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of the

Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

26 Elizabeth II

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Speaker



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MANITOBA LEGISLATIVE ASSEMBLY

Thirtieth Legislature

Members, Constituencies and Political Affiliation

Name	Electoral Division	Political Affiliation
ADAM, A. R. (Pete)	Ste. Rose	NDP
AXWORTHY, Lloyd	Fort Rouge	Lib
BANMAN, Bob	LaVerendrye	P.C.
BARROW, Thomas	Flin Flon	NDP
BILTON, James H.	Swan River	P.C.
BLAKE, David	Minnedosa	P.C.
BOSTROM, Hon. Harvey	Rupertsland	NDP
BOYCE, Hon. J. R. (Bud)	Winnipeg Centre	NDP
BROWN, Arnold	Rhineland	P.C.
BURTNIAK, Hon. Peter	Dauphin	NDP
CHERNIACK, Saul, Q.C.	St. Johns	NDP
CRAIK, Donald W.	Riel	P.C.
DEREWIANCHUK, Steve	Emerson	NDP
DESJARDINS, Hon. Laurent L.	St. Boniface	NDP
DILLEN, Ken	Thompson	NDP
DOERN, Hon. Russell	Elmwood	NDP
EINARSON, Henry J.	Rock Lake	P.C.
ENNS, Harry J.	Lakeside	P.C.
EVANS, Hon. Leonard S.	Brandon East	NDP
FERGUSON, James R.	Gladstone	P.C.
FOX, Hon. Peter	Kildonan	NDP
GOTTFRIED, John C.	Gimli	NDP
GRAHAM, Harry E.	Birtle-Russell	P.C.
GREEN, Hon. Sidney, Q.C.	Inkster	NDP
HANUSCHAK, Hon. Ben	Burrows	NDP
HENDERSON, George	Pembina	P.C.
JENKINS, William	Logan	NDP
JOHANNSON, Wally	St. Matthews	NDP
JOHNSTON, J. Frank	Sturgeon Creek	P.C.
JOHNSTON, Gordon E.	Portage la Prairie	Lib
JORGENSEN, Warner H.	Morris	P.C.
LYON, Sterling R., Q.C.	Souris-Killarney	P.C.
MALINOWSKI, Rev. Donald	Point Douglas	NDP
McBRYDE, Hon. Ronald	The Pas	NDP
McGILL, Edward	Brandon West	P.C.
McGREGOR, Morris	Virden	P.C.
McKENZIE, J. Wally	Roblin	P.C.
MILLER, Hon. Saul A.	Seven-Oaks	NDP
MINAKER, George	St. James	P.C.
MOUG, Arthur	Charleswood	P.C.
OSLAND, Les	Churchill	NDP
PATRICK, Steve	Assiniboia	Lib
PAULLEY, Hon. Russell	Transcona	NDP
PAWLEY, Hon. Howard	Selkirk	NDP
PETURSSON, Philip M.	Wellington	NDP
SCHREYER, Hon. Edward	Rossmere	NDP
SHAFRANSKY, Harry	Radisson	NDP
SHERMAN, L. R. (Bud)	Fort Garry	P.C.
SPIVAK, Sidney, Q.C.	River Heights	P.C.
STEEN, Warren	Crescentwood	P.C.
TOUPIN, Hon. René	Springfield	NDP
TURNBULL, Hon. Ian	Osborne	NDP
URUSKI, Hon. Billie	St. George	NDP
USKIW, Hon. Samuel	Lac du Bonnet	NDP
WALDING, D. James	St. Vital	NDP
WATT, J. Douglas	Arthur	P.C.
WILSON, Robert G.	Wolseley	P.C.

TIME: 2:30 p.m.

COMMITTEE OF SUPPLY

ESTIMATES - TOURISM, RECREATION AND CULTURAL AFFAIRS

MR. CHAIRMAN, Mr. William Jenkins (Logan): Before we proceed this afternoon I'd like to draw the attention of the honourable members to the gallery where we have 80 students of Grade 5 standing from the Prendergast School under the direction of Mr. Vadeboncoeur. This school is located in the constituency of the Honourable Member for Radisson.

We also have 29 students, Grade 9 standing, from the John Pritchard School under the direction of Mr. John Sawatsky. This school is located in the constituency of the Honourable Member for Rossmere, the First Minister.

On behalf of all the honourable members I bid you welcome this afternoon.

I would refer honourable members to Page 58 of their Estimates Book. Resolution 106(b) Policy and Program Development (1) Salaries \$269,200—pass; (b)(2) Other Expenditures \$53,800—pass; 106(c) Research and Planning (1) Salaries, the Honourable Member for La Verendrye.

MR. BANMAN: I wonder if the Minister could inform us whether or not in this particular section we could deal with the development of wilderness parks and the development of master plans for different recreation areas?

MR. CHAIRMAN: The Honourable Minister.

MR. HANUSCHAK: Mr. Chairman, I would suggest to honourable members of the committee, as I did this morning, that it would be preferable to deal with policy decisions, policy guidelines of government for the development of our parks and resources under Resolution 107 Tourism and Park Resources Division and over here we're dealing strictly with the administrative aspect — staff, and so forth, the cost of staff.

MR. BANMAN: We've just passed one appropriation and now we're dealing with Research and Planning, the other was Policy and Program Development, and I'm wondering if the two aren't interrelated and I wonder if there is any duplication of services in these two departments because they seem to be doing very much the same thing.

MR. HANUSCHAK: No, Mr. Chairman, there is no duplication as I have indicated this morning. The Policy and Program Development; its function is to develop departmental policy and programs and to ensure their effective achievement in relation to government policy and consumer population needs working, of course, offering any support capacity to the operational branches. Research and Planning deals with long-range planning activities of a department and the central computer services for the department as well as the development of measures and analyses of the output, efficiency and effectiveness of departmental programs. So there is no duplication, Mr. Chairman.

MR. CHAIRMAN: Resolution 106(c)(1)—pass; (c)(2) Other Expenditures \$156,100—pass; (d) Administrative Services 1) Salaries \$221,000—pass; (2) Other Expenditures \$44,900—pass; (e) Personnel Management Services \$112,000—pass; (2) Other Expenditures \$34,800—pass; 106(f) Translation Services (1) Salaries \$55,200. The Honourable Member for La Verendrye.

MR. BANMAN: I wonder if the Minister could inform the House whether the Translation Services, the expertise in that particular department, are used for translating promotional material or correspondence with the Department of Tourism or does this have to do with the Department of Cultural Affairs.

MR. HANUSCHAK: Mr. Chairman, I'm glad that the Honourable Member for La Verendrye asked me the question that he did. The Translation Services, which is lodged within my department, offers a translation service to all government departments not only to our own. It offers a translation service in the two official languages of Canada. This branch, as I have indicated, while under the responsibility of my department provides services to all branches and agencies of the Government of Manitoba.

In view of Canada's dual linguistic reality, and indeed everyday occurrences in our own province, it has become essential for government to have an internal mechanism which is readily accessible and capable of producing quality translations in an efficient manner. During 1976-77 the Translation Services handled over 150 assignments submitted by some 50 branches and since it was first established it has assisted double that number of branches, representing nearly all departments.

Requests for translation ranged from a few sentences to lengthy reports and the subject matter varied from routine material to complex technical and legal documents. In order that there be some degree of control, and that the service not be deluged with excessive demands, user departments are billed for services performed. Thus, we feel, departments request translation when they deem this essential to the performance of their duties. To this day, work has been fairly evenly divided between translation from English to French and from French to English. And this illustrates well the fact that

there are circumstances dictating the need for a capacity in either one or both of the official languages.

My department also intends to evaluate requirements for other languages as well as the best means for responding to them.

The Translation Services have established close relationships with the Federal Bureau for Translations, other provincial government services, and a host of terminological and linguistic institutions thereby allowing it to develop library resources on a wide variety of subjects and to keep up-to-date on new developments in those specialized fields.

Negotiations with the Secretary of State have resulted in federal financial assistance for the establishment of our Translation Services and we shall seek yet further agreements for the improvement of these services on a cost-sharing basis.

MR. BANMAN: I wonder if the Minister could provide the House with information dealing with which departments were billed and to what extent this amount of \$70,300 that was spent last year was recoverable from other departments.

MR. HANUSCHAK: The recoveries that were included in here were \$32,000 and that is revenues realized on a charge back to departments for translation services based on seven cents per word for general material and eleven cents per word for technical material.

Now, which departments are the users of this service? All departments use the translation services from time to time. Now, if the honourable member wants some indication as to which department or departments are the major users, we could supply the honourable member with that type of information at a later point in time. I do not have it with me at the moment. You know, showing a departmental billing on a department by department basis.

MR. BANMAN: So, from the figure that the Minister just gave us, the \$32,000 that was recoverable from other departments that would mean that the department itself used about \$38,000 worth of that service themselves. Is it correct to assume that?

MR. HANUSCHAK: No, Mr. Chairman, really this is a subsidized service that we offer so hence the \$38,000 of the cost is charged to my department and \$32,000 charged to the users. It is strictly a bookkeeping item; we could adjust the charges to the department and make it on a full recovery if we wanted to but the end figure would remain the same.

