

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10 o'clock, Friday, May 9, 1975

Opening Prayer.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery, where we have 19 students, Grade 12 standing, of the Surry High School of North Dakota. These students are under the direction of Mr. McDaniel.

And there are 25 students of Senior Grade of the Hatton, North Dakota, School. These students are under the direction of Mrs. Peterson.

We also have 60 students, Grade 9 standing, of the John Pritchard School. These students are under the direction of Mr. Kroeker and Mrs. Ducette. This school is located in the constituency of the Honourable Member for Rossmere, the Premier of Manitoba.

On behalf of all the honourable members, I welcome you here this morning.

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

INTRODUCTION OF BILLS - BILLS 40, 41, 42 and 43

HON. EDWARD SCHREYER (Premier)(Rossmere) introduced Bill No. 40, The Statute Law Amendment (Taxation) Act (1975). (Recommended to the House by the Honourable the Administrator.)

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services)(Osborne) introduced Bill No. 42, an Act to amend The Manitoba Telephone Act and to authorize the Expenditure of Moneys for capital purposes of The Manitoba Telephone System and authorize the borrowing of the same. (Recommended to the House by the Honourable the Administrator.)

MR. SPEAKER: I wonder if we could have that read as soon as we have the bill introduced. It would save time getting up twice. The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface) introduced Bill No. 42, an Act to amend The Child Welfare Act (2); and Bill No. 43, an Act to amend The Health Services Insurance Act.

ORAL QUESTIONS

MR. SPEAKER: Questions. The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition)(River Heights): Mr. Speaker, my question is to the First Minister, and I believe there has been some public announcement made already. I wonder if he can indicate now when the by-elections will be called in the constituencies of Wolseley and Crescentwood.

Mr. Speaker, I wonder then if the First Minister can confirm that he has made a public announcement saying that the by-elections will be called before next Thursday.

MR. SCHREYER: No, Mr. Speaker. No.

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker, I have an answer to the question of the Leader of the Opposition, re the decision of the City of Winnipeg to require blood tests for certain Mosquito Abatement and Control workers. I can say that our department, I've checked with senior officials, and I don't know if you're getting the answer on . . . but we haven't been consulted, and of course the City has their own Public Health Department and this is probably the decision that they made.

Then the Member from Fort Rouge, I think, was asking me a question about closing up wards of the Health Sciences Centre. and there were wards E3 and E5 had been closed and 41 beds in those wards are not in use. It is my understanding that no further cuts in beds are planned barring extreme circumstances. The reason for the closing of the beds is the classic one of course, of the shortage of nurses at this time. I don't know if it's too early to tell if the increase in wages will help. To the best of my information this has no relationship to the budgetary problems.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I thank the Minister of Health for the information. I wonder then if I can direct a question to the Minister of Mines and Natural Resources. Have any of the workers involved, or referred to by myself in the question asked of the Minister of Health, have

ORAL QUESTIONS

(MR. SPIVAK cont'd) . . . they asked for a meeting with the Minister, or had they asked for a meeting with the Minister dealing with a problem area with respect to the use of the chemicals in the Abatement Program, and the possible damage?

MR. SPEAKER: The Honourable Minister of Mines.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Not that I'm aware of, Mr. Speaker. Sometimes a request that is made does not come immediately to my attention, but I believe that they would meet with the personnel manager of the City of Winnipeg. It's not we who have required this blood test.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Well, Mr. Speaker, I have a question for the Minister of Health and Social Development with reference to the statement he made on ward closings. Can the Minister now also confirm whether the St. Amant Ward, which caters to mentally retarded and handicapped children, has had two wards closed as a result of a provincial denial of a request for support?

MR. DESJARDINS: Mr. Speaker, I doubt that very much, but I'll have to check on this and give the information to my honourable friend.

MR. SPEAKER: Orders of the Day. The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I direct a question to the Honourable the Minister of Agriculture. Could the Minister inform the House as to why Mr. Brian Milne, a provincial livestock nutritionist, was asked to resign?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Well, Mr. Speaker, I am aware that there has been some dispute as between himself and his superiors, but that is something between themselves and I don't believe that it's proper for me to discuss the differences of views as between himself and his immediate superiors.

MR. G. JOHNSTON: A supplemental question, Mr. Speaker. In view of the fact that Mr. Milne refused to resign, would the Minister tell the House why he was fired?

MR. USKIW: Well obviously, Mr. Speaker, if a person is asked to resign and he refuses, then the next step is that he has to get fired, if there's a disagreement as between himself and his superior officer. And that is appealable, as my honourable friend knows.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable the Minister of Tourism, Recreation and Cultural Affairs. I wonder, can the Honourable Minister advise the House of the number of athletes that have signified their intention to attend the pre-games trials for the 1976 Olympics? How many Manitoba athletes have indicated they're going to be trying out for the Games? Have you any of that information?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs)(Springfield): Well, Mr. Speaker, at this point it is impossible for me to know that accurately. I can only indicate to the honourable member that I may be in a better position after this coming Saturday to be more accurate in the number of athletes that are willing to compete, because there is a study session and a get-together on the weekend with many of the Manitoba athletes that have competed provincially, nationally and internationally.

