday, I had indicated that with the sort of simultaneous cresting within the same 24-hour time period in Winnipeg at the confluence of the two rivers, that the flows would have been somewhat in excess of 1950 flows. As it turned out with the improvement in conditions through most of last week that wouldn't have proved to be the case but it would have been very close to that, about 100,000 cfs. as opposed to 103,000 cfs. in 1950.

MR. SPEAKER: The Honourable Member for Fort Rouge.

A MEMBER: Fort Rouge or Fort Garry?

MR. SPEAKER: I said Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I'd like to ask a question of the Minister of Tourism. Has the Minister received in the past month or two a letter from representatives of the Manitoba Game and Fish Association asking if the Provincial Government would build public facilities, including washroom facilities, in the Lockport Docks area to accommodate the upwards of two to three thousand people who fish and use that area every weekend during the summer months?

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

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HON. RENE E. TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I can recall receiving a letter from the Game and Fish Association but not in regards to the subject matter brought forward by the Honourable Member for Fort Rouge.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well I'd like to ask the Minister then, has his department undertaken any plans to develop accommodating facilities for the public in the Lockport area particularly for summertime use. And if so, does the Minister plan to relate those plans to members of the different wildlife, game and fish organizations so they can complement the planning with them?

MR. TOUPIN: Mr. Speaker, I'm sure the honourable member knows that we're dealing with two jurisdictions involved in that area, being the Federal Government and the possible involvement of the Department of Tourism, Recreation and Cultural Affairs. I'm not aware of any proposal that has been made to myself but there could have been discussions that took place between the Federal Department and my department. I'll check and inform the honourable members.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to go back to the Missi Falls question I asked a moment ago and perhaps direct it to the Honourable the Minister of Labour, and ask him whether he would undertake to look into a grievance existing among workers on the site which has led to somewhere between 19 and 35 of the men on the site leaving their jobs during the past 72 hours with the threat of more of them leaving, over a work schedule that has been reduced to their disadvantage, has been reduced from seven days to six days against their wishes to work on a full-time schedule, by virtue of the fact that it's an isolation situation.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Chairman, I don't want to disappoint my honourable friend or to give any misinformation to the House, but it is a fact that from time to time I am made aware of certain areas of discontent with employees in some of our more remote areas where it is their desire, Mr. Speaker, to pretty well work seven days a week. I have the ministerial authority to grant additional hours within a work week payment with the exclusion of the necessity of paying time and a half or overtime.

I do want to say to my honourable friend that in this particular instance I have not received any real official complaint. The whole matter of the Hydro projects in Northern Manitoba have been referred to me to some degree in my capacity as the Chairman of a sub-committee of Cabinet dealing with manpower and employment. I have met on a few occasions now with representatives of the construction industry that are involved in the north, the Manitoba Hydro Committee, and it is my hope that I will be meeting if at all possible this week with the Allied Trades Council to get their viewpoint as well. I want to assure my honourable friend that if the matter raised by him is drawn to my attention I would give it every priority because I, like he, am very very interested in that there is a sort of a good relationship with employees, management and unions in Northern Manitoba so that the input and the progress will be enhanced in the development of Northern Manitoba in respect of Hydro and anything else.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I direct a question to the Minister of Mines and Resources. Can the Minister indicate the state of operations of the Moose Lake Loggers Corporation, whether in fact they're in continued operation beyond the end of this month?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Speaker, I couldn't give an immediate answer. I know there was some consideration to discontinuing operations through lack of people wishing to work but I'm not certain that that has occurred.

MR. CRAIK: Mr. Speaker, a supplementary question. I wonder if the Minister can indicate when the corporation will be presenting before the Committee of the House?

MR. GREEN: Well, Mr. Speaker, I indicated some time ago that I had last year's report which was a rather favourable one and this year's is not favourable and I thought that it would be better if I had both reports together rather than dealing with a report which deals with a situation that has reversed itself this year. I am hoping that it will be before committee, certainly within the next month or so, but I think that it would be better if I had this year's report rather than dealing with last year's report which showed something like - my

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(MR. GREEN cont'd) recollection is a \$37,000 operating deficit and this year's is much higher than that, closer to \$100,000.

MR. CRAIK: Mr. Speaker, I wonder if, on the first question, whether the Minister might determine or give some indication to the House as to whether the company intends to resume operations or in the near future if a decision is going to be made to close the operation down.

MR. GREEN: Mr. Speaker, it may not resume operations. That is what I indicated. It may be that we will have to find another logging operation other than the one at Moose Lake in view of this year's difficulty in hiring loggers. There are various reasons for this but I really don't think I can deal with them. But it may be that the operation may move elsewhere.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Thank you, Mr. Speaker, my question's to the Mines Minister. It relates to the answer he gave indicating that he had not yet received personally a copy of the new Impact Study on the Garrison Diversion on Manitoba waters. Has it been indicated to him or has he been advised that this report does indicate that greater damage will occur in Manitoba than was first represented to us by the officials of North Dakota and the Bureau of Reclamation?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, we are aware that as a result of the first indication of damage the United States government has sent us a note saying that no construction will be commenced which would have the effect of causing the damage that we fear. If the second report does indeed say what the honourable member says it does, and I read words to that effect in the Winnipeg Free Press on Saturday, it would seem that we would be ever more stronger in our position of having the United States comply with its own obligation. And, Mr. Speaker, there is no better position for Canada or Manitoba to be in than having the United States government tell the State of North Dakota not to proceed if it will damage Manitoba waters.

MR. ASPER: Mr. Speaker, to the same Minister. In view of the now proven danger relying on reports that come from the other side, will the Minister now consider commissioning a study by Manitoba for its own use rather than continuing to rely on American reports?

MR. GREEN: Mr. Speaker, there is a gulf of misunderstanding or difference of opinion between my honourable friend and myself. It is on the basis of the United States Board of Reclamation report that the United States government has sent us a note saying that no construction - repeat, no construction will be proceeded with which will have the effect of polluting Manitoba waters to the injury of persons or property. That being the case, then certainly the advance that we have made has been based on that report. It hasn't been a misleading position, it has been a position which has supported the Government of Manitoba. If the United States government now has another report which supports even further the Government of Manitoba it would seem that we are doing well letting them publish their report.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable Minister responsible for communications. Can the Minister confirm that the Government has requested some time, I believe it's one hour, at the top of the CRTC Hearings scheduled for May 14th in Winnipeg to present a Provincial Government position paper on communications?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Mr. Speaker, the Member for Fort Garry has remarkably accurate information. We have requested the time allotment from the Chairman of the CRTC and we will be appearing, not to present the position paper or a position paper, but to make a presentation to the CRTC on behalf of the people of Manitoba; a presentation of course being quite distinct from, as the member likely knows, from an intervention.

MR. SHERMAN: A supplementary, Mr. Speaker. I thank the Minister for his information. Does the position being presented by the province bear any relation to the applications, the licence applications that will be before the CRTC?

MR. TURNBULL: There are a great number of applications before the CRTC. The presentation that the government will make will not relate specifically to each of the applications that are being made to the CRTC, but will instead be a general presentation of the need for improved communication, an increased number of television channels and such items in Manitoba.

MR. SHERMAN: A supplementary, Mr. Speaker. Will the members of this Legislature

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(MR. SHERMAN cont'd) have a chance to be acquainted with the government position before it is delivered to the CRTC?

MR. TURNBULL: Mr. Speaker, I have given due consideration to that point, of course, and I think it would be right, proper and appropriate for me to release to members of the Legislature a copy of the discussion paper, which is the position of the Manitoba Government, position for discussion, to members of the Legislature before it is made available to the press and public.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. SHERMAN: A final supplementary Mr. Speaker.

MR. SPEAKER: The honourable member has had already his supplementaries. The Honourable Member for Fort Garry.

MR. SHERMAN: Yes, Mr. Speaker, just one final supplementary. Can the Minister estimate a date at which that information might be available to the House?

MR. TURNBULL: Yes, Mr. Speaker, I could estimate a date.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Labour. Could the Minister inform the House as to how negotiations are coming at Safeways in Brandon between the management and the employees on strike?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: It's my understanding, Mr. Speaker, at the request of certain people who will not be named at the present time, that a meeting was held on Friday afternoon. I am not to be held informed as to what transpired at that particular meeting.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. R. PETE ADAM (Ste Rose): Thank you very much, Mr. Speaker. My question is to the Minister of Mines and Resources. Since the crest on the Red has now passed and is receding, I'm wondering when it will be possible to close the Portage diversions to prevent flooding around Lake Manitoba?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: No, Mr. Speaker, I'm not certain as to when that will take place. I've indicated that less water is going into the Portage Diversion and we will continually reduce the flows into the Portage Diversion but not in such a way as to raise the level of waters east of the diversion. So they're maintaining the flow only to the extent that it's necessary to see to it that waters east of the diversion do not rise. I'm sorry I can't give an estimate of time.

I did undertake to answer my honourable friend relative to the opening of angling seasons and I'm advised that all sports fishing will be open on May 18th with the exception of trout fishing which was open on April 1st.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Honourable the Minister of Mines and Natural Resources. In view of the fact that Columbia Forest Products is selling their stockpile cut timber to small local saw operators and seeing that the strike has not been settled, is it the government's intent to wind-up or sell the Sprague based company?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, the government is considering various possibilities with regard to the Sprague based company?