MR. BANMAN: I wonder if the Minister could provide us with some information, if there has been an increase in the number of words translated over the last number of years. In other words, he said that the departments were being charged seven cents per word for non-technical material and eleven cents for technical. I wonder if there has been an increase in the amount of translation that this department has done.

MR. HANUSCHAK: Mr. Chairman, from 1975-76 there was about a seven percent increase, from a total of 305,000 words to 325,000, and the 1977-78 estimates are based on an estimate of 400,000 words. 1975 brought a 33 percent increase.

MR. CHAIRMAN: Resolution 106(f)(1) Salaries \$55,200—pass; (2) Other Expenditures \$17,400—pass. 106(g) Manitoba Film Classification Board. (1) Salaries \$14,400—pass. The Honourable Member for Wolseyley.

MR. WILSON: I wonder if the Minister might explain, of this \$14,400 what does the Board get out of this, what type of remuneration do they get and the job description?

MR. HANUSCHAK: The \$14,400 is strictly for salary for the film projectionist. The remuneration of the board members is shown under (g)(2) Other Expenditures.

MR. WILSON: I did have a file pertaining to the make-up of that board and I wanted to ask some questions on that but I can leave that until the Minister's salary. One of the things that — (Interjection)— Well, I wonder if there is any particular . . . I asked for a job description because I was wondering if there was any particular criteria for making up the members of that board. Did they have to have some experience in the film industry or a general concept of what good taste is? What role does this particular board play in say, something like attempting to control a theatre like the Venus Theatre who shows blue movies or whatever they are called.

MR. HANUSCHAK: Mr. Chairman, in answer to the first question, one of the main criteria is good common sense and sensitivity to public taste. In answer to the second question, the Film Classification Board exercises no control over the Venus theatre or any theatre. If the honourable member would read the legislation under which the Film Classification Board operates, you would know that the Classification Board has no powers of control.

MR. CHAIRMAN: Resolution 106(g)(1). The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I wonder if the Minister can tell us who are the present members of the Film Classification Board?

MR. HANUSCHAK: Mrs. Barbara Mills-Weslake is the chairman; the other members of the board, I could provide the honourable member with that information later if it is of any particular significance or importance to the honourable member.

MR. MCKENZIE: Is Mrs. Spooner still on the board?

MR. HANUSCHAK: Is Mrs. Spooner still on the board? I don't believe a Mrs. Spooner is on the board and, again, I really don't appreciate the significance of that question. I am advised that she is not on the board. There are 15 members on the board.

MR. CHAIRMAN: Resolution 106(g)(1) Salaries \$14,400—pass; Other Expenditures \$51,000. The Honourable Member for Pembina.

MR. GEORGE HENDERSON: Yes, I would like to ask what is the type of remuneration the people on the board get. Is it so much for each occasion or is it a flat rate?

MR. HANUSCHAK: Well, Mr. Chairman, it is a *per diem* rate. The Chairperson receives \$10,900 and the members of the board get a *per diem* of \$25.00 per film viewed.

MR. CHAIRMAN: Resolution 106(g)(2). The Honourable Member for La Verendrye.

MR. BANMAN: The majority of the money as far as the \$51,000 allocation, I wonder if the Minister could give us just a brief breakdown of where that money is going.

MR. HANUSCHAK: Well, yes, Mr. Chairman. The salary is a salary for the film projectionist and the Other Expenditures are \$44,900 for the fees for the chairperson, reviewers and inspector and \$2,800 travel costs for out-of-town viewers.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: I would like to ask, is there a certain number of people required at each film to make up a quorum or is there just so many from the committee picked for each film?

MR. HANUSCHAK: The quorum is three, Mr. Chairman.

MR. HENDERSON: And which is the procedure when a film is shown? Are all board members notified and could the 15 come and do you mean then that three would make up a quorum and they would go ahead or are all 15 notified or do they just notify a certain number for each film?

MR. HANUSCHAK: It is done on a rotating basis and rather than call in all 15 members to view every film, if a quorum of three can be obtained to review one film or a number of films and then another group of a minimum of three will be asked to review another film or films and so forth rather than call in the whole board to view every film regardless of its length.

MR. HENDERSON: Yes, I noticed you said that three made a quorum but how many would be called? Like, three is the minimum of which you would go ahead. How many would be called on each film?

MR. HANUSCHAK: Normally three. Three or four.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, I wonder if the Minister can assure the House that this expenditure is worthwhile and that Film Classification Board is doing a useful job. I don't think they have many powers; they can't even cut a film; they can't even take a film out of the theatre and say, "you can't show it." I wonder, can he in some way justify to us that this expenditure is worthwhile and that the province, the taxpayers are getting their value for the money that's being expended?

MR. HANUSCHAK: Mr. Chairman, in the first place the taxpayers' if one is speaking of the taxpayers of Manitoba in total, the taxpayers of Manitoba are really not paying for this service because the costs and expenditures of a Film Classification Board are charged — now, I've got to be careful of the correct term that's used — to the film distributors who pay for this, they're the ones who pay the fee for the classification of films.

Is it doing a worthwhile service? Yes. I am satisfied that the type of classification service which it offers is appreciated and welcomed by all. In fact there has been some suggestion made to us, a request to extend the services of the Film Classification Board to movies shown on television, where parents in particular would appreciate the benefit of the advice of the classification board as to the type of film that is shown.

MR. CHAIRMAN: The Honourable Member for St. Johns.

MR. SAUL CHERNIACK: On the question of the Honourable Member for Roblin, I am wondering, Mr. Chairman, whether the Member for Roblin wishes to speak at the same time with me, or before me, or after me. I need clarification. —(Interjection)— Well, it was up to the Chairman, I think I was given the floor.

On the question raised by the Honourable Member for Roblin, I have the impression that in addition to classification, which is information to the public as to the classification of films, it seems to be that their classification also involves certain restrictions on the theatre when it comes to the admission of children. Is it not certain ones where a child may not attend a theatre unless there is parental approval? And is there not another classification where a child may not attend a film even with parental approval; they are completely restricted? If that is the case, then I am just wondering whether it would not be helpful to us if the Member for Roblin would rather that the expenditure were eliminated, and the board eliminated? Is that what he has in mind?

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Well, the Minister should reply to . . .

MR. CHAIRMAN: The Honourable Minister.

MR. HANUSCHAK: Mr. Chairman, the Honourable Member for St. Johns is quite correct, that the

classification done by the Film Classification Board enables the theatres to impose the type of restrictions as suggested by him. But the question asked by the Honourable Member for St. Johns was not directed to me, it was directed to the Honourable Member for Roblin if he chooses to answer it.

MR. MCKENZIE: In replying to the Minister's comments, I am sure he knows, and I know, that there are all kinds of young people seeing movies in drive-in theatres and other places where it's not that strictly controlled. And the point that I just raised a moment ago with the Minister of Health, is the blue movies, you still haven't been able to bring them under control. They are still showing. The other item that I wanted to know is where can we find in the Estimates the revenue which you are receiving from the film industry to look after this expense?

MR. HANUSCHAK: The fees for film classification is \$52,200; licence fees, \$6,000.00.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: I wonder if the Minister could inform us if there are other jurisdictions in Canada that are running the same type of film classification board, and if so, have there been any comparisons as to the rating of our Film Classification Board, compared to Saskatchewan. I wonder if the ratings are very much the same, if we in western Canada are sort of duplicating our services, or aren't we?

MR. HANUSCHAK: Mr. Chairman, other provinces, I would say off the top of my head, that I would think that every province of Canada either independently, on its own or perhaps some of the smaller provinces, the Maritimes in particular, may operate co-operatively with a neighbouring province. But all do have a film classification system of some type or another, and whether the film classification in one province is identical to that in another, I would say that basically there is a very close similarity. There might be some slight variation on certain films from time to time and because I think it must be recognized, Mr. Chairman, that the classification of a film is a very subjective thing and if one wished to, one could have a quorum of three of the same board view one film and another group of three of the same board view the same film and classify it slightly differently. But nevertheless, for all general intents and purposes, it is a type of classification that the public wants and appreciates, despite the fact that there might be slight variations from province to province. Any variation, I am sure, would be very slight. In other words what I am saying is that it is quite unlikely that one province would classify one film as general, or let me put it the other way, that one province would classify one film — (Interjection) — No, I am sorry, I don't attend the movies all that often. What's the most severe. . . ?

A MEMBER: Restricted Adult.

MR. HANUSCHAK: Restricted Adult, and another province classify it at the other extreme as general. That is unlikely to happen.

MR. BANMAN: When the Minister mentioned that he made a suggestion that some people had contacted him with regard to rating some of the movies shown on TV, has the Minister had any dialogue with any people with regard to implementing such a policy?

MR. HANUSCHAK: Yes, Mr. Chairman, this request came from the industry itself, from the TV industry, or from one corporation within the television broadcasting industry. This matter is presently under consideration by the Film Classification Board in my department?