MR. McKENZIE: A supplementary question, Mr. Speaker. I wonder if it is the intention of the Minister to meet with these athletes to make certain that they have sufficient funds to meet the total costs of their training period at the trials, or where they compete for the '76 Olympics.

MR. TOUPIN: This is one of the reasons that I intend to meet with a lot of the athletes on the weekend. Unfortunately a quite important contingent of athletes will not be present because there's a meeting now in Calgary. I'm hoping to get more accurate recommendations from my staff pertaining to financial obligations by athletes and the involvement of my department.

MR. McKENZIE: Well, a final supplementary question. I thank the Honourable Minister for the information. Due to the bad atmosphere apparently that's coming out of the eastern areas, I'm wondering now if the Minister has been in contact with some of those concerns that have been expressed in the east by athletes during this pre-game setup for the Olympics.

MR. TOUPIN: Yes, we've been in discussion with many of the sports associations involved and we hope to continue, and we're sincerely hoping, Mr. Speaker, that the 1976 Olympics

ORAL QUESTIONS

(MR. TOUPIN cont'd) . . . will go as planned. If not, we'll put on our own little show here in the province.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister of Tourism and Recreation and would like to ask him: An expansion program of recreation facilities and cottage facilities was mentioned in the Speech from the Throne, and I'm wondering how many cottage lots will be available this year for long term leases to people who are interested in leasing cottage lots in the Eastern Manitoba area.

MR. SPEAKER: The Honourable Minister of Tourism.

MR. TOUPIN: Mr. Speaker, I haven't got the exact numbers or the breakdown of cottages available, you know, at short and longer term lease bases. I'm issuing a press release today, and I can be more accurate in numbers when I discuss my Estimates, but if this does not come up in the next few days I can sit down with the honourable member and make those figures available to him.

MR. BANMAN: A supplementary question, Mr. Speaker. I wonder if the Minister could inform us as to what procedure they will be taking with the allocation or the leasing of these lots to private individuals. Will it be in the form of a tender or an auction or . . . ?

MR. TOUPIN: Well again, Mr. Speaker, some of those have been allocated already. The date for submitting one's name has happened - the draw has taken place. For future lots usually it's based on the draw system, you know, in regard to the applications that we have. We feel that's the most equitable way of dealing with applications when you have more than sites available.

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

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, because of the notice we received regarding the celebration or ceremonies that are going to take place this coming Monday, are the schools going to get a holiday in the Province of Manitoba?

MR. SPEAKER: The Honourable Minister of Tourism.

MR. TOUPIN: No, Mr. Speaker. That has been made fairly clear, I believe, in the press release that I made. There will be approximately 1,000 students participating but it is not to be considered a school holiday.

MR. McKELLAR: A supplementary question. I'd like to ask, are there any schools from rural Manitoba going to participate in this occasion?

MR. TOUPIN: It is my understanding that there will be students from different parts of the province participating in cultural events, in sport events, and so on.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I have a question for the Minister of Agriculture. Can the Minister indicate whether the Minister or the Deputy Minister of Agriculture had cause to have an application for the position of Assistant Nutritionist in the Department of Agriculture considered several weeks after the formal competition had been closed?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: I believe, Mr. Speaker, the matter that the member is alluding to has been checked out and that the regular procedures were followed. And when I say that, I mean that is a possibility but that is not unusual.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate what kind of inquiry or investigation has been conducted in this matter to determine that proper procedures were handled.

MR. USKIW: Well, Mr. Speaker, the member knows that the rights of the civil servant are very clearly spelled out, and all of these decisions are subject to appeal. Therefore, if the individual has a grievance, I think that he should follow that course of action. If there is some determination at that point that something was not done properly, then of course redress would have to be made.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate whether there has been notice of such grievance, and can he indicate how such a grievance has been handled up to this point?

MR. USKIW: Well again, Mr. Speaker, the member is asking me whether there has been notice when he knows full well that that would have to be served on the Civil Service Commission, over which I have no responsibility.

ORAL QUESTIONS

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

MR. McKELLAR: Mr. Speaker, I'd like to direct a question to the Minister of Mines and Natural Resources, and it's further to our discussion yesterday regarding the Souris River and the flood that's taking place south of Melita and also in the Minot area, and I was wondering if he had anything to report. If he didn't today, maybe he could report on Monday on it.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: I'll take the question as notice.

ORDERS OF THE DAY - GOVERNMENT BILLS

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

MR. GREEN: Would you proceed, Mr. Speaker, to the adjourned debates on second readings of bills.

MR. SPEAKER: Thank you.

BILL NO. 16 - THE METALLIC MINERALS ROYALTY ACT

MR. SPEAKER: Bill No. 16 proposed by the Honourable Minister of Mines. The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Thank you, Mr. Speaker. Bill 16, Mr. Speaker, as you know, has been on the Order Paper for some time now and I think in addition to the Minister, it's been spoken to by the Member for St. James, who has put forth the position of the Official Opposition with regards to an initial look at the bill. The Member for Fort Rouge, of course, has also spoken on it.