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Well, Mr. Speaker, I'd like to move to the Orders of the Day. I was asked by an honourable member, I can't remember which, about the Qu'Appelle River, and I'm advised that record flows on the Qu'Appelle River at Lumsden, Saskatchewan have to pass through the Qu'Appelle Lake before they reach the Assiniboine River. Natural storage in these lakes will significantly modify these high flows downward and delay the time when they will reach the Assiniboine. It is estimated that a back flow of 3,500 cubic feet per second will occur on the Qu'Appelle River at St. Lazare in midway barring abnormal further precipitation in the upper Assiniboine basin. These flows will not cause problems along the Assiniboine River in Manitoba. Now that's a pretty unequivocal statement, Mr. Speaker. I think that that answer goes with barring unforeseen events such as weather or other unforeseen developments.

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(MR. GREEN cont'd)

And now, Mr. Speaker, I would like to have you move to the second reading of bills on the Orders of the Day starting with Bill No. 43.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. SPEAKER: Bill No. 43. The Honourable Member for Pembina. (Stand)

Bill No. 44. The Honourable Member for Fort Garry. (Stand)

Bill No. 46. The Honourable First Minister.

BILL NO. 46

MR. SCHREYER: Mr. Speaker, I'm wondering if you could call Bill 46.

MR. SCHREYER presented Bill No. 46, an Act to amend The City of Winnipeg Act (2) for second reading.

MOTION presented.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the introductory remarks I have at second reading stage for Bill 46 are very brief. Bill 46 like the previous bill that I introduced earlier this session to amend certain sections of the City of Winnipeg Act also contains a number of rather technical amendments. There are some amendments that are quite substantive but many of them as I indicated are of a technical nature. And accordingly I have distributed to honourable members opposite the bill, along with a series of explanatory notes which attempts to summarize in sort of the simplest language or the most clear language possible the nature of the amendments, section by section, over about four or five pages.

One of the amendments of course in Bill 46 that is not a surprise to anyone but which is of a non-technical nature provides for the election of the mayor by the electors of the city at large. There is also provision in this bill for some clarification of the responsibilities de facto already being carried out by the Deputy Mayor, and there is some clarification as well in respect to the relative roles of the Board of Commissioners and the commissioners themselves.

There is also provision in this bill to provide the Lieutenant-Governor-in-Council with the authority to change the number of wards and also to make changes with respect to the boundaries of wards and community committees. Now there may be some suggestion that this is a provision which is really not necessary and which vests too much authority or power with the Lieutenant-Governor-in-Council, but it is really in the nature of, I would suggest, Sir, only a slight change from that which already exists inasmuch as under the present provisions of the City of Winnipeg Act there is authority for making certain changes relative to wards by Lieutenant-Governor-in-Council, and it's a matter of flexibility in the event that in the future there is need to implement recommendations of an independent boundaries commission, recommendations which may necessitate changes in wards, community committee areas. This can be done by Lieutenant-Governor-in-Council in the most expeditious manner possible. There is in any case always the power of review which rests with the Legislature in respect to any action taken by the Lieutenant-Governor-in-Council.

Many of the changes or proposed changes that are incorporated in this bill really emanate from the City of Winnipeg on the basis of their experience with the administration of the present Act and they, the city, has requested a number of changes in the planning provisions of the Act so as to allow for better co-ordination of the procedures that are required.

The city has also asked for clarification of licensing and regulatory authority with respect to mobile homes, tourist camps, ambulance services and in accommodating the city's request accordingly those sections have been incorporated in this bill as well.

I might say in conclusion, Mr. Speaker, that one or two sections are anticipatory of the successful outcome of negotiations between the City and the Province of Manitoba with respect to the changeover in responsibility for administration of Magistrate's Court, for example, and related costs. And accordingly there is a section of this bill which does transfer in accordance with negotiations the responsibility and cost that goes with it for the operation of Magistrate's Court.

All in all there is no way to summarize further the nature of the changes involved. They are all contained in the five pages of explanatory notes that were circulated I believe about a

BILL 46

(MR. SCHREYER cont'd) week to ten days ago, and I recommend this bill to honourable members.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS McGREGOR (Virden): Mr. Speaker, I beg to move, seconded by the Honourable Member for Morris, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Public Works, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider the Supply to be granted to Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Radisson in the Chair.

COMMITTEE OF SUPPLY - CO-OPERATIVE DEVELOPMENT

MR. CHAIRMAN: Resolution 44. Co-operative Development. 44 (a)--pass. The Honourable Member for Riel.

MR. CRAIK: Mr. Chairman, we do have a few items here yet that we do want to cover here so I stand here in some hesitancy until I get squared away.

Mr. Chairman, we had a long and protracted debate on this matter that has spanned over not only the Estimates but into topics that were brought in earlier in the session and we had a fairly lengthy debate in the last two days of last week. It is not our intention to discuss this at any greater length however, I do think there are a few matters that we want to straighten out.

Mr. Chairman, it has been repeated many times that we feel that the whole state of affairs of the operation of the co-ops in Northern Manitoba would have been cleared up in a much greater and facile manner if a straightforward investigation had been initiated into these matters. Mr. Chairman, it seems that we simply get into one and it leads on to another and another and another and to cap the matters off we know that even at the present time to add fuel to what has been happening that we now find as a result of the question in the question period today that the operation at Moose Lake is now into a position where it's doubtful whether it will resume operations. The Moose Lake Loggers and the Kee Noe Zae Co-op and the Channel Loggers are all in a degree of difficulty which casts serious doubt onto whether they will resume operations.

HON. SAMUEL USKIW (Minister of Agriculture and Minister of Co-operative Development) (Lac du Bonnet): Mr. Chairman, on a point of order. I believe the two companies that the honourable member mentioned are not part of the co-operative structure. They're companies under Bill 17 are they not?

MR. CRAIK: Two of the companies I believe are, Mr. Speaker, Moose Lake Loggers and Channel Loggers certainly are but I assume that the Kee Noe Zae Fishing Co-op is under the Minister's jurisdiction that we are discussing here at this time.

MR. USKIW: Again, Mr. Chairman, on the point of order.

MR. CHAIRMAN: The Minister of Agriculture.

MR. USKIW: Yes. I don't know whether the honourable member was here before but I did indicate on a number of occasions that the management of Kee Noe Zae Co-operative was under the authority of the Government of Canada in the last year. We were not involved in management of that particular co-operative but our involvement did consist of some outreach services through our personnel by way of information, advice and so on. But we were not intimately connected with that particular co-operative.

MR. CHAIRMAN: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, what the Minister says is correct and I agree and don't wish to pursue that matter extensively. The point I wish to make is that there is an increasing number of the operations that appear to be in great difficulty and they're in difficulty despite the fact they seem to have met the qualifications that the Minister referred to on Friday. He somehow was suggesting, Mr. Speaker, that the Opposition was opposed to the people involved developing some sort of an entrepreneurial thrust of their own and a chance to develop on their own. And, Mr. Speaker, the philosophy behind the development of the co-op in the particular case of the Moose Lake Logging, which I agree with him is not under his jurisdiction but is under the jurisdiction of separate legislation, is a prime example where I think that rather than deal on a level with charges and counter charges on their operations it might be in the best

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(MR. CRAIK cont'd) interests of all of us and in the province if we somehow could deal with what techniques best work for enterprises of this type. The Moose Lake Loggers Corporation as an example as a co-op started out in 1968 and in the initial stages, Mr. Speaker, when things weren't quite as affluent as they are now in terms of their resources that they had available to them, I know that in the first several months of their operation the man-hours . . .

MR. USKIW: Mr. Chairman, on a point of order. The member wants to continue to discuss Moose Lake Loggers . . .

MR. CHAIRMAN: The Honourable Minister on a point of order.

MR. USKIW: . . . which really are not a matter for this department. It's a matter for the Department of Mines and Resources. So if the honourable member wants to continue in that vein I'm afraid we're going to have to raise a point of order.

MR. CHAIRMAN: The point of order is well taken. It is . . .

MR. CRAIK: Well, Mr. Chairman, I draw it in as a parallel. The Minister raised the point of Friday that the problem is to generate an income means for the people of the north and to provide them with an enterprise and to provide them with direct involvement and the chance to be entrepreneurs if you like and a chance to provide for their own economic well-being. So, Mr. Speaker, I refer then directly to what the Minister is talking about, the development of co-ops in the north and I think that what is in question is - seriously - as to whether in the long term this is the right technique. Because, Mr. Chairman, the structure of one of the initial experiments which was Moose Lake was essentially a co-op structure even though it was not in his jurisdiction. So I don't refer directly and exclusively to the Moose Lake Loggers, I refer to the whole principle of development of this type of an enterprise in the northern communities.

Mr. Speaker, in the case I refer to, a co-operative operation, the people involved reached a level where they're making - \$1,200 a month, for instance, is not an inordinate income level for these people to have reached on a sustained basis and to a very large extent the operation provides job opportunity in every sense of the word, that is the operation, the forest operation, the fishing operation, the income level which apparently is there, the possibility of being in management but still we find that the management is migrating out of the community and is being provided by people from outside the direct community itself in many of these cases.