MR. BANMAN: I wonder if the Minister could inform the House how we will go about doing this? Would this be then a sort of a censorship board that would set up, or would it just rate the film? And I appreciate that in a movie theatre where we can check people for identification, it becomes pretty hard because you've got the television sets in the house. And I think the Minister would appreciate that if it comes on, and I've seen the different shows come on, if the parents aren't there to watch what the children are viewing, if the announcer says some scenes might be offensive to some people, and that it is not good material for children to view; if the parents aren't watching it very closely, there is a tendency there for the kids to watch it all the more.

MR. HANUSCHAK: Then I suppose, Mr. Chairman, that's something that parents will have to be mindful of in their own capacity as parents of their children. All that was requested of us, and I am paraphrasing, was one letter that I had received, and I am paraphrasing the letter as it was written to me. The request was whether it would be possible for the Film Classification Board to review, and they I suppose would send the films to us on a monthly basis or every couple of months, the films that they proposed to telecast over a given period of time, for . . . Now mind you, some of the films may already have been classified for showing in theatres, but those that may have not, the Film Classification Board may then view them and classify them and this classification could then become publicly known, and that would be at the discretion of the parent. Now insofar as age question is concerned and perhaps what is even more important than chronological age, the level of his mental, social development to view whatever film is being shown on television, the parents will have to be the judge of that. Now if from time to time the parents may be away or may not be aware of what is being shown on television, we can't control the operation of television sets in each and every home. But it was indicated to us by the television industry that this request was made of them, that parents would

welcome that type of information. And now, I must repeat again that the Film Classification Board is not a censor board. It classifies films for information purposes only. If it were to classify, which it does not at the present time because this matter is still under review, but if it were to classify films shown on television, that, too, would be done for information purposes only. We hope that type of information would assist parents in determining whether they would wish to or not wish to allow their children to view any particular film shown on television.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: How many films do they classify in a year?

MR. HANUSCHAK: It's in the order of 400 thereabouts. For example, in 1973, 459 films; in 1974, 492; in 1975, 383; and in 1976, 406.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I wonder if the Minister or the Film Classification Board or the government has any authority to monitor or ask the CBC to not show a certain film or to cut a certain film.

MR. HANUSCHAK: We, or the Honourable Member for Roblin, is at liberty to ask whatever he wishes to. He can ask the CBC anything. —(Interjections)— That is my answer, Mr. Chairman, that we or he are at liberty to ask the CBC whatever we wish to ask the CBC.

MR. MCKENZIE: Can I ask the Minister then or his staff or the government if they can show the Committee any records of any of the films that the CBC have shown in the last year if they registered a protest in any shape or form, on any one?

MR. HANUSCHAK: Mr. Chairman, if the honourable member will read the Act under which the Film Classification Board operates, it is not in any way duty-bound, at the present time, to review or to view whatever material any television corporation chooses to telecast.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Chairman, I wonder if I could participate in this debate because I have had some interest in previous years —(Interjection)— I beg your pardon. Before the Classification Board is criticized too much, I think that we should understand a few things. First of all, the Criminal Code of Canada decides what is obscene. And when we had a censorship board, it never worked for the simple reason that they would appeal — most of the time, it was allowed and then the people flocked to the theatres; it was the best advertising if Joe Borowski would condemn it or something, then everybody would go.

I think that you should look at the work of this board and see what it is really doing. Under the Censorship Board, it could appeal and then they would make no exceptions; the youngsters could go, anybody could go. Now the Classification Board is exactly that — a classification board. It looks at the film, it classifies them as a service, as information for the parents and the churches and all those that are interested. Now that doesn't mean that this will now annul the Criminal Code. The Criminal Code is still there and any citizen or the police or anybody could still go at them under the Criminal Code. A bonus: one of the things that has happened now is that at least, we've had no trouble since that day, and you've had the worst, those shows, those movies that are in there now, that the children below a certain age cannot go. Those are "Restricted — Adult," under no circumstances should they go. Now if somebody has stated, "Well, they are going anyway." If that is the case, then you should complain because then the people are not obeying the law, the same as allowing somebody in a beer parlour when he is not allowed to go. And I think instead of changing the rules, we should make sure, as somebody mentioned, that maybe we should be very careful that those laws are adhered to. We don't make laws for the pleasure of it.

Furthermore, you have another category which is "Parental Guidance" and any underage person would have to go with a chaperone or somebody that goes. So I think it is an improvement.

If we all agreed on what is right and what is wrong, it would be very easy. You know, if somebody was talking about a job description, then you can say that these people will qualify, they have a degree in this, in censorship and so on, and they would be the people. As I said at the time of the debate when we brought in this legislation, I felt that I believe in censorship, but one condition, as long as I censor it. I wasn't trying to be funny but I said that I felt that I could censor for myself and that any members of this House would do the same thing, because you could go to the Supreme Court, you will have one judge that is very much in favour of letting many things go and others object. You will get that in the Court of Appeal here and you will get that with lawyers. In fact, you will get it in the members of this House, in fact, in the same Cabinet, in the same party.

So I think that this has been an improvement, the protection, if any, has been very difficult. The Criminal Code is still there. Fine. The Minister as such — I don't think it would be the duty of the Board because they are a classification board, and some of them on the Classification Board might be more permissive than others. I think if the Minister wanted to, he could do the same as I was requested to do earlier get in touch with CBC and ask them to televise the games, then they could go ahead, he can bring this to the attention. I would imagine that any citizen could get in touch with them and especially under the Criminal Code bring some complaints.

So I am sorry if I participated, it is not unusual that a Minister should participate in another Minister's Estimates, but I was instrumental when the legislation came in.

I wonder if I could have leave to read a very short . . . I was requested to send a letter to CBC today and I wonder if I could have leave just to read a very short letter that I sent.

I sent this to A. W. Johnson, the President of Canadian Broadcasting Corporation. "As you are aware, the World Hockey Association finals will begin next week in Quebec. The teams participating in this event are Winnipeg and Quebec City which means that hockey fans can anticipate the unusual occurrence of witnessing an all-Canadian major professional hockey play-off. I believe that you can appreciate that the WHA finals will be of special interest to all Canadians, especially at a moment in our history when events of this nature can serve to promote national unity.

"On behalf of Manitoba, I would urge the CBC to recognize its special role and to make immediate arrangements to secure a national television coverage of the championship play-offs. I am confident that you will concur that such an effort will demonstrate in a dramatic fashion CBC's commitment to bring Canadians together."

I sent a copy to the Honourable Iona Campagnolo, Honourable John Roberts, and the CBC Vice-President, CBC Regional Director of French and English, and the President of the Winnipeg Jets. Thank you.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I thank the Minister. I have no quarrels with the Film Classification Board at all. I am basically wondering that if the Minister or in fact the members of the Committee, because I am getting all kinds of letters of complaint on certain shows that are shown on the CBC, and wonder if there is any way that we can monitor and I am satisfied now after listening to the Minister that we can't, so we'd just register our complaints or forward the letters on to the CBC and I thought that maybe that the Minister was getting some of the complaints like I am getting from time to time, but apparently they are not coming in to the department or to the desk of the Film Classification Board. That was the reason I raised the questions that I just forward them on to the CBC, but basically, nothing has happened, they're acknowledged . . . —(Interjection)— Fine.

MR. SPEAKER: The Honourable Member for Wolseley.

A MEMBER: Mr. Chairman.

MR. CHAIRMAN: Order please. The Honourable Minister for Consumer Affairs.

MR. TOUPIN: The only reason that I want to interject at this time is in regard to the question raised by the Member for Roblin pertaining to the participation of either departments in the role assumed by the Federal Government or its agency, in this case the CBC. As Minister of Communications, I have been in touch with the Federal Minister of Communication pertaining to responsibilities that could be delegated to a province. At this time I do not assume this to be a provincial responsibility.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Well, I'm just rising because I want to get it clear in mind. When we okay a particular item \$65,400 and it seems to me, and I'm asking the Minister, that when he talks about licensing and then he talks about . . . He mentioned he had no control they were for information only. I read some sort of slight control in here and I think it's possibly, or maybe it's a suggestive role on behalf of the Film Classification Board, but I notice that they raise a certain amount of revenue and I've always imagined licensing, you know, regulation licensing and control as the reason for licensing a particular establishment and I'm wondering — I notice that the Minister and the Board, of the 368 movies, they viewed 139 Restricted Adult movies and I wondered if, under that licensing section there might be some suggestion, because I notice you suggested to the drive-ins that they not show these blue movies and I noticed your comment that two of the major chains in Manitoba voluntarily agreed to refrain from showing these restricted films at drive-ins. So maybe you could tell me, Mr. Minister, how this came about. Was there not some type of licensing that allowed you to make this come about even though it was in a voluntary way?

MR. CHAIRMAN: The Honourable Minister of Tourism.

MR. HANUSCHAK: Mr. Chairman. Whatever any movie theatre operator decides to do voluntarily on his own initiative, that's the way it happened. That was the decision that the movie house or the movie house operator made; not because of any pressure or coercion or whatever of the Film Classification Board.