Mr. Speaker, one of the reasons that the bill has sat on the Order Paper for some time is that we wanted to find out from the government by way of the First Minister's speech in support of the Budget just how the certain aspects of mining taxation would be handled as they relate to the federal Corporation Tax and the problems that are well-known in that respect. And now, having digested the statement by the First Minister in the Budget Speech and attempting to get some reading back from at least some people who have greater understandings of these things than we as MLAs have, we're starting to piece together a picture with regard to Bill 16. And Mr. Speaker, what we're piecing together isn't particularly satisfying from many points of view.

Let me say from the start, and as witnessed by the Member for Lakeside, I think, who spoke immediately on the bill after the Minister brought it in, it was almost with a sense of relief, as you will recall, that he spoke to the Assembly and said that it would appear that it was a significant improvement over Bill 82 of last year. And so it was, because it removed two major things that were open to pretty subjective interpretation. One was the discretionary power of Cabinet, and secondly was the concept of imposition of husbandry type of regulations. And both of those, to a very large extent, those two aspects have been removed.

And so initially, Mr. Speaker, our reaction was that in principle we were looking forward to supporting a taxation bill that would provide for a healthy industry in Manitoba, and at the same time provide for the due compensation to the people of Manitoba for those resources that they rightly claimed title to that lay in the ground. And we support that idea, that the people of Manitoba should be fairly compensated for the non-renewable resource that is being extracted from the ground and finding its way into the commerce of the world. And from that point of view, I don't think anyone disagrees with the requirement to see that a fair price is paid to the people who hold title to those resources.

The concept of husbandry was one that, as the Minister has referred to in the House, that I have spoken on before. It's been a topic that I think has always been of concern, as to whether or not low grade ores are being adequately utilized in relation to high grade ores and what sorts of controls exist. I am satisfied, as I think that the Minister is satisfied, that this is being properly done by the companies. The only reference to it ever not being done goes back to the war-time years when a very heavy demand was put on minerals in the province and high grading was purposely done in order to get a fast return. But when you consider the capital investment required by a mining company above the ground to get out what is below the ground, and look at it from that point of view, you realize that there is a very natural incentive for a company to take everything that is possibly recoverable from beneath the ground to justify their investment above. And this, to a certain extent, is a self-compensating type of reliance that one can look at, and I think that gratifyingly it detracts from the requirement for government to put control on

BILL NO. 16

(MR. CRAIK cont'd) . . . husbandry techniques. So basically, again we agree with the government's move to move away from more stringent type of husbandry controls, particularly in relation to the grade of ore that is extracted from the ground.

Now, Mr. Speaker, that's the good news. The bad news is that when we work through the calculations of the tax that will be imposed by Bill 16, and our interpretation of what the First Minister said in his Budget Address, we find that the tax rates, although they may in specific cases look satisfactory and not much different from the present - and those would be the tax rates that will probably apply for 1974, 1975 and 1976 because of world metal prices - if we look at a normal year we find that the tax rates in some specific examples are exceedingly high.

Now first off, the formulas are very complicated and unfortunately none of us that are elected to this House, I don't think, are expected to be expert in this regard, and we have to rely on what information we can glean from elsewhere. But, Mr. Speaker, there is one publication put out by one of the investment houses, and I refer to it as a public document and it's an assessment of the Manitoba Mining Tax Act. And in this here they work through a typical calculation and they guesstimate, take a speculative guess, at what International Nickel Company's performance would be in Manitoba under the conditions of the present bill. Now they assume in their calculations, for instance, they assume in their calculations that all of the 15 points referred by the Minister do in fact go back to the company. Making that assumption, then, they are assuming that the non-deductibility of the royalties aspect of it doesn't enter the equation. So they simply treat Bill 16, the bill brought in by the Minister of Mines and Resources, in isolation from any other considerations with relation to the Budget Speech aspects mentioned.

This deals only then with Bill 16. And they work out, under the former system, that in 1974, that the tax rate, average tax rate - that is at the low rate of 12-1/2 percent on a portion plus the remainder at the higher rate of 35 percent - when you work it all out and average it all out, on an assumed operating profit of 127 million the tax, total tax paid, federal, provincial and provincial royalty, it comes out to 58.3 million or a tax rate of 45.9.

Now, if they apply Bill 16 and the techniques of Bill 16 under the present system, they would assume under certain practical assumptions and its application, they come out with a total tax of 65 million, or an increase of about \$7 million, for a tax rate of 51.3 percent. And they assume here that 1975 and 1976 are going to be influenced by present metal prices and that 1977 will probably be an average year, so they project to 1977, and the tax on the same sort of earnings would be 57.6 percent because by that time presumably some of the invested capital has been depreciated by this compulsory yearly depreciation rate. so the tax rate is up to 57.6 percent.

Now, just to put this in relation to other things, the taxes on normal corporations in that scale would run 50 percent - that's the normal corporation tax - so I assume one could look at the difference as being the return to the people of Manitoba for the use of the metals taken from the ground, which may in fact. . . It's a little too difficulty to even assess this as to whether this is a fair tax return or not, but it would appear to be in the ballpark which wouldn't be too far off what normal corporations would pay. But then the catch comes when one applies the statements of the First Minister in the Budget Address where he says, in part, on Page 26 of the Budget Speech: "For a mining company, the compensation formula will be applied by quantifying for compensation or remission those extra funds that are generated by the additional provincial income tax payable as a result of non-deductibility. up to a limit determined in relation to the total provincial tax payable by that company under the 15 additional abatement points."