So, Mr. Chairman, what is at question here is the whole philosophy of how is the opportunity best provided in the north. The Minister was quite outspoken in suggesting that the Opposition was attempting to cut off opportunity for this sort of thing to happen. Quite to the contrary, the Opposition is saying this has gone on now for many years. Are we getting some place because the failures are matching and perhaps overmatching the successes in all of these cases. Now is this the answer to development of enterprise in the north? Does this mean that we have to provide on an ongoing basis from here on in and plan for massive financial losses in order to foster these operations and walk away from them on the basis, or on the philosophy that the input by the rest of the community is better input than paying the money out in welfare money. And that is to a certain extent one can be balanced off against the other. Now if that is the case I think that we should get down and discuss in rather hard terms if we can, if that's possible, as to whether this is a good long-term procedure. At the present time, as I suggested and as has been indicated, we have an operation with all the makings of success, all the provisions there for success and it is at a state of failure. As I understand it, the losses are going to be very substantial and are probably in the order of accumulated losses now of \$300,000 or more and we won't find out perhaps until we get the annual report or get the group before the Committee.

So, Mr. Chairman, I can't help but stand and say that I think that the Minister would have been far better advised, in the allegations that have been made and in the affidavits that have been produced, would have been far better to have an official inquiry which pointed out in detail what the procedures were, whether they were right or wrong, whether there should be changes and I'm sure that the results of it would have been to the advantage of the government and to the advantage of the province in general. But what we have is the government responding to the opposition's charges in a hypertensive atmosphere of the Legislature where you have a confrontation and battle to go on to see who can score points, and what is happening is that we're at a position where I think the government is backing itself into the corner that it can't get out of. Because, Mr. Speaker, there have been other lesser cases where they have moved in with a full judicial inquiry with RCMP support and solved the matter in the courts, Mr. Speaker, in a

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(MR. CRAIK cont'd) very straightforward manner. But in this case it appears that there's a reluctance and the reluctance--well it doesn't appear there's a reluctance, the reluctance is very difficult to understand and as a result of it the government has cast doubt on its own operations by its refusal. So I suppose in terms of straight political point scoring, Mr. Chairman, the government has fallen into the category of cutting off its options to square the matter out completely with a complete objective judicial inquiry.

Mr. Chairman, I want to make those remarks on the operation of the northern co-ops at this time and with those comments I'll leave it 'til we go on to the other items.

MR. CHAIRMAN: Resolution 44 (a)--pass. The Honourable Member for Birtle-Russell.

MR. USKIW: Mr. Chairman, . . . the Member for Fort Rouge was up on his feet for some time . . .

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Chairman.

MR. CHAIRMAN: I recognize the Honourable Member for Birtle-Russell. I'm sorry I didn't see the other person.

MR. GRAHAM: Mr. Chairman, I don't want to be partisan in this thing, I'm sure the Member for Fort Rouge will have an opportunity before this goes further to make a contribution in it. But, Mr. Chairman, on Friday I asked the Minister several questions relating to the operation of the fishing co-operatives in Northern Manitoba and the prices that exist for the fish and also at that time I asked the Minister if he knew how much the Freshwater Fish Marketing Corporation receive for the product once it left their premises. We do know how much they paid to the fishermen last year, we don't know how much they are going to pay to the fishermen this year and it's very difficult for a fisherman to make plans. It's only five weeks until the . . .

MR. CHAIRMAN: Order please. I believe it was indicated last Friday and it is the case today that the Freshwater Fish Marketing Corporation reports to the Federal Minister of Fisheries and therefore those questions would best be served or given to the Federal authorities. It is not within the jurisdiction of the Provincial Government except for that aspect which the province is responsible, but not on pricing. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Well thank you, Mr. Chairman, for your admonition, but that may be very well as far as the operation of the Freshwater Fish Marketing Corporation is concerned, but it does affect the fishermen of Manitoba, and it's the fishermen of Manitoba that we're concerned about. I think that it is almost essential that members of this Legislature are aware of the operation of the Freshwater Fish Marketing Corporation as it affects the fishermen of Manitoba because without that knowledge we in this Legislature have through legislation passed several years ago have committed the fishermen of Manitoba to a program where that is the only place they can sell their product. They cannot sell to any other agency other than the Freshwater Fish Marketing Corporation. And it is not only the fishermen of Manitoba but the fishermen of Saskatchewan, the fishermen of Alberta, the Northwest Territories and to some extent the fishermen of Ontario.

So it is essential that we here be apprised of the operations of that Federal Crown corporation as it affects the livelihood of the people of Manitoba. I'm sure the Member for Thompson who was also at that meeting will fully agree with me that we have to sit down here in this Legislature and investigate the entire operation so that we can in our own way either devise means of improving the situation for the benefit of the fishermen of Manitoba. And I would ask the Minister now, I asked him on Friday, if he had information which he could give to this House on the prices that the Freshwater Fish Marketing Corporation receives for the product that the fishermen give to them. We know that when the fishermen catch the fish that they fillet them, they pack them in ice, they're packed in 60-pound boxes which are eventually transported to the Freshwater Fish Marketing Corporation. In many cases the Freshwater Fish Marketing Corporation does nothing with those fish other than just move them through the back door and they're sold without being unpacked. There are some fish that they do process there but in many cases the fish are sold in bulk quantities in the 60-pound lots that just come in. I can assure you, Mr. Chairman, that the price that they pay to the fishermen is not the price that they sell them at, and I would like to know what is the price that they sell them at. How much mark-up does the Freshwater Fish Marketing Corporation get just for the fish moving through their plant? I think if we in this Legislature were able to ascertain those figures that I'm sure that every member in this Chamber would be amazed at the price differential that occurs, and

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(MR. GRAHAM cont'd) in doing so then every member of this Chamber would become more aware of the problems that exist for the fishermen of Manitoba.

Mr. Chairman, in this Chamber on Friday I indicated a few examples where the fishermen actually lose money if they pack a certain type of fish. That the costs of transportation, of packaging, of air freight, of express and handling exceed the price that the Freshwater Fish Marketing Corporation is willing to pay, by as much, in one case by as much as \$6.00 per 100. There's no possible way a fisherman can make money if he's losing at that rate.

MR. CHAIRMAN: We are dealing with the Co-operative Development. The Freshwater Fish Marketing Corporation has no estimates before us. It is a Federal matter and I do not see the relevance of this particular point of view that you are expressing. As much as it may be very valid I do not believe that it is in order to be debating that aspect under the estimates of the Co-operative Development.

MR. GRAHAM: Mr. Chairman, much as you may have that opinion I have to disagree with you. I think it is very relevant indeed because it affects the people of Manitoba. It affects the fishermen in Northern Manitoba and if you rule that out of order, Mr. Chairman, I must challenge your ruling - with much regret I must challenge your ruling.

MR. CHAIRMAN: The ruling of the Chair has been challenged. Shall the ruling of the Chair be upheld.

MR. G. JOHNSTON: Mr. Chairman, may I suggest that the first question is: "Does the member have support".

MR. CHAIRMAN: Thank you for the correction. Does the member have support? He has support. Shall the ruling of the Chair be upheld.

RULING upheld.

MR. GRAHAM: Ayes and Nays, Mr. Chairman.

MR. CHAIRMAN: Ayes and Nays.

A MEMBER: Call in the Speaker.

MR. USKIW: I believe, Mr. Chairman, the procedure is that when there is a challenge that the Speaker has to be in the Chair.

MR. CHAIRMAN: Call in the Speaker.

IN SESSION

MR. CLERK: Mr. Speaker, the Ruling of the Chair has been challenged in regard to the debates of the Estimates of the Department of Co-operative Development.

MR. SPEAKER: Order please. Question before the House is shall the ruling of the Chair be sustained?

QUESTION put, Ruling of Chair sustained.

MR. JORGENSEN: Ayes and Nays please, Mr. Speaker.

MR. SPEAKER: The honourable member have support? (Agreed) Call in the members. Order please.

Question before the House is shall the ruling of the Chairman of the Committee of Supply be sustained?

A STANDING VOTE was taken, the result being as follows:

AYES

- | | | |
|---------|--------------|------------|
| Messrs. | Adam | McBryde |
| | Barrow | Miller |
| | Bostrom | Pawley |
| | Boyce | Petursson |
| | Burtaniak | Schreyer |
| | Derewianchuk | Shafransky |
| | Dillen | Toupin |
| | Doern | Turnbull |
| | Gottfried | Uruski |
| | Green | Uskiw |
| | Hanuschak | Walding |
| | Johannson | |

IN SESSION

NAYS

Messrs.	Asper	McGregor
	Axworthy	McKellar
	Banman	McKenzie
	Bilton	Minaker
	Brown	Moug
	Graham	Patrick
	Jorgenson	Sherman

CLERK: Yeas, 24; Nays 14.

MR. SPEAKER: In my opinion the Yeas have it, declare the Ruling of the Chairman sustained.

The Honourable Member for Radisson. The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I rise to make a point of order. I cite Rule No. 10 found in our Rule Book on page 7 which states that: "No member shall enter or leave the House during the stating of the question or leave the House after the final statement of the question until the Divisions have been fully taken and the result of the vote announced". I just simply want to draw to your attention, Sir, that the Member for Crescentwood walked in the Chamber after you had put the question.

MR. SPEAKER: The Member for who?

A MEMBER: Crescentwood.

MR. GREEN: Well, Mr. Speaker, if the honourable member, if he saw that occur then it's clearly not in accordance with the rules and I think the vote should reflect the rule as it should have been.

MR. SPEAKER: Agreed? (Agreed) The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I was paired with the Minister of Finance and had I voted it would have been in the negative.

MR. SPEAKER: Thank you. The Honourable Member for Radisson.