MR. WILSON: The point is though, that on Page 5 it says that last September 1976, the conference on Film Classification was held in Vancouver. Now out of that conference came certain suggestions and obviously two major theatre chains in Manitoba, in listening to the Film Classification Board decided to go along with their request and I'm seeking information on this particular Board who we allot \$64,500 to; do they have any type of responsible situation? As you pointed out the members are basically mature adults, but does the industry themselves just voluntarily do everything or is there some form of respect for the Board's wishes?

MR. CHAIRMAN: The Honourable Minister of Health.

HONOURABLE LAURENT L. DESJARDINS: Mr. Chairman, if I may, some of this discussion

happened at the time that this legislation was brought in. One of the reasons why they voluntarily decided that they would restrict these films in drive-ins was because as you know the drive-in, many times you bundle a bunch of kids and you bring them to the drive-in and it was felt — they discussed the possibility . . . One of the requests was that you let these kids in, so on that it was agreed that this could not be done except maybe at the entrance. I believe that this is where that decision was made, to make it easier. And, in fact, at the time they were also voluntarily. . . many of the main were voluntary not showing Restricted Adult, and all of a sudden somebody decided that they would go ahead, there was nothing you could do about it. It was a suggestion, they were looking at Restricted Adult because technically, most of the Restricted Adult, some private individual or the police can decide to again go to the Criminal — what is it — the Criminal Code and insist that this could be considered as obscene and a charge could be laid. So I think that this is something like the Minister said, that at times there is discussion. You can't force anybody to do it and it was felt that it was in the interest of everybody if they could conform, then you did not have to bring stringent regulation controlling who would be admitted in these drive-ins.

MR. CHAIRMAN: Resolution 106(g)(2) Other Expenditures \$51,000—pass; 106(h) Grant Assistance \$838,500.00. The Honourable Member for La Verendrye.

MR. BANMAN: I wonder if the Minister could elaborate on the Grant Assistance. Where and who got the money?

MR. CHAIRMAN: The Honourable Minister.

MR. HANUSCHAK: Yes, Mr. Chairman. Two-thirds of, or perhaps slightly better than two-thirds of the \$838,500 shown there, the exact sum of \$587,500 is the grant to the Horse Racing Commission, the balance of \$251,000 is Northlands Inns Limited, the operator of Gull Harbour Lodge.

Now, perhaps at this point in time I should say a word or two about the Horse Racing Commission and as this grant relates to it. On the joint recommendation of the department and the Racing Commission, approval has been given to Assiniboia Downs' request to extend the thoroughbred season to 111 days in 1977. Last year there were 77 days of thoroughbred racing. This extension will generate considerable benefits for the Provincial Thoroughbred industry, improve the financial viability of Assiniboia Downs, give fans expanded opportunities to enjoy racing, enhance the tourist potential of racing and produce extra tax revenue. Standardbred racing at Assiniboia Downs will cease as of the 1977 season. The Downs has been unable to make standardbred racing financially viable even though fairly substantial wagering gains have been achieved in recent years. In response to this situation, the department has designed a program for 1977-78 to cushion the loss to standardbred horsemen as well as to stimulate the rural racing circuit. The program announced in the press recently involves shared cost capital support for improvements in rural facilities and increases in rural purse support, in sire stakes grants and Standardbred Breeders' Award. The Horse Racing Commission will also be examining the feasibility of a portable pari mutuel system for possible purchase in 1978-79.

So basically the appropriation for the Horse Racing Commission is to allow for the changes that I have just outlined, being mindful of the importance and the desirability of Manitoba to retain standardbred racing and thoroughbred and to enable both to operate in a viable manner.

MR. CHAIRMAN: Resolution 106(h) Grant Assistance. The Honourable Member for La Verendrye.

MR. BANMAN: I'll take the Minister's guidance here, but I wonder if we could discuss under this particular section — since Northland Inns received a grant — if we can delve into the Northland Inns.

I wonder if the Minister, to start off, could tell me how many establishments are involved with the Northlands Inn. In other words, besides the Gull Harbour Lodge, how many are there? How many hotel accommodation units and how many hotels are involved with this? As I mentioned, the number of units. I wonder if he could provide us with a rough total capital expenditure as far as the Northlands Inn, what have we expended?

I am also wondering — and I wonder if the Minister can confirm — that the shares of the Lord Selkirk have now been transferred over for the operation by Northlands Inn. With those few questions, I'll start off my questioning on that.

MR. HANUSCHAK: At the present time, the Northlands Inn operates only one lodge and that is the Gull Harbour Lodge at Hecla Island and the Lord Selkirk boat. The number of units at Gull Harbour Lodge are 60. The capital expenditure to date was \$4.1 million.

MR. BANMAN: I wonder if the Minister could inform the House out of the \$4.1 million what the federal contribution was.

MR. HANUSCHAK: So far, Mr. Chairman, \$1.7 million and then we're still in negotiations with the federal authorities for a further level of contribution.

MR. BANMAN: The \$4.1 million, does that include the landscaping? We understand that there is quite a bit of landscaping to be done. Does that include that landscaping that is supposed to be done?

MR. HANUSCHAK: Yes, Mr. Chairman.

MR. BANMAN: Has the Minister's department done any projections as far as the operation of that lodge? In other words, what position will that lodge be in after a year of operation? Have they done some projections as far as room occupancy and the operating costs of that particular lodge and also the amount of money that they intend to receive from the sale of food, beverages and lodging?

MR. HANUSCHAK: Yes, Mr. Chairman, we have and in fact, up to this point in time, the actual results are considerably in excess of what we had projected. For example, for the first month of the lodge's operation, the month of March, we had projected a 15 percent occupancy in terms of room-nights — 60 rooms times 31 days in March, so hence 1860 was the capacity. Anyway, the projection was 15 percent; the actual was 35 percent. So, instead of net revenue from the rooms at \$30 a night being \$8,370, it was \$19,560, and so it went.

For the month of April, our projected occupancy was 20 percent; the actual was 32 percent. For the month of May, the projected was 35 percent and at this point in time, it is quite apparent that it will be 61 percent. This is on the basis of reservations presently made, now made that we know, plus or minus a few percent because there might be some cancellations, but that is no great problem because if there is a 2,3, 4 percent cancellation, whatever, invariably there is always someone who calls at the last minute and wants a room for that particular night.

For the month of June, we had estimated 50 percent occupancy and indications at the present time are that the occupancy will run at 76 percent. For the month of July we were estimating 65 percent and at the present time, on the basis of the reservations that we now have, it is 34 percent full and this is just the beginning of the month of May. And so it goes for the month of August where we are estimating 65 percent and at this point in time, we can look to a 20 percent occupancy on the basis of the reservations presently made. For September, we were estimating a 45 percent occupancy and we are now expecting a 46 percent occupancy, at this point in time. And the same for October, we were estimating a 25 percent occupancy in the normal course of events, come the month of October that our rooms would be 25 for the 31 days of the month that our rooms would average at about 25 percent occupancy and, at this time, we can expect a 23 percent occupancy and this is not including the reservations that quite certainly will come in, over the four or five month interval.

In fact, in November, we were estimating a 20 percent occupancy and at the present time there are some reservations made for it at .3 percent. But looking at December we were estimating a 35 percent occupancy; we are now at this point in time, looking at a 13 percent occupancy, nine months hence.

Really, what I am saying, Mr. Chairman, is that the actual occupancy is far exceeding the estimated occupancy.

MR. BANMAN: Yes, Mr. Chairman, I wonder if the Minister could inform us before the construction of this particular lodge, if there was any feasibility study done, because if you take the \$4.1 million that is being expended there right now and you project that for the 60 units that were built, we come up with a figure of close to \$65,000 to \$70,000 per unit. Now, you amortize that at ten percent, we are looking at an interest cost of \$7,000 before you even consider heat, light, maintenance or anything else. Now, at \$7,000 and \$30 a night, you are looking at 200 days out of 365 that you have to have occupancy of those rooms just to break even on the interest payments. I am just wondering what kind of arithmetic we used when we went into it.

Now, are we going to be paying interest to anybody? In other words, the \$2.4 million that we have got invested, will we be paying interest? Are we going to be paying any principal off on that? Where did we get that money? Are we going to be paying any back?

Another question I have is that last year we went into great length debating the tenders that were issued and when we look at what has happened as far as cost overruns, we wonder what has happened with this particular facility. We had negotiated the original renegotiated price, and the estimated cost was \$1.92 million as the Minister of Tourism then, the now Minister of Co-operative Development informed us, and this was agreed to by Poole. The tenders had been \$2.35 million and \$2.37 million and the contract was then awarded under a renegotiated new program for \$1.9 million and now we're looking at a cost — before we know what has hit us — of \$4.1 million. Now, that's one side of the coin. I wonder if the Minister could elaborate why we're something in excess of \$2 million over the new negotiated price that we were informed of back on May 14, 1976.

The other question that I would like to ask the Minister is, there was a problem as far as the Federal Government was concerned and I think the First Minister got into the act there. The federal spokesman and I quote as saying "For reasons that seem far off, this has never included the original quotation," and I am referring to the \$700,000 for landscaping. Now, has that been resolved with the Federal Government or are we still hassling with them with regard to that?

The other additional expenses, I am wondering as far as the road building on the island is itself, on this island and on Black Island, are they covered by and paid for by Northlands Inns or will this be covered by general revenue that will come out of the Department of Tourism?