Now, that makes about as much sense as most financial jargon does. But when that is applied, Mr. Speaker, if you take a company that would be roughly the same as the example in this book, with a taxable income of a million dollars - this isn't the same, this is 120; this is larger in this example. but anyway, let's assume they're close enough to be comparable. the way the formula is applied - if you have a taxable income of a million dollars. this 15 percent abatement that the Premier has indicated would be fired back through the province from the Federal Government to the companies, if you take 15 percent of that you have \$150,000, and then if the province is still getting another 13 percent on corporation tax, and you add that, that's \$130,000, so the province on that has made a total of \$280,000 on a million dollars of income at a combined rate of 28 percent. The implications in the Budget Speech were that 15

BILL NO. 16

(MR. CRAIK cont'd) . . . would come right back through to the companies to offset this federal problem of non-deductibility. But then you calculate what the company would have paid if the Royalty tax had been deductible; and if you do that, you can say that, well, roughly, let's take an even 20 percent Royalty rate which would mean a taxable income of \$20,000 (?) less than a million, or \$800,000 - take the tax on that at the 28 percent and it comes to \$224,000. Now that would be what the tax would be had the royalties been deductible.

But keep in mind that the province, in addition to its 13 percent basic tax, has received back from the Federal Government the 15, which gave you a total of 280,000. You subtract the total tax that would have been paid under the old system where the royalty was deductible, from the actual amount that the province gets, whether it's through the 15 plus 13, and the remission back to the companies by the province is \$56,000, and of course limited to \$150,000 but there is no possible way that the company could have gotten up to the \$150,000 remission. And the implications of the Budget Speech are that there will hardly even be cause to have an entry in the Province's books, because all of this money coming back will simply funnel through and right back out to the people who were penalized in the first place. But that's not the case. Here we see \$150,000 brought in by the province from the Federal Government, and the remission to the companies of that is \$56,000 so the province in the exchange has kept \$94,000. But that's out of the 15 percent. They still get the additional 13 percent. Well, Mr. Speaker, you see, that's the problem. We're led to believe . . .

MR. GREEN: Would the honourable member permit a question?

MR. CRAIK: Certainly.

MR. GREEN: Mr. Speaker, I appreciate the honourable member is discussing the budget provisions, not Bill 16; but the budget provisions, do they not say exactly what he has just stated, that the extent to which the mining companies would be compensated would be the extent of the 15 points and no more. There's nothing to suggest that the province does not expect to achieve additional revenue by virtue of the new mining taxes federally.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: That's exactly the problem, because the First Minister says, "On the assumption that the revenues foregone through our compensation plan will, in most cases, be approximately equal in aggregate to the revenues derived from the extra abatement points, no special allowance has been made for either in our revenue estimates for 1975-76. The net impact of this compensation system on most resource operators will allow for the complete deductibility of royalties and other provincial resource taxes from taxable income for provincial corporation income tax calculation purposes."

Anyway, the key here is that it's implied here that the province is just acting as a funnel for the money back from the federal tax into the companies. And I repeat this. It says: "On the assumption that the revenues foregone through our compensation plan will, in most cases, be approximately equal in aggregate to the revenues derived from the extra abatement points, no special allowance has been made for either in our revenue estimates for 1975-76!"

Now, we assumed in reading that, that this meant that the Province of Manitoba would make 13 percent, which it does, on company income tax, corporation income tax, they would make their 12-1/2 to 35 percent on the royalty depending on what category they were in, but that the other 15 percent that the Federal Government forwarded to the province would simply be used as a funnel straight back to the companies to offset the fact that the companies could not claim deductibility of the royalty on their federal tax.

Now, I know that's complicated, Mr. Speaker, but I think the Mines Minister understands, and that's the way we understood it. But that's not the way it is. The way the actual arithmetic works, the province really in this example keeps about two-thirds, or about 10 percent out of that 15 percent that comes back from the Federal Government.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, if the honourable member would permit a question at this point. I take it that what he is saying now applies to the provisions of the Budget and not Bill 16, but he is relating it because he wants to show the total effect on mining companies, but that what he is now saying does not apply to the royalties as calculated under Bill 16 that creates this result.

MR. CRAIK: Well, that's right, Mr. Speaker. But, you see, you can't divorce the two. You can't deal with Bill 16 without knowing what the implications are of the other policies of the

BILL NO. 16

(MR. CRAIK cont'd) . . . government. But if the government - well, if the government is not handing back the 15 percent but intercepting, like in this case, the majority of it, somewhere between a half and two-thirds, if that is the actual case then that should reflect itself in a change in the royalty. Anyway, you add this all up and what do you come out with? This investment thing done by one of the investment firms made the assumption - like I think they were legitimately allowed to do on the basis of the statement in the budget - that all of that 15 percent went back. And when they did it, they came up with an effective overall tax rate of 58 percent in 1977. But really, that should be closer to 68 percent, because you have to add the money that didn't go back to the companies through this transfer from the Federal Government through the Provincial. Now if you add that in, you have an average tax rate of 68 percent.