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MR. CHAIRMAN: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Chairman. Dealing with the operation of the Northern Co-ops, Mr. Chairman, I believe that the Premier of this province received a letter on April 24th from the Poplar River Band Council of Poplar River in which, Mr. Chairman, they stated the disenchantment of the people of that area with the operation of the Co-operative movement and the winter road program of the past year. I would sincerely hope that the First Minister will give the matter very serious attention because I am sure, Mr. Chairman, that every member of this Legislature is sincere in their wish that the affairs of Northern Manitoba be operated in as efficient a manner as possible so that the people of Northern Manitoba will receive a maximum benefit whether it be through the operation of the Co-operatives or any other operation of government or operation of individuals who are operating in Northern Manitoba. The problems that face the people in Manitoba are numerous and many and they need the utmost co-operation of the Legislature, the programs of government and the assistance of the people in the other parts of the province. Now, Mr. Chairman, I know the Member for Thompson is just as concerned as I am and I know that he wants to make a contribution to this debate as well as the Member for Fort Rouge so I won't prolong the debate any longer at this particular time.

MR. CHAIRMAN: The Honourable Member for Thompson.

MR. KEN DILLEN (Thompson): Mr. Chairman, my contribution to this debate on the question of the fish co-operatives is going to be very brief. I, like the Member for Birtle-Russell attended a meeting of the fishermen on Thursday evening in Ilford and to say the least, a very bleak picture was painted as to the viability of continued fish operation in that area. I know that you have ruled that the question of the Freshwater Fish Marketing Corporation's position in this debate cannot be debated but I think if you'd allowed this debate to continue that what the Member for Birtle-Russell was doing was making a very substantial argument and would have proven that the . . .

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MR. CHAIRMAN: Order please. I believe a vote has been taken on the matter of the Freshwater Fish Marketing Corporation and that ruling of the Chair was upheld, therefore there is to be no reflection on that aspect.

MR. ADAM: On a point of order, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Ste. Rose on a point of order.

MR. ADAM: Mr. Chairman, I think that your ruling in this particular case, if the member speaks of one particular co-op and the reasons why that co-op is having difficulty I think he can mention the fact that the prices of the fish has contributed to the problems that that co-op is facing.

MR. CHAIRMAN: Order please. That is not a point of order. The Honourable Member for Thompson.

MR. DILLEN: I'd like to continue, Mr. Speaker, because we have heard many allegations over the last two or three months of mismanagement on the part of the co-op department and I think that it should be clearly stated here that on the basis of the prices that the fishermen receive that the best management in Manitoba or indeed Canada had been available to these people, that the end result would have been the same. There doesn't appear to be any justification for continuing under the present price structure. And you know, Mr. Chairman, over the past two or three years we have witnessed more and more fishermen leaving the lakes, and you know if I was in their position knowing the conditions that they must live under and the weather problems and transportation problems that they have to contend with that I myself could develop very little enthusiasm for going out on to the lakes in Northern Manitoba knowing that in the end that at the end of the season I was going to end up in the hole. And that's precisely the position these fishermen are faced with at the present time.

And I can give you some examples. If a fisherman were to decide tomorrow that he is going to go out on the lakes to fish the first thing that he has to do is charter an aircraft in order to get his supplies out to the lake. And the rate of the charter service is \$1.65 per mile and if we take the example of Stupart Lake which is approximately 140 miles from Ilford, this costs before he even gets a net wet \$231 for a return charter. That in the cost to the fishermen is a tremendous amount.

Now the fisherman himself receives 33 cents, that is for the whitefish, and out of that 33 cents he must pay all of the costs of the harvest. The costs per charter based on a full plane load would amount to approximately seven cents; the repayment of the loan for lakeside facilities and for the cost of processing the fish at the secondary treatment processing plant in Ilford amounts to one cent Lakeside, one cent at Ilford for a total of nine cents. And we get additional costs, the costs of the transportation by CNR which is an additional seven cents, and this isn't even taking into consideration the cost to these fishermen for the groceries, boats and motor repairs, gas and oil, etc., and replacement of nets and equipment. So that in the end what the return to the fishermen would be is a net loss of some species. I think it is criminal, Mr. Chairman, that . . . it was pointed out at that meeting that for every pound of fish harvested in Northern Manitoba there are 600,000 lbs. - I'm sorry - for every pound of fish harvested, there are 2 lbs. of fish that are thrown up on to the banks of the lakes to rot because the . . .

MR. CHAIRMAN: Order please. No member shall reflect upon any vote of the House except for the purpose of moving that the vote be rescinded. Now what the member is talking about could be debated under the Department of Mines, Resources and Environmental Management but we are dealing with the Department of Co-operative Development. The matter that the member is talking about has no estimates before us.

MR. DILLEN: I am speaking, Mr. Chairman, about the fishing co-ops and the fact that some of these co-ops are failing and in answer to some of the allegations that have been put before this House and that we specifically laid off introducing this into debate until we had time to discuss it during the estimates. I don't want to get into an argument with you about which is relevant and which is not and if I'm not . . .

MR. CHAIRMAN: That is correct. The Honourable Member for Thompson, I am not going to be debating with the Honourable Member for Thompson. There was a ruling made, the ruling was upheld and as I may quote in Page 22 of our Votes, Rules, Orders, "no member shall reflect upon any vote of the House except for the purpose of moving that the vote be rescinded." The Honourable Member for Ste. Rose on a point of order.

MR. ADAM: The Honourable member when he was ruled out of order was speaking about

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(MR. ADAM cont'd) the management of the Freshwater Marketing Corporation, that's what we voted on. The Honourable Member for Thompson - let me finish, Mr. Chairman, - the Honourable Member for Thompson is discussing the failure of one or two co-ops in the north and why they failed, and I cannot see why he cannot discuss why those two co-operatives failed.

MR. CHAIRMAN: Order please. It is still a fact that no member shall reflect upon any vote of the House except for the purpose of moving that the vote be rescinded. That is before the member to make that motion to rescind. The Honourable House Leader.

MR. GREEN: Mr. Speaker, I don't think that there is any intention of reflecting on the vote of the House and we went through this problem on Friday at which time I agreed that there was a thin line between discussing the operation of the Freshwater Fish Marketing Corporation under the estimates of the Department of Co-operatives, but if something that the co-operatives does relates to the Fish Marketing Corporation then one can hardly discuss it while maintaining an arm's length from it. So if the honourable member is discussing the co-operatives and incidental to that, it relates to a price that he receives for fish and the operation of his co-operatives, I assume that he would be in order and I assume that the Chair did not intend that that type of discussion not continue.

When I was speaking to the House on this question on Friday I said we would like the honourable members to try to make a distinction, and if they will try to make a distinction, Mr. Speaker, I'm sure that they will also be trying to follow the ruling which the House supported you on.

MR. CHAIRMAN: Well the indication is that when he's talking about prices it is not the Minister of Co-operative Development that has any control over that and therefore it is out of order to be discussing it at this particular time.

MR. GREEN: Mr. Speaker, only to the extent that if a co-operative is having difficulty making its way in operations then I presume that one of the features of its operations depends on the price of its product and if one can discuss this without reflecting on the management of the Freshwater Fish Marketing Corporation, which is not the responsibility of this department, I don't think that there is any intention that it should not be done.

MR. CHAIRMAN: The Honourable Member for Thompson.

MR. DILLEN: I'm going to try. I want to talk, Mr. Chairman, about fishermen who are having some difficulty in determining whether or not they're even going to continue to harvest a marketable resource of this province and surely that has some relevance to this House.

Over the years . . .

MR. GREEN: Mr. Speaker, on a point of order. Again in an attempt to try to prevent a worse situation from arising. The honourable member should be aware that he is entitled to discuss any problem under its proper heading. I took it from his remarks that he wants to talk about fishermen who are having trouble making a living in the province. If he wishes to discuss that subject he will have to relate it to the Department of Co-operatives which is now under the discussion of the House; and if he wishes to discuss it generally then he will be seeking trouble in points of order being made that he is not dealing with the estimates of the department. Now there may be other occasions when he could go broader into the issue that he wants to.

MR. CHAIRMAN: The point of order is well taken. The Honourable Member for Thompson.

MR. DILLEN: I can't discuss the question of the estimates of the department without relating back, Mr. Chairman, to the attention this House has given to the allegations of mismanagement by representatives of the co-op department. And I suppose if we were to discuss this generally we would have to relate back to that which is received by the fishermen. But in any event I won't go into that again because on three occasions now it's been pointed out that is not something that I should be discussing. But nevertheless, the allegations that have arisen in this House about mismanagement in the Co-op Branch of the Co-op Development Department is those types of problems that come about as a result of a complete lack of knowledge on the part of the Opposition about what fishing is all about in the north, and the Department of Co-op Development have done everything that is possible to make a viable operation out of fishing. The difficulty that they've experienced is not one that has to do with the question of good or bad management. As I said before, if you had the best management in the world in the operation of the fish co-ops they would still be in the same position that they're in today, because that relates back to price. Now the best intentioned people in the world when they go into any area

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(MR. DILLEN cont'd) find that they're going to be operating at a deficit and regardless of how it's established lose any enthusiasm they have for the operation. I'm not suggesting that that happened on the part of the Co-op Development Officers because my experience with them has been that they have tried harder than anybody else.

But getting back to the operation of the co-operatives themselves. When you have lakeside facilities and a secondary processing plant there are certain fixed costs that are based on the number of pounds harvested and if that fixed cost, to use a round figure, is 500,000 lbs. as a break even point, if the production is above 500,000 lbs. then there is a small return to the co-operative and they are in that respect able to reduce some of the debt. But if the production is below the figure of 500,000 lbs. then the co-operative in spite of any kind of management will show a deficit. I think there are many or at least--I don't like to suggest that all of the co-operatives in Northern Manitoba are in the same position. There are several of the co-operatives that are functioning very well and are showing a return to their fishermen. But those co-operatives that have the tremendous amount of costs related to transportation are the ones that are experiencing the difficulty at this time. Thank you.