MR. HANUSCHAK: Well, Mr. Chairman, no there is no interest and no repayment of the principal of the total of the \$4.1 million. Perhaps just to refresh your own memories on the development of the Gull Harbour Lodge, I should remind the committee, Mr. Chairman, that the original park concept for

Hecla Island included facilities for modern hotel-motel accommodation with some convention capacity and this was recommended by two consulting firms, Project Planners Limited in 1966 and Mann, Taylor and Murette in 1968. The Hecla Park concept which was presented to Cabinet in early 1969, included provision for such a facility. Detailed planning for the lodge was carried out by the Manitoba Development Corporation between 1972 and 1975. Federal financial involvement to the extent of \$1.7 million in 1976 altered the proposed financing and removed the need for MDC. Over this period of time, approximately six different market studies were carried out by various provincial, federal and private agencies and all were positive.

The original cost estimate was \$3.4 million as of 1975. This included no provision for escalation or contingencies. Additional funds allocated for the project earlier this year were \$762,700 for the following purposes and it breaks down as follows: Meals and accommodation for construction crews — \$140,000; roads and parking — \$160,000; water and sewer — \$200,000; landscaping and lighting — \$106,000; staff quarters, that is for the staff employed at the lodge, who live on Hecla Island — \$90,000; Fire Protection — \$65,000.00.

When the honourable member speaks of cost overruns, there were no overruns as such on the basic construction cost of the lodge, but the additional costs were the items that I have just listed.

Now the road on Hecla Island, that is neither an expenditure of our department, nor Northlands Inns' but rather an expenditure of the Department of Highways. When I speak of roads and parking — \$160,000, that would include the parking area associated with the lodge plus I would suspect, that road or portion of that road leading off the road through the island into the lodge, and there is, if my memory serves me correctly, a couple of hundred yards or so of road that was built there.

MR. BANMAN: Thank you. The Minister mentioned No. 1, that there is no repayment and as a result no interest charge to this or principle being paid with regard to Gull Harbour Lodge. I wonder if the Minister could tell us where this money came from? I understand the federal money is coming in, but where did the province pick up this money?

MR. HANUSCHAK: Well I don't know, Mr. Chairman, I think one would have to ask the Minister of Finance, and I'm not even sure if he'd be able to identify the exact source of the \$1.7 plus the \$761,000 which the province picked up. You know where it picks up its capital money, Mr. Chairman, you know and I'm sure other members do, that from time to time the province goes out on the bond market for capital funds.

But I could indicate again, that \$1.7 million of that is federal money ' \$1.7 is provincial money, and I must repeat again, the exact source of that money, whether it was from a bond sale at whatever particular time or where those bonds were sold to yield that specific \$1.7 million, I cannot tell you. The Minister of Finance may or may not be in a better position to tell you. I would even doubt whether he could tell you, because it's quite unlikely that the Minister of Finance went out looking for \$1.7 million, because at the time that he may have gone looking for capital funds there was probably the \$1.7 million plus whatever other capital requirements the province may have had at that time. Anyway, it's \$1.7 federal, \$1.7 provincial, and the \$762,000 for the items which I had indicated a moment ago. The cost sharing of that with the Federal Government is presently under negotiation.

MR. BANMAN: Well, Mr. Chairman, I don't know if the Minister didn't understand my question or he doesn't want to understand it, but I suggest to the Minister of Mines who is in here right now, maybe this is the way he should be running his Manitoba Development Corporation. We're asking where the money came from. In other words, is the Minister telling us that the government has just given him \$2.4 million to build a hotel with no repayment clauses or nothing? That's what he told the committee here.

In other words, you are taking money out of the general treasury, and want to build a hotel which is not set down as far as an economically viable unit at all. —(Interjection)— I just want to understand that's what's happening here, that we are taking funds from the province and we're not going to be paying anything back, as long as we understand that. Now I think that's what we wanted to know.

Now as far as the cost, as far as Poole Construction, the estimated renegotiated costs of \$1.92 million as far as Poole is concerned' I wonder if the Minister could tell us what particular overrun was involved. What was the final payout as far as Poole Construction was concerned?

MR. HANUSCHAK: Would the honourable member repeat his last question? I was distracted here with a conference.

MR. BANMAN: Yes. We had a renegotiated estimated cost for the development of this particular hotel complex of \$1.92 million, and that was agreed to by the former Minister, and the contract was awarded to Poole Construction. I wonder if the Minister could tell us what the final amount that is being paid out as far as overrun costs to Poole is?

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: Mr. Chairman, before the Minister answers, I'm not totally conversant with the debate that has been taking place but I understand that there is some objection to the fact that there has been a capital investment with no terms of repayment and I'm not certain whether that is the case

or not, whether the hotel is not required to charge in order to pay its cost of operations. I'm not going to deal with that but would the honourable member not agree that is exactly the basis upon which the Winnipeg Convention Centre was built; that \$23 million is invested in the Convention Centre; that interest is not charged on that \$23 million; that it loses money ever year; that that is not added to capital investment; no interest is charged on that and they are not required to repay the investment that was made by the City of Winnipeg and the Province of Manitoba in the Winnipeg Convention Centre?

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, the Minister becomes unduly defensive. I don't think there was any suggestion on my part that there was any objection to it. We were simply questioning the Minister to determine what the arrangements were. Having found that information, perhaps now we can proceed on to other questions. But we were simply questioning the Minister as to what the terms were.

Now I would like to ask the Minister, perhaps a further question and that is: Has the government determined what the occupancy rate of the park itself — not necessarily the complex — what the occupancy rate will have to be in order to meet basic operational costs?

MR. CHAIRMAN: The Honourable Minister of Tourism.

MR. HANUSCHAK: I think the honourable member is talking about two different items in the Estimates because here we're talking specifically about the lodge and when we come to the next resolution we will talk about . . . If the honourable member is concerned about the break-even point for the lodge, I can give him that answer — 55 percent — 55 percent occupancy is the break-even point.

In response to the question posed by the Honourable Member for La Verendrye, the final figure that was paid to Poole Construction was \$2.1 million which includes some contract changes which we had initiated, we had made and so forth. In the construction business a difference of 10 percent is not uncommon or unusual. In fact, it was less than 10 percent.

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: Mr. Chairman, the Honourable Member for Morris, I think, is being unduly defensive about my undue defensiveness. I merely asked the Member for La Verendrye whether this was not the way in which the Convention Centre, which the Member for Wolseley keeps extolling as one of the greatest expenditures of city and provincial money, is not that exactly the philosophy under which it is financed.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: I wonder if the Minister could inform the House whether the Lord Selkirk will now be run by Northlands Inns.

MR. HANUSCHAK: That is our plan.

MR. BANMAN: I wonder if the Minister could inform the House whether the Northlands Inns will be acquiring the shares of Venture Tours or will there be a direct transfer from Venture Tours into Northlands? Or is there going to be money involved and what kind of an agreement is made between these two agencies?

MR. HANUSCHAK: That is presently being negotiated, Mr. Chairman. The negotiations haven't been finalized.

MR. BANMAN: I wonder if the Minister could inform us whether the question as far as 55 percent occupancy, if we are looking at the break-even point, what have they projected as far as occupancy this year? Because if we are looking at the winter months, I don't think we are going to be hitting 55 percent.

MR. HANUSCHAK: Yes, Mr. Chairman, I thought that I had given the honourable member a projected occupancy for the balance . . . In fact, I can even go beyond the balance of the calendar year; I can go into the next calendar year. Perhaps, Mr. Chairman, my department could likely come up even with more attractive, more promising, figures than we now have because what I had given the honourable member is the projected occupancy on the basis of the reservations now made where people, you know, have reserved accommodation for conferences and so forth, or week-end accommodation and so forth. So taking the projections which really are not projections because a projection is something that you anticipate without any great degree of certainty, but these are, on the basis of reservations made, by taking that into account, plus what, on the basis of our experience, we would hope to get in the months to come. On the average for the year, if we were expecting something in the order of 40 percent occupancy for next year, it is now projected to be running at 72 percent. That is taking into account the reservations now made and what we anticipate to get. It'll be running about 72 percent.

MR. BANMAN: A further question that was maybe overlooked, Mr. Chairman. I wonder if he could tell us how the negotiations are going with the Federal Government for the cost overrun.

MR. HANUSCHAK: We are reasonably optimistic, Mr. Chairman, that we'll be able to work out a cost-sharing arrangement with the Federal authorities, but I would not want to give a more firm

answer than that, at this point in time, until negotiations are complete and we get a definite answer from the Federal Government as to yes or no. At the present time, it appears that we will be able to arrive at some arrangement for cost-sharing.

MR. BANMAN: I wonder if the Minister could tell us: (1) What amount is in question and that the negotiations are depending upon; and (2) Will Northlands Inns be paying for the marine facilities that are to be constructed at Hecla Island?

MR. HANUSCHAK: The amount that's under negotiation with the Federal Government at the present time is the \$762,000.00. At this point in time, we're still looking at the cost-sharing of the entire amount. It hasn't reached the point where the Federal Government would have said, "Yes, we'll cost-share that item, we'll cost-share the other, but we will not that," and thus narrow it down to something less than \$762,000; we are still looking at the total amount.