Now, what is your marginal tax rate? Because a company, once it gets beyond that initial 12 ½ percent rate, automatically jumps into a 35 percent rate on royalty. Now you add those two together - you have a federal tax of 25 percent in effect, you've got a provincial tax of 15 plus 10, which is 28, plus some remission back . . . the companies - 25 and 28, 53 percent, add 35 percent, and you've got a tax rate of 88 percent less some remission - some remission back. But in this case like here, the remission is roughly five percent. So in this case --(Interjection)-- well, it's 88 less about 5 - so we're talking about, really, on marginal earnings of a company once it gets to the scale, where it's lost its tax base, is talking about paying income tax of 88 percent or a little less, maybe 83, 85, in the 80 percent range. Now, the basic question is, can any company or any individual or any other organization sustain a tax rate in the 80 percent bracket, or what happens when a company does that? Well, I would think that probably their reaction would be - might well be if I reacted as an individual did - if I suddenly was at the position where my tax rate was going to jump to 85 percent from about 60 percent to 85 percent, I'd be thinking seriously whether it was worth it or not. I would be thinking seriously about maybe trying to hold back activities this year on the assumption that next year might be a bad year in another sector, try and keep it down.

At any rate, whatever rationalization you apply to it, this is not what we were lead to believe. The public statements are that the royalty rate is 23 percent, and of course every individual says, well, 23s not bad because I pay 30 or 40 or 50 myself, why shouldn't they. But when you add it all up, the Federal corporation tax, the provincial corporation tax, and the Royalty tax, it comes out that the tax rates are punitive in these particular calculations. Then that brings us down to the final point that I said originally. we came in here thinking that this might be a bill that we could support. But when we apply it --(Interjection)-- well we were indicated that in the first response. But what we find now is in the specific cases we looked at, they are punitive. But we haven't looked at all cases and we don't think that we should be put into the position of being asked to support a measure without it being fully explained, because we wouldn't have found this out had we not just waited long enough for all of this to settle out, and that's a matter of three or four weeks. So what we asked the government to do - and it's already been asked - is that on something as important as this to consider having this sent to a committee outside the House. Have it go outside the House where we can ask people that do know what they're talking about, what the specific impacts are, and ask for some representation.

Now, second best of that. Mr. Speaker, I think we have to ask the Minister to call his technical committee together --(Interjection)-- but I say it's second best, because that puts us in the position of pretending to be the experts to ask questions of the experts, and we aren't experts. But if we could go to a regular committee where the industry --(Interjection)- well, certainly, I mean, they're in the business --(Interjection)-- I don't think a person would put out this public paper if he didn't think he knew what he was talking about. --(Interjection)-- Well, the question is, why is the government so reluctant to allow somebody that knows what they're talking about to come before it and have an open discussion on this? You have a whole industry, an entire industry at stake, and we're not going to support this bill if you've got a pig-in-the-poke the same way you had in the other tax bill, Mineral Acreage Tax Act. We ended up supporting that Tax Act, and that's exactly what it was, it was a pig-in-a-poke and there were people unfairly penalized by that. In principle, it sounded good and reasonable and all the rest, but then you had all these people getting hit by this thing, you know, people, retired farmers that had moved off their land into town, all of a sudden, bang, they're being hit with Mineral Tax Act that we had supported, which was wrong. But that wasn't pointed out at the time. That was minor in comparison to Bill 16. Bill 16 is a very major bill. There's

BILL NO. 16

(MR. CRAIK cont'd) . . . no way that we're going to support it on the basis of the information that we have at this time, and we're attempting to look for an opportunity to look at it more fully, to look at the specifics.

I've told you and the other speakers have told you here, and the Member for St. James has told you, we support fair taxation and fair return to the people of Manitoba for their resources. But when you're talking as these calculations indicate, you're talking marginal tax rates in the 80 percent range, you know, which really probably boils down to about a 4 percent return on your investment. I mean, that's even about . . .

A MEMBER: That's marginal.

MR. CRAIK: . . . that's marginal - marginal return - but how are you going to control it, because you've companies in a position, they've got enough accountants to know where they stand at a particular time during the year. Their decisions are going to be overly influenced by what's going to happen on this tax rate. I mean, it isn't adding up. Marginal tax rates in the 80 percent range are, I don't think from what we can see, are practical or necessary or desirable from the point of view of the provinces best interest let alone the industry's best interest. And when I say industry I'm not talking about the shareholders of the companies, I'm talking about the whole business, people that work for the companies and all the rest. Because I don't see the incentive for investment at that sort of a tax rate and I think the whole thing is going to be felt down through the industry. Bill 16 was a relief from Bill 82 because it took out certain principles that most people agreed to, but when you calculate the implications of it, it has a lot of question marks in it when you get down to the specifics. The implications of what were contained in the budget speech are not what we thought they were when the Minister read them out that night. They're much more complicated than that.

The other provinces, the principal provinces Ontario and Quebec, have made the remission by simply not collecting the tax from the Federal Government and it appears that Manitoba was going to collect it but then pay it back. And as a result the tax rates in Manitoba are going to be substantially higher. --(Interjection)-- Well, you can't look at it in isolation from the remission. --(Interjection)-- No, I'm not. When you add all of it up together, Manitoba's mining rates are going to be substantially higher than Ontario or Quebec.