. . . . continued on next page

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MR. CHAIRMAN: The Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Chairman. I had a few comments and questions to make in relation to this department. I would like to say that it strikes me that one of the reasons why we've had some confusion over the past half hour or so as to what is allowable in the debate of the Department of Co-ops is because we're confused really by what the Department of Co-ops really does, and I think it's a fair representation about the confusion that we have what we can talk about because we're not really sure what it is doing. I think that the ambiguity of the department is reflected in part by the ambiguity of this debate, that it's like trying to catch a ghost. You know, every time you sort of try to clasp your fist around it, it evaporates and goes away. And I think that is one of the difficulties that we have in trying to make an assessment about the operation of the Department of Co-operatives, Co-operative Development, because it really is a question as to what in fact is it doing?

As I sifted through much of the material that has been put forward in this House over the past two or three months concerning the one area of co-op activity, and that is the co-ops up north, it did keep striking back to me that in some way there was errors of both omission and commission on the part of the department in relation to the objectives they were trying to serve. Because let me state right from the outset, Mr. Chairman, that I in no way have any quarrel at all with the objectives of this department. In fact I would think that in this present climate that we're in where increasingly we try to return, or should be returning, more and more responsibility for economic and social activity back to the people themselves, that this department is in a very critical and crucial role in that transference of responsibility back to individuals, back to groups of people who are otherwise deprived. I would think that increasingly the importance of that self-help concept, of that return to group responsibility of taking away the action from the large corporations, or large government activities, is one that I could certainly endorse without any hesitation. But I have some serious question as to whether it's really being done effectively or not and I think that that is the issue that should be raised in Estimates as to whether some thousand-odd dollars that we're being asked to pass upon is in fact being applied in an effective, implementative way. It strikes me that it maybe goes back to one of the basic issues related to the work of the department both in northern Manitoba, in southern Manitoba, and in fact in the City of Winnipeg where I certainly am in more familiar territory.

But if there is still one basic issue that is common to them all, and that is that if you are going to take a group of people who start out with a limited amount of skills, a limited amount of training, a limited amount of the sophistication in the ways of economic and business management, and try to enable them to facilitate their coming together as operators and managers and entrepreneurs of their own economic or social activity, then you'd better make sure that you're doing it very well. Because there's nothing more tragic and nothing more counter-productive than to raise the expectations of a group of people whether they are Indian or Metis in northern Manitoba, or whether they are low income people in downtown Winnipeg who want housing or want to set up their own food operation, there is nothing more tragic or more damaging than to raise their expectations and then not be able to deliver the goods. That is the critical question that comes to my mind as I look at the activity of this department, whether it's in the business of raising expectations, of talking a good game about the requirement for co-operative activity in a variety of fields; but then not being able to really deliver the goods through a lack of support assistance and services of the proper kind delivered in the proper way.

I'd like to spend just one minute, Mr. Chairman, to relate an experience of mine about two years ago, one of the most interesting and rewarding ones where I had the opportunity to spend some time at St. Francis Xavier University with the Antigonist movement in Nova Scotia, which I think all of us in this House probably recognize as the mother, father, and certainly the chief author of the co-operative movement in this country, and in fact is worldwide renowned for its ability to understand the very delicate and in many cases very careful process that must be instituted to insure that you take a group of people who start off in a pretty raw state of development and awareness and enable them to become self-sufficient. And the one thing that struck me very strongly in terms of the discussions with people in the Antigonish movement when I was there, and in watching their operation, particularly in the housing field, is the tremendous investment of highly skilled resources that they put into the operation at its initial

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(MR. AXWORTHY cont'd). . .stages; that it's not simply a matter of going to a group of people, whether they are fishermen on a lake or people off Main Street, who want to set up a food co-op and say, "Okay, we think that's great idea, let's go," and give them some corporation papers and have one guy hanging around to give them the odd bit of advice. What they required was very careful training, and a very extensive training, in things like accounting, business management, business practices, marketing, all the skills that would be required, they provided a very heavy complement of support services in the way of bringing in professional advice, whether it was legal or business. They by the way, as I gather, recruited a fairly heavy co-operation by a number of retired businessmen in the area to help these groups set up their books, to give them the proper framework within which they could operate a business activity.

They provided a high degree of support in the personal sense, that nothing is more fearful, and there are some members on the other side of the House, I think, the Member from Winnipeg Centre who has had some business experience, nothing is more fearful when you're starting out a new operation or enterprise than to feel alone, to feel that you can't get support, to be kind of cut off and to have to go it alone. In other words what I'm saying is that the activity of the co-operative arrangement, even to the point to bring about the successful development of these, first requires them to give a very careful appreciation and assessment as to whether the enterprises they're talking up are in fact feasible.

I was interested in listening to the Member from Thompson where he said that he felt the problem was not management but the problem was fish prices, or the fact that the cost of certain enterprises in the transportation would not warrant the development of a fishing co-op in that area. But that it is the job of the co-op people to make that assessment. It's not something that should be done after the fact, it's something that should be done before the fact. Because they have to enter into the co-op development with the same kind of skill and assessment and analysis that any good businessman would undertake in deciding whether he was going to set up a new business. And perhaps add on to that an added complement of skills, because they must recognize they're dealing with people who don't have the skills at the present time and therefore are required.

I am very interested in hearing from the Minister what exactly does the Department of Co-ops do when it goes in to help a group of people undertake a co-op activity? Do they in fact really - what kind of services do they provide? What kind of support do they provide? Do they provide start-up activity? What kind of recruitment of experience and assistance do they get from the local community within it? I would like and be interested to know for example to what degree, other than the friends of the Minister of Northern Affairs, did they recruit members from the northern business community to help these co-ops so that they would find themselves on a more substantial footing?

And in that case, Mr. Chairman, I'd really like to raise the question that in part the debate, or the discussion so far about the Minister's Estimates, have concentrated on the north. I think that that is unfair in one case because the co-operative movement or the Department of Co-operative Development should be involved in many other activities other than those exclusively devoted towards northern Manitoba.

Again I would like to point out an area of involvement which is of some concern to members of this group and that is in the area of housing. That the Federal Government again has provided fairly substantial assistance for the introduction of co-op housing. They will now give co-op groups 100 percent financing, give them certain start-up grants, provide them with certain subsidies on rental and on interest payments, to try to promote the development of co-op housing as an alternative answer both to public housing and to private housing, particularly to provide housing for people in the lower middle income or working class salary range who presently can't afford to buy houses but could do so under co-op arrangements. It is certainly my awareness that I don't think, and I would certainly be pleased to be corrected, that the Department of Co-operative Development in the Province of Manitoba has any program to assist in the development of co-op housing, particularly in the City of Winnipeg. And if so, I would like to know what kind of activity have they undertaken; and if so is that activity now available? How do people avail themselves of it? What kind of program projections does the department have, and what kind of execution and implementation again are they prescribing? I know that for example a few years back, at least I believe it's true, the Department of

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(MR. AXWORTHY cont'd). . . Co-operative Development was given responsibility for part of the rural housing program. It was transferred from Manitoba Housing and Renewal Corporation to the Department of Co-operative Development. Again I can be corrected, and I think the Minister would be in a position to do that, that in fact they failed in that execution; that the program of rural housing in the Province of Manitoba has been abysmal, that even on the limited range of some 200 units that were prescribed, I think we've only built 50 or 60, if that. I'm not even sure it's that number.

So again in a very vital area where there is the availability of major funding from the federal level, the question comes back as to whether the ability or capacity of this department to provide that very vital link of support and services, of consulting, of professional advice, providing in a sense the professional service is available to enable groups in the province who wish to take advantage of co-op housing moneys now available to really do so. It would be very important I think for this House to learn, as we have been trying to plow our way through, what kind of housing programs we should be introducing to meet the serious demand, whether in fact this department is in any way assisting that program.

I would also bring to the attention of the House another area of entrepreneurship that's beginning to happen in the city, and that is in the area of food co-ops. Again very much in response to the alarming acceleration in food prices, and we have found out that very little is being done on the marketing on the consumers' side of food prices, where the answers to that obviously is through the concept of the buyers' co-op. There have been a few groups established such as this in the city but, to my knowledge, without particular substantial support from the Department of Co-operative Development. The question is asked: where are you? That in areas where there is a demand, where there are community groups and organizations who are attempting to undertake the self-help concept, attempting to take responsibility for their own activity, is the Department of Co-operative Development really effectively doing its business in the way it should?

In that respect I'd like to come back to a proposition that we raised when we were discussing the Estimates of the Minister of Northern Affairs. We said that perhaps one of the considerations the government should make in this area is that rather than trying to provide that kind of support assistance through a government department, whether it should not be rather trying to provide it through third party agencies or organizations. And again I would point out for example the work of the Antigonish movement and the thing at Xavier University in Nova Scotia which provides a support for the co-op movement in that province, and has had notable success to the point where they're building literally thousands of housing units. They're in the field daily helping people to train in carpentry so that low income people and low middle income people can undertake a sweat equity concept where rather than having to get capital to invest they invest their own labour. They can only invest their labour if they know how to use that labour, and so the Antigonish movement working out of the university provides them with major training in carpentry skills and in construction skills. The Antigonish movement also provides the same kind of economic advice in the setting up of food co-ops and buyer co-ops, and they can do it, Mr. Chairman, because they're not government, and they can do it more effectively because they're not civil servants. They can do it more effectively because they're not suspect under the range that somehow it is a government operation that behind there is pulling the strings.