Will Northland Inns be involved in paying for the construction of the marine facility? The answer is no.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, I wish to ask the Minister — he's already indicated there's some road construction and it is the responsibility of the Department of Highways, and I'm sure his department is communicating or I would hope is communicating with the Department of Highways — can give us some indication, just exactly what the situation is with the roads inside the park and outside the park, because I think the only success we'll have in the whole Hecla Island Park — I was through there a couple of times last year and it was quite early in the season. I didn't believe there would be anybody going there later on in the summer, however, I understand it was somewhat successful and there were quite a few tourists in the park. My question to the Minister is, how close now is the hardtop road to the gate to the park, is it within five miles or ten miles? I'm not saying cement road, I'm saying hardtop or oil-based. And what about inside the park?

A MEMBER: The island or mainland?

MR. PATRICK: Mainland. And how much improvement of roads has taken place inside the park, for instance, from the gate to the hotel? Because in the early time of the year that I was there last year, if a car went ahead of you, it was so dry that you had to wait almost ten minutes before you could follow.

That's the first thing, if you're going to attract tourists, I think you have to improve the roads and make sure that the cars are passable. At least during the season, the gravel should be oiled so that everyone that goes by is not full of dust. That's very important with the kind of investment that the government has made in the hotel and other facilities — I would agree it's a beautiful spot, Hecla Island itself is a pretty beautiful spot — but certainly there have to be improvements in the road system, and I would hope the Minister can give us some indication. He said it's the Department of Highways' responsibility, but I hope the departments are talking to each other and can give us some indication what is the course of action the government's taking, what development has taken place, or will there be some improvements. Will there be hardtop, will there be oiled roads, because if there are no improvements, I would be quite concerned about this park.

MR. HANUSCHAK: As far as hardtopping the provincial road from the mainland, having travelled on that road as recently as two or three months ago, the road does have a form of hardtop up to the causeway on the mainland, from Riverton north, so that is hardtop. Now, on the island, during the winter season, reconstruction had been done of about three miles, I believe, from the causeway across that marsh, until one gets on to solid land. That road was not only rebuilt, but relocated. It must have been relocated, moved somewhat, during the winter months, because when I was travelling on it, the relocated road was not completed, and I was still driving on the old one and the new one was a stone's throw to the — I was going to say to the north, but it makes a couple of twists and turns as one drives on to the island — to the left of the old road, as I recall it. Now, the completion of that road — the new roadbed, it's a matter of time, one cannot speed up the process. The roadbed has to settle properly and so forth before hardtopping can commence. And then of course it's intended to improve the road across the island, up to, and I would take it, beyond the junction of the road leading off to the lodge and the one continuing up north to the picnic ground and the campground beyond it.

It certainly would not be my wish, or the wish of government, to build a speedway across the island. We would want the road in reasonably good shape, and perhaps even deliberately designed in such a fashion to reduce the speed of traffic. It is not a place where it is important or necessary or desirable to allow for rapid flow of traffic. People are there on a holiday, and as the Honourable Member for Assiniboia himself had indicated, I am sure everyone would agree, it is a beautiful island, and as long as one has a comfortable road to travel on, and built in such a way as to keep the speed down to a level at which one could appreciate the beauty of the scenery that one travels through.

Now as far as the dust problem is concerned, before hardtopping is done, I believe that in the past years either salt or whatever, salt of some kind, likely calcium chloride, was applied to reduce the dust and no doubt this will be done this year again until such time as the hardtopping is complete. Yes, in

fact the salt treatment from the causeway to the lodge will be done within the next two weeks.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: I am glad to hear that, Mr. Chairman, because my concern is, and I didn't indicate to the Minister that all the roads have to be paved or cement or oil base, but I do believe that you need calcium chloride or some oil on the gravel, because I have been through there last year, and I indicated to the Minister that I don't feel you are going to attract too many tourists if they have to go through real dust, and at that time the road was in real bad shape. It was quite early in the spring, it was some time in April, I believe, or May and not only that the road was in bad shape, in places there were pretty bad bumps and holes in the roads. And in my opinion, I think that has to be looked after pretty quickly because I am sure that the Minister wants to attract people, wants to attract the tourists in that area. Before we can do that, I am sure that one car is not going to wait for fifteen minutes, or won't be able to follow another car for at least two miles behind it, so I would say that this is something he has to communicate with the Department of Highways and make sure that either calcium chloride is used or oil is used or something, so that there is at least. . . . Again, I didn't say that the roads have to be paved inside the park, or hardtopped immediately, but not left in the the condition that they were last year.

MR. HANUSCHAK: Yes, Mr. Chairman, I certainly want to assure honourable members that my department will certainly maintain close communication with the Department of Highways to provide the people of Manitoba and other users of the facilities on Hecla Island with as good a road as we possibly can at the present time.

Now, in view of the fact that the eventual plans are to provide a road somewhat superior to the one that there is now which may necessitate a slight relocation of the odd curve or whatever along the road, therefore it would be somewhat impractical to spend the kind of money on road maintenance as one would on a road that is firmly established and one location is there to stay. But nevertheless, every effort will be made to provide as good a road as we possibly can, to in turn provide for as comfortable travel as we possibly could for the users of Hecla Island Park.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, I wholeheartedly agree with the Minister when he suggests that the roads in the park should not be speedways. And may I recommend to him, as a design for ensuring that the speed will not be excessive in the park, the present design of provincial roads throughout this province.

MR. HANUSCHAK: Mr. Chairman, you know by and large the present design of roads in the province, some of which we have designed, some of which we had inherited from a previous government, but by and large I don't think that there are too many people, if any, complaining that the design of roads is such that reduces the speed that they feel should be desirable for travel from point A to point B, wherever they may be going. The honourable member was talking about the design of the road. He's not talking about condition, but design. And even as far as the condition is concerned, I think that much can be said in favourable comment about the general condition of Manitoba roads too. But let's not get into a debate about the condition of the roads in the Province of Manitoba in this debate.

But I appreciate the assistance of the Honourable Member for Morris. I appreciate at all times that he is willing to offer it to me.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Thank you, Mr. Chairman. I wanted to get back to the item which was a \$251,000 grant by this Minister to Northlands Inns Limited. I'm very concerned and I know the Minister's in a good humour this afternoon, but I'm not. I feel that there's a role here for an investigative reporter because it seems to me that as the average citizen this government wants to create the image that they're going to have the same problems, trials and tribulations as a citizen investor.

I think to the Minister the first question is, why the \$251,000 grant? Because when the Minister says this particular situation, the Northlands Inns Limited is going to stand on its two feet, and then my colleague from La Verendrye asked if they're going to have any repayment on a loan, that means that they are able to have a \$4.1 million complex and not have to show on their financial statements any particular financial costs. They're not going to have to show the costs of the highways that the government is going to build into the area. Like someone who had a fishing camp, if they wanted to have it available they would have to get all kinds of permits and everything and hire their own private bulldozer and make their own road, if he was up north.

, Again, on the one hand, we are talking about Northlands Inns Limited — I appreciate that we are getting a freebee in the fact that the Marina and the Lagoon Beach and these other things will all be supplied under parks at no cost to Northlands Inns Limited. But then you get into the part which I think the public has a right to know about.

Is this Minister, like I talked about the other day, propping up this particular hotel complex? I asked him how many members of the Cabinet had been there and I asked him how many members of

the government staff had booked their conferences there. I even asked the Minister of Public Works if Gimli was going to suffer a decrease in revenue because of this situation. I was told the Renewable Resources were up there in the last short while. So I'm wondering if a private citizen had this hotel, if they would be propped up by the seemingly unendless visits by the government to this new particular complex. So this is what I'm concerned about because I just don't want the public to feel that we have an extremely viable situation here. I think we have a beautiful golf course and a nice arrangement up there, but at what cost. That's what I'm concerned about, at what cost. I think that when you prop it up with a \$251,000 grant, that \$251,000 to be added to the \$4.1 million that's been alluded to?

Then we get into the real interesting part. It seems to me that now the state-owned hotel and the state-owned ship are going to be coming under the name Northlands Inns Limited. Can the Minister in very simple terms, I ask why, because you had Venture Manitoba Tours Limited and I took the trouble of spending 50 cents to go over and run a company search on it. They have a very interesting Board of Directors here. I wondered if the Minister would say, has Northlands Inns Limited got the same Board of Directors, or who are the Directors of Northlands Inns Limited? Is it just the government?

Then we come to the articles which appeared in the paper which said that Venture Tours so far had been propped up by MDC to the tune of \$791,000.00. The Minister refuses to let the public know. He says it's under negotiation. Is the Minister of Mines going to write off a debt of \$791,000 and wipe it out completely? Or if you're taking the asset of Venture Tours Manitoba Limited, namely the boat, should you not also inherit the debt picture? What I'm trying to get at is the Minister says it's under negotiation. What stage of negotiation? What predictions can the Minister come up with? Maybe a suggestion as to what he envisions the outcome might be? It's very easy to slip off into an area because I have a lot of things that I would like to make comment on pertaining to Hecla Island but the Minister has slightly misled us in the projections and the enthusiasm in which he stands up in this House and tells us what a wonderful money-making operation this is going to be and talks about a 72 percent situation. Again, I think that really, I suspect that there is propping up by members opposite of these figures. Again, because I am a member of the opposition, I am not able to get this information, but maybe the Minister would, when he gets to confession hour, stand up and give us some of these figures.