Now, all I'm saying is this, neither Bill 16 nor the provisions of the budget are what we thought they were when they were introduced. We're willing to go through more hearings. We are not going to vote for this bill on the basis of the information we have. I'm not going to say we've been misled by the government but certainly it isn't what we were --(Interjection)-- Well, to purposely accuse the First Minister of misleading might be possible but I would prefer to think that he may not have understood it himself. I mean I think it's entirely possible that his finance people could put together a wording of a statement like that and he could read it thinking he understood it and maybe in fact didn't. So I would prefer to wait on his interpretation.

But the only way that we can possibly get down to examining Bill 16 adequately on behalf of the people of Manitoba is for it to go to a committee where there's people that know what they're talking about. Not just one side of the equation either, both sides of the equation. We send all sorts of innocuous bills out of this House to special committee for representation opportunity from the public. We come along to a bill, which is a royalty bill, Mr. Speaker, not a tax bill, because although it really means money, it's not by the strict definition . . . it is payment to the people of Manitoba for the resources in the ground. It's payment for a product but it's based on income.

MR. GREEN: Mr. Speaker, would the honourable member permit another question?

MR. CRAIK: Well let me finish in this case. It's payment to the people of Manitoba for a product that belongs to them but it's paid by way of evaluating the profitability of a company. That's what it is. So you can claim it's not a tax although it's based on the same sort of a logic as an income tax. So, I ask the government, send this to committee so that the industry and those other people that know how to deal with this can come and present to the members of the Legislature their assessment. Don't ask the members of the Legislature to pass judgment on something as critical as this is without allowing fair and open cross-examination of its implications by the people that are affected. This isn't just a sales tax, it isn't just an income tax that everybody understands. This is a complicated tax that has serious implications for the industry and I honestly don't believe - and I include the First Minister and I include the Mines Minister - I don't think, those two included, that anybody in this House fully understands the

BILL NO. 16

(MR. CRAIK cont'd) . . . implications of this bill. Fully understands the implications. We certainly don't from the short period of time we've had to look at it. I think that in all fairness this should go to a committee outside the House for full cross-examination to determine its implication, and until something like that is done that we can see something that's there that we can't possibly see now, we can't support it in its present state.

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I wonder if the honourable member can justify how the taxation or royalties respecting the mining companies --(Interjection)-- this is a question, Mr. Speaker. . . royalties respecting the mining companies should be sent to a committee when taxation as it respects every citizen in the Province of Manitoba, other businesses, citizens who have to pay a five percent sales tax, citizens who have to pay an income tax, do not get the right to that procedure at committee. And if he's referring to a royalty. which he is, does he not agree that this Bill 16 in its entirety, if the government was trying to avoid debate on it or avoid the industry advising anybody on it. could be passed as a regulation under the existing Mines Act which gives the Lieutenant-Governor-in-Council power to set royalties, the entire bill could be passed as a regulation in the Cabinet room - under Conservative legislation.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Well, Mr. Speaker, in part I answered the question before I was asked by saying that a royalty tax in part is payment to the people of Manitoba for a product which is the minerals in the ground. But rather than charging them \$1.00 a ton for the minerals they take out or whatever is a logical rate, the way they do it is to assess the profitability of the operation that's doing it. But it is a payment to the people of Manitoba for those removed non-renewable resources. That's exactly what it is. It's not exactly a tax bill, it's not exactly akin to an income tax or a sales tax, it uses that technique as direct payment for a product. And in addition to that, to answer the other part of the question, it is a lot more complicated than an income tax or a sales tax. It's a lot more complicated. It's got formulas and calculations in it that affect every company differently, it affects every company differently, depending on whether they're new, they're old, they're recent capital investment, you know, the whole thing. They are different and I say there is not an understanding of it and I repeat that I cannot believe that the First Minister fully understood the implications what was said in the budget speech, I don't think that the Minister has fully assessed the individual impact on the individual operations in Manitoba. If he has, then I think they should be supplied to the members of the Legislature. All the major and minor operations in Manitoba, to look at what the impact is on the large and the small. the small profit company and the large profit company.

MR. SPEAKER: The pleasure of the House to adopt the motion? Order please. The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Mr. Speaker, I beg to move, seconded by the Honourable Member for Morris that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Member for Radisson wish to speak? Bill No. 17, proposed by the Honourable Minister of Mines. The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Mr. Speaker. I'd like to have it stand, please.

BILL NO. 34 - THE REAL ESTATE BROKERS ACT

MR. SPEAKER: Bill No. 34, proposed by the Honourable Minister of Consumer Affairs. The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Thank you, Mr. Chairman. Fortunately Bill 34 isn't as complicated as Bill 16. I want to thank the Minister who introduced it for giving me his notes on it. I've looked them over and to me it looks to me as if the bill should go to committee and be considered. I know that under the present law that we have exams and we have real estate men that are licensed and they're bonded. They've also strict regulations in regard to trust accounts and records. But if there's something going on that is bothering some people, I think possibly the right thing is for it to do is to go to committee when we have the real estate men there who will no doubt see that they're looking after their own interest. If there's any adjustments I hope that the committee and government in general will look on them favourably and put in things that are fair so the consumer is protected and

BILL NO. 34

(MR. HENDERSON cont'd) . . . yet the people who are doing business aren't in a position where possibly they are going to be manipulated by the same law.