And that comes back to the fundamental issue that I think has been raised in this whole debate, that aside from all the stuff about inquiries and everything else it comes down to the question as to whether government officials sort of directly tied to a ministerial responsibility should be in the business of community or co-op development or whether that kind of activity by government lends itself to manipulation, lends itself to abuse, and lends itself certainly to suspicion by those groups with whom they have to work; and whether in fact it wouldn't be better without changing the objectives to find a different means of achieving those objectives by relying upon other agencies, or other actors, to carry out that support function. And so maybe the only function of the Department of Co-operative Development is not hiring co-op officers or community development officers who are paid servants of the government, but should be simply providing support to other organizations, whether it's the labour unions or whether it's business organizations, I don't know, maybe go and recruit the Chamber of Commerce and the Federation of Labour and the Social Planning Council,

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(MR. AXWORTHY cont'd). . . and all these private organizations who certainly are less suspect in their political motivation than is a department which is directly under the control of the Minister. Because until we eliminate or change that aura that this very vital work is being done for political reasons, then the work itself is going to be frustrated and in fact be destroyed. There is the old adage about not only do you have to be as virtuous as Caesar's wife, you have to appear to be. And the problem is right now it doesn't appear that that's the case.

I'm not prepared to comment as to whether in fact, to what degree there has been sort of political manipulation inside the Department of Co-operative Development, in the Department of Northern Affairs. That's for another time and another place to be discussed. But I am saying that as long as the suspicion is there, as long as the vulnerability is there for that to happen, then this kind of work, the kind of vital support and assistance and promotion and guidance that is required to make the co-op movement not simply sort of a minor part of activity in this province but a major part in trying to secure sort of the independence and self-reliance of people to enable them to break away from dependency both on welfare cheques and dependency on large organizations, if that's to be the case then you've got to be doing it a different way than is being done now. And you've got to do it on the basis that there is going to be a much higher degree of independence in the support.

And we get back to some of the same old arguments about how it's being done elsewhere. Well I think that we can point to examples of how it's being done elsewhere where government conscientiously removes itself from that role of the facilitator because it realizes, certainly in the Province of Nova Scotia at least, that it can't play that role as effectively, and they have transferred not only responsibility but a good deal of support, as has the Federal Government to groups like the Antigonish group in Nova Scotia to enable that to happen. And I would suggest that we would certainly at least I would certainly rest easier, and I may speak for other members in our group at least, would rest easier with the activities of this department if we had a greater sense of confidence about the independence of the work that they undertake. And that sense of independence could be achieved if in fact there was more independence, and it wasn't simply a matter that that government department was being used for reasons other than are stated in its objectives.

So those are the kinds of questions that we would like to raise with the Minister in these estimates. First whether what in fact is the department now doing, not just simply in the northern area but in other areas like housing and food co-ops? What programs and policies and assistance is now available; what kind of success or failure have they had, what kind of troubles have they achieved; what kind of methods do they use?

And, secondly, to raise the larger issue perhaps of a way of operating government. The government in this case takes a step backward, that draws out of the field for the sake of allowing progress to be made in achieving the objectives it sets up. The government does not always have to be the controlling agent; it doesn't always have to be the controlling organization. I would only recommend that if you want to look for a successful model, I think the movement in Nova Scotia has achieved that.

And I would like to see us debate to some degree the question of method or technique in the co-op field because I feel very strongly that, at least in the field which concerns me such as housing and in other areas, the ability to develop self-reliant organizations sharing both risk and capital requires an ever stronger degree of support and assistance in years to come. I don't believe we're going to achieve it as long as we have to get ourselves involved in a debate as to whether in fact it is simply another tendrill of the New Democratic Party that's operating the co-op operation as opposed to something that is simply there because the co-op in itself is intrinsically a good thing. And that, I think, the Minister has to recognize is the problem in many cases that affects or frustrates his department now, and there is good and bad cause for it but it is a reality it is there. And the way to get rid of it is to remove the cause of it, and I think that is one of the issues that should be looked at.

MR. CHAIRMAN: The Honourable Minister of Co-operative Development.

MR. USKIW: Mr. Chairman, the members opposite have made quite a number of observations, and we're not going to get into any repetition over what has already been stated, but the Member for Riel had pointed out that there is a question as to the approach that we would take in northern development and whether the co-operative approach is the right one.

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(MR. USKIW cont'd). . . I think I simply would want to reflect on that for a moment by stating that the reason that this direction was taken some years ago was because the other approach was also not working and therefore I don't know that there is - I think we've come to the point, Mr. Chairman, where there is no Utopia that everyone thought there was by changing the structure. I think that's where we have arrived. Regardless of organization we have to conclude that the problems of development in northern Manitoba are such that they're beyond comprehension even here at this point, Mr. Chairman. And that the only satisfaction we can take out of co-operative development in northern Manitoba is that we know that there is no undue ripoff of the north and its citizens for private gain. And that if there are profits they are distributed back to the membership of the co-operatives, and if there are losses they will share those losses. And that we are not pointing our fingers at any one individual or entrepreneur who may be accused of ripping off the north as has been the case in the past. And so we have settled that argument by taking the approach of co-operative development of the resources of northern development. But that doesn't mean, Mr. Chairman, that we have no problems. That doesn't mean that there will be no losses. All it means is that if there are losses we will assume them collectively and we will not be accusing anyone of ripping us off in the process. So that is the basic economic change in northern Manitoba as far as the fishery's concerned.

Now we shouldn't allow that to lull us to sleep, Mr. Chairman, because we know and have known for many years that we have very very serious problems in northern Manitoba. Distance is the real major problem and the costs related to distance.

The question of the price of fish again, as alluded to by the Member for Birtle-Russell, is quite a bit beyond the control of this government, Mr. Chairman. But for the benefit of members opposite I want to tell them that we have been discussing this aspect with the authorities for some time, bemoaning the fact that some adjustments have to be brought about if we indeed are going to have a fishery in northern Manitoba.

Members opposite may want to know that we are currently involved in negotiations inter-provincially. Saskatchewan and Alberta have the same concerns as we have, and they are meeting with us on this very issue and subsequently it is our hope that we will involve the Minister of Fisheries in Ottawa to try to come to grips with this aspect of the problem. Mainly how can we do something about prices; how can we streamline the operation so that the agencies can be viable in, not only Manitoba but throughout all of the region which comes under the jurisdiction of the Freshwater Fish Marketing Corporation?

So these are ongoing things. It's not as if they're not being attended to. We have been very much involved in that particular area.

MR. BILTON: Mr. Chairman, the House has ruled on the subject being discussed. And I wondered if you would direct. . .

MR. CHAIRMAN: The point of order is well taken. That is correct.

MR. USKIW: Mr. Chairman, I simply want to point out that I was not talking about the operations of the Freshwater Fish Marketing Corporation, I was talking about the fact that we intend, and have been discussing problems of Northern Manitoba with those agencies who are responsible. So I am not attempting to debate the issue of the way in which they are managing their affairs, Mr. Chairman. The Member for Swan River would appreciate that.

MR. BILTON: He was talking around it though.

MR. USKIW: Oh that's the way to do it. You've got to talk around the subject, Mr. Chairman.

MR. BILTON: The only way to take care of it is to talk around it.

MR. USKIW: Yes. The Member for Fort Rouge I want to say did contribute positively to this debate, and it's rather refreshing that some people at least want to dwell on the positive as opposed to the negative. I appreciate the points that he has been making. I want to say that perhaps he is unaware as to the way in which the department functions and its purpose. I want to advise him that it has always been the purpose of the department to be an assist to groups that want something to happen in this area, the area of co-operative development, the co-operative structure in economic development. It is really not intended, nor do we want to attempt to set upon or impose upon people the co-operative structure, because it won't work if that is the way it is going to be brought about. So it's a response-oriented department.

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(MR. USKIW cont'd)

And that is exactly the point I was trying to make to the Leader of the Opposition wanted to leave the impression that really all of these agencies are run by the department. They are not, Mr. Chairman; nor have they ever been run by the department.

But for the benefit of the Member for Fort Rouge I should like to point out, and that while we are a response-oriented department, in northern Manitoba we have had to go beyond that because of the pleadings of the northern communities who pleaded the lack of expertise in some areas. And while we were unable by way of our assistance to find expertise for them, and therefore from time to time we got caught assisting them in their day to day management decisions for which we ourselves are not properly equipped, Mr. Chairman. But notwithstanding that we had to try to fill the breach, and that's why we are in the kind of problem here that we have that we have assumed the role here that we are really not capable of handling. And we don't want to; we don't profess to be capable of handling. But in the midst of a situation which has to be dealt with at the moment I think there's no way we can avoid giving some response to the cries for help that come from some of those communities.

Management is a major problem in northern Manitoba, and I should like to relate a couple of instances to members opposite so that they would get a fuller appreciation of that. We in our endeavours to assist these co-operatives have scanned all of Canada and beyond for management people, particular with respect to South Indian Lake Co-operative who couldn't find local management capability in the area, who asked the department to use their offices to advertise for personnel. In fact we used the Department of Indian Affairs as well, who have tried to co-operate with us most fully in trying to locate people that would be able and willing to go into that area of this province to do a job for the fishermen. And you know we met with very, well in fact we met with no success, Mr. Chairman. I was going to say limited success. We did have a manager in fact and a foreman. I don't know where they arrived from but the foreman in particular didn't last very long. We had a violent eruption at one point in which case the foreman found himself in the hospital for a period of weeks and after which the manager decided he didn't want to stay in that environment and they lost their manager as well. After which we, in fact not we but one of our co-op development officers left the department, resigned his position, and took on the job of South Indian Lake Co-op Manager on his own, at their request, not as an officer of the department, he had quit the department. And he lasted about seven or eight months and he is gone.