MR. HANUSCHAK: To simplify the task for the investigative reporter that the Honourable Member for Wolseley would wish to put on this trail, I could tell him that the breakdown of the \$251,000 is for the projected loss was about \$104,000 working capital for the lodge and start-up expenses \$147,000, totalling to \$251,000.00. The Northlands Inns Board has not been appointed at this point in time insofar as what the arrangements will be as related to the Manitoba Development Fund with respect to \$791,000, that is something that is being worked out between the Development Fund and the Department of Finance and not our department.

Is the Gull Harbour Lodge being, to use the honourable member's words, "propped up" by clientele from government, various government departments and so forth holding conferences there? I cannot tell the honourable member at this point in time to what extent various government departments use Gull Harbour Lodge for conference purposes. I would suspect that the "propping up," one would call it that, that the propping up of Gull Harbour Lodge by government departments and Crown agencies is no greater than the propping up which government departments may have been forced to give privately-owned hotels in the city and elsewhere in the province of Manitoba for conferences that had to be held and for which hotel accommodation and conference room accommodation was necessary and desirable. No doubt the nature and the type of conference room accommodation would vary from time to time, from conference to conference, depending on the nature of it and so forth and that in turn would determine the location at which it would be held. I have yet to hear anyone complaining about any Crown agency or government department propping up the International Inn or any other such hotel around the city by using its facilities for conference purposes.

So if for years, in the absence of a type of facility such as we now have at Hecla Island, namely Gull Harbour Lodge, if it were quite proper and acceptable to use other hotel accommodation for conference purposes without any complaint from anyone, I see no reason why anyone ought to complain about any department or branch of a department or any other Crown agency using the facilities at Gull Harbour if it meets their requirements.

MR. WILSON: Well, I think the Minister has stumbled upon a very interesting concept for marketing this situation. I think that a lot of people buy Windsay tickets because they feel it's a form of taxation and they want to help the financially troubled government out. It seems to me that if the Minister wants to use a selling feature and say to the citizens of Manitoba "Use this particular hotel because it's a state-owned hotel and we've got to break even," then I don't see anything wrong with him approaching it that way. But to prop it up by holding all these conferences and meetings and what have you and different Ministers on the other side have been talking about the great virtues of the place, obviously they have been invited up or somehow or the other have arrived at. . . I have yet

to receive an invitation but I'm sure members opposite have all had a look at the facilities and that's fine. I'm saying that may be an interesting concept but it seems strange to me that. . . . Do you mean to say that this place is off and running — it was opened up in March — and yet the board hasn't been appointed? Do you mean to say I can go to Mr. Parsons, Maloney, Cochrane, Kornberg, and ask them what's going on at this particular hotel? Are they the existing board, or who is the one that's calling the shots pertaining to Northlands Inns Limited? It seems strange. In private practice I don't think that we would off and running in a business and not have appointed a board of directors.

MR. HANUSCHAK: At the present time in the process, in this transitional stage, the Lodge is being run directly by the department so therefore there is an operator of it, there is someone responsible for the operation of it. Now, the honourable member's suggestion — he seems to have the impression that there's a steady parade of Cabinet Ministers and others with them to Gull Harbour Lodge — I want to indicate to the honourable member that I as well as he and others would find it difficult, in fact impossible, to obtain accommodation at Gull Harbour Lodge for the next couple of months or so on a weekend, and on many other days during the week because of the popularity of it and the level and rate at which reservations are coming in. In fact, it may interest you to know, Mr. Chairman, that at this point in time we are planning an official opening of Gull Harbour Lodge and we would like to set a date that would meet with the convenience of as many as possible, and we're finding it extremely difficult to find a date because of the popularity of the Lodge and the place being booked up.

So in fact we're finding it impossible to find a date when we could find a room for the Federal Minister to stay overnight if he should wish to come down for the opening. That's the type of popularity, of appeal that Gull Harbour Lodge presently enjoys.

MR. WILSON: Well, I'll close the debate. In other words, what the Minister is putting on the record is that Northlands Inns Limited, even with the \$251,000 grant, is really enjoying such a popularity that we can look forward to its standing on its own feet and being an extremely successful venture. I, as I say, feel kind of guilty standing up here arguing about a state-owned hotel when there's many other problems facing the nation and certainly this province but, again, it seems to me there's a lot of interesting — and the public has a right to know — a lot of interesting money changing hands here and we just want to know the total cost. It was one of these situations again where the Federal Government was going to be 50-50 and now there's all of a sudden a ceiling on it. It always seems strange how the province seems to get into these situations and they end up costing more than the 50 percent.

MR. CHAIRMAN: I just want to correct the honourable member that he will not be closing debate. There is no closure of debate in Estimates unless you move Section 62, 16 or 15.

MR. HANUSCHAK: Mr. Chairman, at the present time, all indications are that Gull Harbour Lodge will indeed be a very popular and a successful venture. Insofar as the costs are concerned, I've given a breakdown of them. The cost of the Lodge, as the original figure showed, and then there were the additional costs adding up to \$762,000 for the purposes which were listed and which I itemized in the course of our debate.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Another question having to do with the purchase of the boat from Venture Tours, and the Minister could correct me if I don't understand the situation quite correctly, but could he confirm that what the department is trying to endeavour to do is to try to get money from the general revenues to pay out the amounts of money that are owing to Manitoba Development Corporation for Venture Tours and then have the boat transferred to Northland Inns, which would mean that there would be no interest costs as far as the operation of that boat to Northland Tours?

MR. HANUSCHAK: That, Mr. Chairman, is a matter to be resolved between the Department of Finance and the Manitoba Development Fund.

MR. BANMAN: I wonder if the Minister could confirm that that is exactly what is going on right now as far as the negotiations between the two departments are?

MR. HANUSCHAK: Negotiations are going on. I cannot confirm or deny anything as to the outcome of the negotiations' because that, not at this point in time, has not come to be.

MR. BANMAN: I wonder if the Minister could tell us whether part of the negotiations are the different assets that Ventures Tours presently has such as vehicles that are being operated in the City of Winnipeg and other physical facilities.

MR. HANUSCHAK: . . . but it is quite possible, Mr. Chairman.

MR. BANMAN: I wonder, to save some time as far as the Committee is concerned, I wonder if I could ask the Minister if he could provide us, on Monday possibly, with the final estimated cost of the resort complex along with several other things which I realize aren't involved in this particular appropriation. If I could just ask the Minister for that it might help to save time come Monday or Tuesday, and it still has to do with Hecla Island but not specifically with Northlands Inns. I would ask him if he could provide us with the final estimated costs of the resort complex; the estimated costs of the marine facilities; the final costs of the golf course; the cost of the campgrounds; the road work

that is being done by the Department of Tourism; and any costs as far as other infrastructures such as sewer, water, toilet facilities or recreation facilities as it has to do with Hecla Island.

In other words, has the Minister got a comprehensive statement or a comprehensive idea of what the capital costs for the development of Hecla Island, as far as the investment of capital from the Department of Tourism, has been up to this date?

MR. HANUSCHAK: Yes, Mr. Chairman' at whatever the appropriate time may be, depending upon how the Estimates Debate proceeds, I certainly would be quite willing to provide the honourable members with the type of information requested by the Honourable Member for La Verendrye and the honourable member is requesting information re capital expenditures on Hecla Island in general, and that could be made available. Whether we would reach that . . . perhaps it might relate to the next resolution that is on the next page or at some other point when we deal strictly with capital, but certainly that type of information can be provided to him and members of the Committee.

MR. BANMAN: Well, again just to facilitate the work of the Committee, I wonder if I could serve notices as far as those questions are concerned, that the Minister could maybe provide the answers to those questions to the Committee.

MR. HANUSCHAK: Yes, Mr. Chairman, but it must be borne in mind that one has to make a distinction between or draw a dividing line between costs associated to Gull Harbour Lodge and the costs associated to Hecla Island Provincial Park in general. The two are quite separate and distinct from each other. But that can be provided.

MR. CHAIRMAN: Resolution 106(h), \$838,500—pass.

Resolution 107, Tourism and Park Resources Division (a) Divisional Administration (1) Salaries, \$63,000.00. The Honourable Member for La Verendrye.

MR. BANMAN: I think this is the section that the Minister referred most of our questions to before the noon hour adjournment and I think at this time I would like to ask the Minister further to questions we were asking, is the development and the future of the Tourist industry in the Province of Manitoba, and I would like to at this time draw to the Minister several problems that have been drawn to my . . .