I think that that's something we should be very careful about because when we put through our Landlord and Tenant Act and some of those others we went a little too far the other way and in the application of it it actually wasn't such a good Act. I just hope when we have the real estate people come, and I presume there will probably be some representation, I hope that we consider their side of it too and think that possibly there might be other people who occasionally are trying to beat real estate men out of their commissions through one way or another. But any way I'm in favour of seeing it going to committee where it will be discussed further.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I beg to move, seconded by the Honourable Member for Fort Rouge, debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Bill No. 31. The Honourable Minister of Labour is absent. The Honourable House Leader.

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable Minister of Health and Social Development, that Mr. Speaker do now leave the Chair and the House resolve itself into committee to consider of the supply to be granted to Her Majesty.

MOTION presented.

MATTER OF GRIEVANCE

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

MR. GORDON E. JOHNSTON: Mr. Speaker, I wish to speak on a matter of grievance at this time. I think before I start my remarks, I would ask one of the colleagues of the Minister of Agriculture to send him a message if he would be kind enough to come to the House, because the remarks I have to make at this time concern actions within his department.

Mr. Speaker, it's a well known fact that when a member rises on a grievance, usually he speaks about matters that concern affairs in his constituency and he feels that it's a proper time and place to make the point. Because the Department of Agriculture's estimates have passed, it's rather difficult other than to use this method to make the point that I'm about to make. And while it is of concern to farm members in my constituency, I believe that the matter I'm going to bring to the attention of members of the House, they will see that it is of concern to all farmers in the Province of Manitoba.

I refer specifically to the case of a former civil servant, Mr. Brian Milne, who is the Animal Nutritionist for the Department of Agriculture. This is a very important position where his office sends out advice to farmers who have livestock all throughout the province and it's extremely important that the advice they be given should be the best possible available advice at the time. I might say that in the years that I've sat in this House and other members who have been here for awhile, we've seen Ministers of Agriculture come and go. Some may rate higher than others but when after all is said and done, really the farmer only has three or four sources for whether his fortunes are good or bad. One is if nature is kind to him - if the rains fall at the proper time and the climate is proper, he'll get a good return or get a good crop, or his livestock will be productive and profitable. If world prices are right, this helps also. But another ingredient is needed, and that is he must be able to get good advice from our Department of Agriculture; and if he gets bad advice this can have a very disastrous effect on any farmer who has placed his trust in the Department of Agriculture for that advice.

Now, I'm going to begin by reading some letters which I'm willing to table afterwards. And this is a letter from Mr. Brian Milne to the Premier and it's dated February 6th, 1975. This letter is after the event that I'm going to describe but perhaps the letter will clarify some points.

"Dear Sir: (and this is to the Premier) It is with regret that I have to bring to your attention a situation which in my opinion is an abuse of the Manitoba Government Civil Service hiring process. The situation to which I refer is a recent offering of the position of Assistant Livestock Nutritionist with the Manitoba Government to a Dr. Ibrahim. It would appear that this individual was hired for two reasons: The first, Mr. Uskiw's expressed desire that a person of non-caucasian origin be favoured to avoid the possible claim of discrimination against

GRIEVANCE

(MR. GORDON E. JOHNSTON cont'd) . . . Dr. Thompson who held the position until recently. And that second, to meet a commitment made to Dr. Ibrahim that he would be hired as Assistant Livestock Nutritionist at a meeting in Ottawa early in November of 1974.

"I have summarized in the following paragraphs the events leading up to the formal offering of the position to Dr. Ibrahim in its portrayal as a culmination of a normal hiring process:

1. The position of Assistant Livestock Nutritionist was advertised in a normal manner.
2. Following the date for closing of applications I was instructed to cull the applicants such that a maximum of five would be brought for interview. " (and I believe this was out of about 16 written applications) "This was accomplished by confirming with references and assessing academic qualifications.
3. Five days following the date for the closing of applications, Mr. Uskiw and Mr. Janssen proposed that Dr. Ibrahim's name be added to the list of applicants.
4. Applying the same principles to this proposed candidate, I advised that Dr. Ibrahim not be brought for interview based on adverse comments made by references supplied by Dr. Ibrahim. I was informed that as Mr. Janssen and Mr. Uskiw had proposed the candidate, he would be brought for interview.
5. Immediately following the interviews on November 12th, the wish of other members of the board was to hire Dr. Ibrahim. I refused, reminding the members of the board of the poor references on the individual and I did not feel the man was technically competent.
6. The day following the interview I confirmed the references and made representation to Dr. Robson. In a following meeting I was informed that
 - (a) by opposing this candidate I was offending people in high places who at this time had an excellent opinion of me;
 - (b) I was hurting my future in the Manitoba Government by offending these individuals;
 - (c) Mr. Uskiw had expressed a wish that a person of non-caucasian origin fill the position.

Mr. Crooks was brought into the meeting and a discussion between Dr. Robson and Mr. Crooks was centered on how the information that Dr. Ibrahim was not a suitable candidate could be conveyed to Mr. Janssen.