So, you know, I don't know that there is any simple answer, Mr. Chairman - and I notice the Member for Swan River is somewhat amused, and he's amused because he too knows that there is no simple answer and that we are going to have to struggle along as best we can. But that should not mean, Mr. Chairman, that because we have our problems and are struggling along that one can suggest for a moment that there is wholesale mismanagement and that the department is some way responsible. If we are responsible for the management problems, Mr. Chairman, it is because we have never been equipped to manage co-operatives. The Co-operative Department is a new department, and a very small one. It has what I would call a skeleton staff. It is not equipped to be intensively responsive in management decisions but mainly equipped to assist people in the setting up of the co-operative and the setting up of their bookkeeping, and so on, and on site inspection from time to time.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, will the Minister answer a question? If this problem of management is in your assessment one of the major problems, has your department undertaken any plans to set up for example major training programs say sponsored through the community colleges or universities to enable people in the whole range of co-op areas to acquire the necessary skills over time? Such as has happened, as I pointed out, in Nova Scotia.

MR. CHAIRMAN: The Minister of Co-operative Development.

MR. USKIW: Mr. Chairman, that's a very relevant point, and I want to say for the first time in the history of the co-operative branch and the department, which is only a couple of years old, we have allocated money specifically for that purpose in this year's budget. But it's a new thing not on track yet. But it is because of the problems we've been running into that we have decided to try to set up some facility through which we would provide training, and we have provided dollars in this budget for that purpose. So the point is well taken and

. . .

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MR. AXWORTHY: Mr. Chairman, could the Minister just tell us how much and how they see it happening.

MR. USKIW: Well, Mr. Chairman, I will continue my remarks. In the meantime my Deputy will try to find the figure for that.

The same problems as we had in South Indian Lake were also with us in Ilford where for two years we as a department tried to find a manager for the Ilford Co-operative, and we were unable to locate anyone. And it was after that attempt that the local co-operative asked the department to loan one of our staff to them, which was the case in the last year, but which did not solve the problems of Ilford Co-operative obviously. I think if there was any, if one could suggest that the manager that was seconded from us to that co-operative was at fault at all it was probably in the area of perhaps being somewhat more generous to the fisherman than a hardnosed manager type would be; that, you know, the hardnosed business approach would have been to try to more assure the success of the co-operative even if that meant less moneys the fishermen, even though that was the same group of people that own the co-operative. You know--(Interjection)-- that's right. So to the extent that there were some losses in the co-operative itself part of that is reflected in increased returns to the fishermen who belong to that co-operative. So I can sum it up in that way. If there was a fault, it was perhaps in that area. But again the individual was there on a loan basis from the department and he was not being directed by the department during that period of time.

The amount of money allocated for training is somewhere in the order of \$100,000 for this year, Mr. Chairman.

Now, the Member for Fort Rouge suggested that we should be involved in the south. I simply want to point out to him that we do have two men relating to housing, housing development, and also that these men are not trying to do things outside of the various groups that are volunteering themselves forward. We are trying to work with all of the groups that are presenting themselves to us as opposed to trying to entice people to form co-operatives that perhaps may have no inclination whatever to do so. So we are following in that principle, Mr. Chairman. We're not trying to do something that is quite impossible to achieve.

The Deputy Minister of course is also on the Board of Directions of MHRC, and hence since there's a connection with through the funding of these co-operative projects through MHRC and indeed CMHC, it certainly is important to have the Department of Co-operatives represented on that particular Board of Directors.

We have three positions added this year for Agro-Manitoba, co-op development officers. Again people that will attempt to respond to the kind of projects that are presented to us, to give some service and education and advice to groups that want to consider setting up co-operatives. We have some ongoing ones to which we have not been able to respond in the way we should have, and we're hopeful that we're going to provide somewhat of a rural southern Manitoba package in that respect. We have three that are responsible in the service area, 11 people in the credit union area, and then of course we have all of our accounting and auditing facilities available to all co-ops in Manitoba, southern as well as northern, which accounts for our total activities.

Now I didn't ever presume, Mr. Chairman, that the idea of co-op development was an NDP idea because we've had co-ops here long before we've had the NDP, or the CCF before that. The Member for Fort Rouge should not feel that we want to impress the NDP label on every co-operative development, because that is not so. I could even relate some instances, Mr. Chairman, where the NDP was not treated very kindly through some institutions that were co-operatives because of the particular local board of directors. So, you know, I think it can happen that way, so one should not presume, Mr. Chairman that co-operatives and the NDP is one and the same thing.

Although I want to point out quite clearly that it's my belief that if we had more public ownership by way of co-operatives in Canada that it would indeed enhance Canada's independence and decision-making and economic development for the benefit of Canadians, as opposed to the various foreign interests that have brought into play their vast resources in the development of this country. So as a matter of principle I heartily endorse that approach to economic development and towards Canadian independence.

Well the Honourable Member for Swan River says that that is not free enterprise and I should like to point out to him that it's no different than any other form of enterprise that is. . .

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MR. BILTON: You're killing free enterprise.

MR. USKIW: Well the Member for Swan River says that's killing free enterprise. What he is really saying then, Mr. Chairman, is that philosophically we should kill co-operative development when he's saying that.

Mr. Chairman, I think that sums up pretty well all of the comments that I have in response to those that have been made here this afternoon. Thank you.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: Well, Mr. Speaker, before we move on off the first item of the Department of Co-operative development, I have a few comments and questions I'd like to once again try and get from the Minister. As a former director of the CCSM and one who's been most interested in co-ops for many years, also interested in the people who fish for a living in this province, and also being interested in credit unions, I certainly don't want to leave the impression that we're trying to destroy the initiative or the Minister or the department in their efforts. I think we all want to use all our skills and all our talents to the best of our ability to hopefully resolve the problem and make certain that the fishermen don't get hurt again. And I think if we can gain some answers from the Minister to some of the questions that's raised, I think the Opposition have some points and maybe can be helpful to the Minister in restructuring the program if in fact it's not working as some of the allegations seem to indicate that it has.

Some rumours are circulating around that in fact that it was used maybe for political advantage, and I hope that that is not the case, but there's certainly rumours that have been sliding across my desk to the fact, and I want to ask the Minister once again, and to squelch this rumour once and for all if it isn't true, did the Minister sign or did he give any guarantee to CCSM regarding the Southern Indian Lake Co-op three days before the election? Now the allegations have been made to me, and I'm sure the Minister will give us some answers. When was the guarantee undertaken? Before the election, after the election, or what are the dates that the guarantee was undertaken? Where is the legal authority for the \$800,000 loan, and the guarantee? Did the Attorney-General - I've just finished reading the Attorney-General's speech on Friday in Hansard, and can the Attorney-General tell me, was he provided with advice or information regarding the extension of the guarantee when it was raised from 100,000 to \$800,000? What was the amount of the overdraft at the time of the guarantee? What info are we going to get in the debate regarding the department? The Honourable Attorney-General's speech that was wrote up in Saturday's papers, and I again would ask him, who of the Attorney-General's department talked to the Freshwater Fish Marketing Corporation and its chairman? He says it wasn't him. Well who did, because the Chairman of the Freshwater Fish Marketing - the minutes say that he was talking to somebody. Now these are, I think, questions before we get around to resolving this problem that we've got to have some answers and deserve some answers. Did anybody from the Attorney-General's Department, or did the Minister himself talk with the Freshwater Fish Marketing, or any of the members of the board? Who of the department of the Attorney-General talked to the board of directors of the Freshwater Fish Marketing Co-op? And who talked with the fishermen on the site? Who was the ones that set up the deal where all this dilemma started? And the Provincial Auditor's cheques that we're talking about in this . . . I understand some trust PEP accounts are involved and verifies that there were some cheques and invoices. I wonder can the Minister advise, has he seen these cheques and invoices from these trust PEP accounts, or are they not in existence today? Or did any of the officials in his department see if the material in fact where the invoices are for was the material used, or did the material just rot and disappear, or was it needed actually in the first place? I think if we could gain some of these answers that it will certainly be helpful to resolve the argument. I wonder, Mr. Chairman, how the Attorney-General can advise this House regarding these questions after you read his speech when it appears that he hasn't checked it out or advised the House regarding all kinds of other questions that have been raised in this debate. I'm sure if the Honourable Minister can give us some of these answers and we can move on from the department and hopefully find a way whereby the fishermen can be financed in the north and get back to their fishing boats again and get a half-decent price for their fish.

MR. CHAIRMAN: The Honourable Minister of Co-operative Development.

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MR. USKIW: Mr. Chairman, I think the Honourable Member for Roblin is being kind of cute on that one because the authority to increase the guarantee to CCSM had to coincide with the fishing season. The question of whether or not they were going to remain open had to do with whether or not they could get the guarantee, in that they were providing bridge financing and they were awaiting a DREE grant which was not available at that time. It was our position to pick up the guarantee against which the DREE grant came much later, and so the increase in the authority to guarantee the loan to CCSM was made at that time. But that was at the time of the opening of the fishing season, and that is the coincidental part of it. Now I wouldn't know the date or whatever without having to check back.