MR. HANUSCHAK: On a point of order, not that I wish to interrupt the honourable member, if he wishes to debate the Tourist industry and wishes to inquire as to government's program in the promotion and attraction of tourists to our province, and so forth, may I draw his attention to the fact that there is a specific appropriation within the Estimates, (d) Tourist Branch, and that deals specifically with the — and I'm just looking over my notes — types of questions that I rather suspect that the honourable member will be raising at this point in time. If he wants to refresh my memory on some previous questions put to me, that is if he's talking about Tourism, may I simply draw to your attention, Mr. Chairman, that the first item is the General Administrative Costs of the Branch, and then (b) is the Provincial Park System — (Interjection) — Provincial Parks, then Historic Resources, and then Tourist Branch, which is tourist promotion.

Mr. Chairman, the honourable members had some specific questions with respect to parks. Well of course, that's the second item, because there's the General Administration that comes first.

MR. CHAIRMAN: 107(a)(1) Salaries—pass; (a)(2) Other Expenditures, \$10,200—pass; (b) Provincial Park System, (1) Management Services (a) Salaries, \$752,300.00. The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Chairman. Several weeks ago I asked the Minister during the questions period, several questions with regard to the problems that resort owners, and people generally, that are leasing Crown land within Provincial Parks are having securing leases, and securing leases of a duration and time, which will enable them to run viable operations. Now it has been drawn to my attention, and I think to the Minister's attention, that the present system is somewhat unfair, I feel, because what it is doing is that it is not allowing for the proper expansion of tourist operators within the Provincial Park System. When you have somebody transfer a cottage for instance — and I'll use Falcon Lake as an example — if I were to sell a cottage that I own there to another individual, I would be asked to do certain repair work if necessary to that establishment, then the person buying it from me would have a new lease, and that lease would be for a duration of 21 years. Now what is happening at present is there are people in the park system that have leases with the Provincial Government and when they purchase this facility from another individual, what happens is that, if there's six years left on that particular lease and then it's up for renewal, it becomes very hard for these people to get proper financing for that facility ' and understandably so, because there's no banker that's going to start loaning out money on a six year lease. It's hard enough to get lease money on an assignment of a lease, other than a mortgage on leased land. So that's one of the problems that is facing the operators.

The other problem of course is that when the lease agreement is not of a duration or time length that would allow the operator to upgrade his facility to a point where the department would like to see it, and I point out to the Minister that many of the areas, especially in the Whiteshell, and a lot of our tourist areas, where operators have been running their camps for a long time, is the facilities that were built twenty, thirty years ago, were built basically for the fishermen that came there. The

facilities weren't nearly as sophisticated as people want them to be now, and as a result some of the camp owners, and in fairly built up areas are faced with fairly large expenditures to upgrade their facilities. And they are having difficulty without a proper lease on it to go ahead and develop a good financial base. These people I understand, and from personal experience I know that they are having a hard time struggling, because your looking at a very short season. You're looking at three or four months if they're lucky, and if one of the months happens to be a cold one, they're really in trouble. They have fairly large capital costs, and yet they have to try and make their living in a very very short time. Fortunately many of the winter sports have caught on such as cross-country skiing, snowmobiling, and this is I think a positive step forward, and I would encourage the Minister as far as Parks, and especially in my area, to continue the program of developing cross-country ski trails, and snowmobile trails, because it is helping the owners, allowing them to have more of a year-round operation.

The other area of concern — would like the Minister to elaborate possibly — is whether or not there is a master plan for Whiteshell Provincial Park. What is happening at present is that most of the people are in the dark as to what is happening. For instance, you drive into West Hawk Lake, and people say, ' "Well there's rumours of Holiday Inns building a large hotel complex here, what's happening?"' People don't really know what's happening, and I think it would be very beneficial to the development of that whole area if the government would do very much like the Federal Government did with the Riding Mountain National Park, in that they presented a positive comprehensive plan of what they thought should happen with Riding Mountain, they had people come out, they had public representation, they took it to the people. One of the biggest problems that people are having out in the Whiteshell area, and that surrounding area, is that they don't know what is happening with regard to the Whiteshell Park, with regard to the so-called Wilderness Park that the province is developing, and then you've got the Wilderness group, the Atikaki group that are trying to develop a Wilderness Park even north of the Wilderness Park that we've got, and I would tell the Minister that my feedback from the travels that I've gone through, and I've talked from Bissett all the way down, is that the people are frustrated because they don't know what this government is going to do, they don't know what the Federal Government is going to do' and I think that a positive step should be taken, where by you take the Whiteshell master plan, and I understand the Minister has one. I don't know if it's ever toured anywhere, but the Minister has a master plan, what they want to do with it. Show the people, this is the area we want to keep our wilderness area, get input from these people because the only way we're going to keep any people in that particular area, is to provide them with a proper flow of tourists so that they can develop their own facilities and stay there. As the Minister knows, many of the operations are fairly marginal and some of people are working pretty hard to keep them going.

So, Number (1), I would encourage the Minister, if he hasn't done so yet, to set up a committee which will study the lease problem in the provincial parks so that these people do receive adequate leases in the transfer or sale' or when they have to renegotiate new financial agreements to upgrade their current facilities, so that these people will be able to receive a good fair lease from the Provincial Government.

Number (2), to establish priorities as far as the negotiations with the people in the area, to set up a proper Whiteshell master plan and show it to the people, get input from the people that are concerned in the area, and the general public.

The other question, as far as parks development is concerned, and I brought that up briefly before, it's very hard sometimes, Mr. Chairman, to sit down and sort of disassociate the parks from the tourism end of it. I mentioned before, in my opening statements, I think maybe we're too much parks orientated and not enough tourist, because I believe a good mix is what will be beneficial to the Manitoba economy and it might be nice to have all these parks out there, but as long as we're not using them for people, in my estimation, there's no sense in having them.

There is a good corridor leading out through our Whiteshell Park. I appreciate that they've developed the Hecla Island Park, but you've got problems of roads. You've got to have large influxes of capital to get this facility upgraded so that people will want to go out there in a matter of an hour and a half or two hours on the week-end, camp, and then come back. You've got to have good facilities out there.

The eastern end of Manitoba is in dire need of employment, as well as other areas but we have built an artery out there. We've got a four-lane highway running right to the Ontario border, and I'm wondering if there has been any consideration given to the development of the lakes just north of West Hawk Lake, along the Ontario border. There's a number of lakes in there that could be developed that are not accessible right now by car. I appreciate that some people would like to keep this in more of a wilderness area, but I suggest to the Minister that we've got a lot of wilderness, and the Minister in charge of Renewable Resources, and I've been out through that country, has got a lot of beautiful canoeing and wilderness area up in there. There are only a handful of people that are canoeing enthusiasts. By far the majority of people are people that want to go out with their families, either have a tent trailer, want to get out of the city on Friday and be close to a lake somewhere. I think

it's important that we sit down and plan a proper master plan for the Whiteshell, so that not only the operators, but the tourists, people in general, can get out there and enjoy the facilities that we do have, the natural beauty of Manitoba, and also the many facilities that we do have.

I would ask the Minister to comment with regard to the thrust of his department with regards to those few matters, namely a lease Whiteshell master plan, and the development of the eastern region as far as opening new camp facilities, overnight camp facilities, and for that matter, even cottage facilities. What has happened in the cottage field, I think is something that is unfortunate, because ten, fifteen years ago, we had people who could go out and afford cottages. They could go out and buy a lot for a fair value, build a cottage on there, and get out with their family on the week-ends. I think the member for Assiniboia has a cottage out at Falcon, he built it a number of years ago, and my father built a cottage there a number of years ago, they are fortunate enough to have something out there, but the costs are becoming prohibitive of anybody moving in there and trying to do anything. Of course, as the Minister knows, there are no lots for sale right now.

But is there a chance of opening some of those lakes, just north of West Hawk, along the Ontario border, and allowing more people to possibly buy lots, development for cottage areas, and also provide campgrounds for people who would wish to spend the week-ends out close to Mother Nature.

MR. CHAIRMAN: The Honourable Minister has about one minute.

MR. HANUSCHAK: Mr. Chairman, I just simply want to indicate to the honourable member that I've made note of the questions put by him to the committee, and I will respond to them when we are next in Committee of Supply.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again. .

IN SESSION

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Flin Flon, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: Private Members' Hour. The Honourable House Leader.

BUSINESS OF THE HOUSE

MR. GREEN: Mr. Speaker, I'm of the opinion that the members wish to adjourn at this time, but before we do, I'd like to indicate that next week in the mornings of Tuesday and Thursday, I would like to be calling Committee of Economic Development. I can confirm that on Thursday, the Committee will hear the report of the Communities Economic Development Fund, and I hope that there will be a report of one of the Crown corporations on Tuesday, but I'll not be able to give the definite corporation until Monday.

In the Committee of Supply, we are proceeding, I understand that the honourable members would be able to hear the Executive Council in the concurrent committee. In this committee after the Minister of Tourism, there will be the Attorney-General. I also understand that after the Executive Council, if committees proceed normally, that Urban Affairs will be heard. If there are any questions, Mr. Speaker, I will take them at this time. If not, then I would move, seconded by the Honourable Member for Morris, that the House do now adjourn.

MOTION presented and carried, and the House adjourned until 2:30 p.m. Monday.