Now as far as the allegations of moneys misspent or otherwise, allegations of members opposite, I should like to point out that the Provincial Auditor's report should satisfy them when that is available. I don't think that it's worthwhile me commenting on something that they want to speculate on without really knowing, because that is why we have asked the Provincial Auditor to give us information, and when that comes through we'll have it before us.

As far as the PEP projects are concerned the department is not responsible for what happens to the PEP projects. The PEP projects are approved by the Provincial Job Office for the whole of the province, and it's the local, either Community Councils or local government organizations of whatever kind, they are the ones that are responsible for carrying out the project and the department did not provide personnel to follow-up in that respect. We were not involved in that respect whatever.

MR. CHAIRMAN: (Resolutions 44, 45 and 46 were read and passed.) That concludes the Department, the Estimates of the Department of Co-operative Development.

I believe the next department is the Department of Highways. The Honourable Minister of Highways.

SUPPLY - DEPARTMENT OF HIGHWAYS

HON. PETER BURTNIAK (Minister of Highways) (Dauphin): Thank you, Mr. Chairman. I just sent one of my colleagues over to my office to bring down the programs that will be distributed in the House and they should be here shortly.

I will say that the program will come as close as is humanly possible to meet the needs of all sections of the Province of Manitoba. The entire highways program is based on a reasonable balance of needs of all sections between development roads, tourist roads, Trans Canada Highway, and those other provincial roads and provincial trunk highways that seem to be less glamorous but which are essential to the well-being of a large portion of the Province of Manitoba.

It also takes into account the needs of the road building industry. Mr. Chairman, we realize the tremendous value of a well-planned and developed road system to the economy of the province as well as to the industry and every effort will be made to maintain a standard that is realistic.

The chief concern of the industry was that they were unable to plan or to make capital investments over a period of years because they were not sure of the amount of funds that would be available for the following year's road program. In other words they were concerned about having to face, as they did in the past, the tremendous peaks and valleys and as a result I have spent quite a considerable time in the last couple of years trying to assure the industry that at least the present standard would be maintained so that they would have been able to make long-range plans and invest in heavy and expensive equipment and capitalize it over several years. The program entails the planning of projects only on the actual construction that will require approval in the annual program which is presented to the Legislature.

Surveys - I might point out that surveys may be made along the provincial trunk highways or provincial road, but this does not necessarily mean that the road will be included in a highway construction program within the three years from the survey date. Since the survey is part of the planning process to be included in the actual construction program, the project will have to be given legislative approval.

I am happy to report too, Mr. Chairman, that these efforts have paid off, and I'm informed that the plans for road construction will be increased this year by some 20 percent. This will give us a much better chance of completing our program and I would like to congratulate the

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(MR. BURTNIAK cont'd). . . industry for their confidence in the government and the future of our province.

The peaks and valleys of the industry that I referred to before can best be shown by giving you capital construction figures for a few years such as the 1957 for example '58, the capital construction program for the Department of Highways was approximately \$21 million in that year. In 1959, 1960 the capital construction program was \$31 million, while in 1961, '62 the capital construction program was only 19 million. I give you these figures merely to illustrate that the construction industries have a legitimate complaint and a good reason for not investing in equipment that would require several years to liquidate.

During the past number of years the problem of carrying engineering surveys, designing projects, obtaining rights of way, advertising various projects and construction, all came in in a period of one year. This kind of approach creates many problems. One of the problems is the lack of time in which to carry out various operations that are necessary for actual construction to commence. Planning and design time is reduced to the point where there is little time to compare alternate designs and check the numerous detailed work that goes into the planning and the construction project. Due to the time required for the design work and the time taken to obtain the rights of way, and to move utility lines for example, a number of contracts are not completed and a further number of projects have to be delayed until the following year. This inability to carry out construction projects during the year in which they were first approved for construction has resulted in a large carry-over of uncompleted work each year. So I'm sure, Mr. Chairman, you will see the value of our new policy of approving a three year advance program. As a result the program will include projects that have been planned and have a good chance of being completed. This new policy must be regarded as one of the most forward-looking steps taken by the Highways Department and will result in a number of economies.

I have before me also a summary of the number of contracts awarded for each year for the years 1970, '71, '72 and '73 together with the value of these contracts, exclusive of materials, engineering and miscellaneous items. In 1970 we spent 18,742,000; in 1971, 23,346,000; in 1972, 25,354,000, and in 1973, \$29,567,740.

Our 1974 - 75 highway construction program will be quite similar to that of 1973-74. Barring unexpected shortages, actual expenditures on construction and reconstruction will in all probability amount to approximately \$46 million. This expenditure will, I hope, be sufficient to take care of normal price increases and still provide for completing of as much work as was done in the previous year.

I believe members of the House are aware of the fact that for the last few years we have been doing some pre-advertising, and again approximately \$12 million of work to be done in our 1974-75 program has been pre-advertised and contracts for much of this have already been awarded. The balance of it will no doubt be awarded, will before the end of the 1974 construction season.

The new program I am presenting to you contains therefore provision for our pre-advertised projects, for projects previously announced but not completed, projects upon which planning and design work will be undertaken and which will be advertised late in the fall or early in 1975. I think you will agree that this is a well-planned road program, one of which I recommend to the House, bearing in mind that it was made most possible through the co-operation and hard work of my Deputy Minister, Mr. Brako, and the entire staff of the Highways Department.

Just for a moment, turning to another section, the Motor Vehicle Branch is also an important function within the Department of Highways and in 1973 there were approximately 450,000 drivers licensed, in addition to a further 34,000 learners' permits that were issued. There were approximately 26,000 more than we registered in the previous year. Although the final figures were not available in respect to registration of snowmobiles, it is estimated there are something in excess of 33,000 snowmobiles registered in the Province of Manitoba last year, or in 1972.

A dramatic increase in workload was experienced as a result of a further increase in accidents, in convictions, driver improvement and control actions, and public inquiries relating to driver insurance premiums. Despite the increased demand upon the branch labour force some significant advances were made in the field of driver licensing and highway safety.

SUPPLY - DEPARTMENT OF HIGHWAYS

(MR. BURTNIAK cont'd)

Accidents have once again substantially increased in volume from 32,908 in the year of 1972 to approximately 38,500. Because of the further increase in accidents, and the fact many enforcement agencies have resorted to having those involved in accidents prepare the reports in their own handwriting, the reports are most difficult to decipher and the result was a tremendous backlog of accidents which had not been quoted at the year end. And perhaps my colleague, the Minister responsible for Autopac, may have something to say about that as well. It is estimated that 1973 accident reports will be coded by the system by some time mid-March of 1974.

I want to point out that Manitoba is not the only province that experienced a substantial increase in accidents. Every province in Canada as a matter of fact has experienced the same sort of a problem in 1973. In 1972 it is estimated that there were less than 90,000 convictions, however in 73, just one year later, over 130,000 convictions have been registered in the Branch. The increase is not only common to those convictions under The Highway Traffic Act but also convictions under the Criminal Code of Canada. Compulsory motor vehicle inspection was carried out from May to October of 1973 utilizing two inspection units, which were operated at two locations in the City of Winnipeg and also selected towns in rural Manitoba. Over 15,000 vehicles of 1967, and older, were inspected, and once again it was found that over five percent of those vehicles were in hazardous condition and a further 68.5 percent were in less than safe condition.

Bicycle training utilizing the Canada Safety course was taken by approximately 13,500 children and young adults. We received, I might add, a tremendous amount of help from police forces and service clubs. These organizations played a major role in providing extensive coverage of the young people of the Province of Manitoba. All provinces have agreed to implement a class licence system, which Manitoba spearheaded in the initial development, and it is planned to implement the system in Manitoba over the 1974-75 period. There will be basically seven classes of licences - however I will not go into this at this time, Mr. Chairman, because I plan to introduce a number of amendments to the Highway Traffic Act in order to obtain permissive legislation to introduce this class licensing system and I will go into more detail at that particular time.

Now the Highway Traffic and Motor Transport Boards are expecting increased activity and workload for the year 1974. The Motor Transport Board is carefully examining the motor carrier industry via the truck productivity audit, now being completed in light of the requirement for trucking service, both intra and extra provincially. In addition the board has taken over control of Provincial Road 391 between Thompson and Leaf Rapids and Lynn Lake, and is currently determining whether consumers' needs for transportation are being met by the presently authorized carriers serving the area north of the 53rd parallel. This study also involved the board holding forums in the northern communities of the province. At the same time the general freight rates will be re-examined in light of the increasing costs, and this will entail much extra investigation by this board to maintain a viable trucking industry in the province and still insure reasonable transportation costs to the consumer. During 1974 the Motor Transport Board will assess its own efficiency dealing with "for hire" trucking and for hire (I mean H-I-R-E) trucking and passenger carriers in an attempt to upgrade its procedures to take care of the aforementioned increase of workload.

Mr. Chairman, these are just a few comments I wanted to make at this time in presenting my Estimates.

I am sure that there will be a number of honourable members wishing to make some comments as we go along, and perhaps we can elaborate a little more fully at that time. Thank you.

MR. CHAIRMAN: The Honourable Member for Virden.

MR. MCGREGOR: Mr. Chairman, I wonder if it would be proper to call it 5:30 at this time?

MR. CHAIRMAN: Well the member can proceed. It depends what the wishes of the Committee are. Is it agreed that we call it 5:30? (Agreed) I'll be leaving the Chair to return at 8:00 o'clock.