7. Early in December, Mr. Gordon Anderson on behalf of Dr. Robson, met with me in my office. At this time I was informed that Dr. Ibrahim was to be hired and there was little that he or I could do about the circumstance. In addition to this, a statement to the effect that even if Dr. Ibrahim proved unsatisfactory in the usual six-month probationary period, it would be virtually impossible to dismiss him.

8. Further to the meeting mentioned in point 7, I met with Mr. Anderson on December 6th and following discussions an appointment with Mr. Janssen on December 7th was arranged. Attached is the correspondence following the meeting to which Mr. Janssen has not yet replied. At this point it had already come to my attention that the position of Assistant Livestock Nutritionist had been offered to Dr. Ibrahim while Mr. Janssen and Mr. Uskiw were in Ottawa early in November. On December 17th members of the original board met - and I might say at this time the board consisted of a member of the Civil Service Commission, Mr. Reimer, Mr. Crooks, who is the personnel and staff training officer of the Department of Agriculture and Dr. Robson, the Animal Industry Branch, Department of Agriculture, the director, and Mr. Brian Milne who is the head of his Department of Animal Nutrition, Mr. Milne being the only one who could express a professional opinion on the technical competence for the position to be filled.

"On December 17th the members of the original board met and a decision either to interview more applicants or re-advertise the position was made. I received no further comments until a meeting with Dr. Robson on January 6th when I was informed that Dr. Ibrahim was to be hired. A number of discussions occurred on the ensuing days which included the threat that if I did not accept Dr. Ibrahim through the original board, he would be hired by Executive Committee of Cabinet. I advised that this procedure should then be followed.

"The next ploy was to advise me that if I accepted Dr. Ibrahim through the board I would be guaranteed that he could be dismissed at the end of the six-month trial period if he was found to be undesirable, a circumstance which I would not accept and find totally inexcusable." And attached are a number of objections which I will not read at this time but they were

GRIEVANCE

(MR. G. JOHNSTON cont'd) . . . objections based on references both written and verbal received from former employers of Dr. Ibrahim.

Now that letter was sent to the Premier on February 6th and a copy was sent to the Minister of Agriculture.

On February 27th this letter was written by Mr. Milne to the Minister of Agriculture and it goes:

"Dear Sir: On February 6th I forwarded a copy of a letter to Premier Schreyer to your attention. Premier Schreyer has not seen fit to review the matter. I recently contacted your office by phone and requested from Mr. Peach that a meeting to discuss this very serious matter be arranged with you. It is very disappointing that neither Premier Schreyer nor yourself consider this breach of The Civil Service Act within your department is of serious consequences. I request a meeting at your earliest convenience."

Now the Minister of Agriculture did have a meeting with Mr. Milne, and here's a letter following that meeting that Mr. Milne wrote to Mr. Uskiw.

"Dear Sir: I would like to thank you for the time allotted to a meeting with me recently. The discussions resulted in a deeper concern on my part. This concern arises from your apparent lack of concern about the problem brought to your attention, and your lightly brushing off the matter as falsehoods. It was indeed some relief to note your comment late in the meeting that possibly I had some cause for a complaint. The fact that you found it necessary to ask me if I had a problem with regard to discrimination against people of coloured origin indicates that the full details of Dr. Thompson's departure from the Manitoba Government were not conveyed to you. Prior to Dr. Thompson's departure it should have been established without question that discrimination was not a factor. A full assessment of the circumstances would have established a reverse discrimination situation showing that Dr. Thompson was treated in a manner not normally accorded persons of white origins."

I might stop at this point in the letter and explain to members who may not understand that Dr. Thompson was the former holder of the position of Assistant Animal Nutritionist and had been let go by the department.

Returning to the letter:

"In the matter of bigotry and discrimination I fully support the view that we have no right to discriminate against individuals of foreign and especially non-Caucasian origin. However discrimination against persons of white origin for reasons considered politically astute are also wrong. Furthermore your comments relating to attempts to rehabilitate Dr. Thompson because of incorrect commitments by Dr. Robson concern me as Dr. Thompson abused a situation for in excess of two years, and any opportunity should be available to individuals on an equal basis, not as a result of staff error.

"Certainly our discussions on the matter necessitated my visit to your office indicating the possibility that you had not been totally informed of the situation. I must reject your comments regarding the truthfulness of the interview presented to you as the reason for any discrepancy between our views on the circumstances arising from communication failures between you and your senior officials. Your comment that Dr. Ibrahim was presented to you as a superior candidate by the Civil Service Board shocks me in that three members of the board found his personal references to be totally unsatisfactory." That is three out of the four I might add. "The only individual with qualifications assessed him as technically incompetent. As a result of this I can only deduct that Mr. Reimer was influenced in the recommendation forwarded. I certainly hope that your comments in this area are not a repeat of Mr. Janssen's deliberate attempts to mislead me on December 6th."

Now, Mr. Speaker, in summing up this case we have a situation where a competition was advertised to fill a vacancy based on technical competence, and after the competitions had closed another name was put forward by officials of the Department of Agriculture, namely Mr. Janssen. The fact that pressure was exerted on the Selection Board after they had given an adverse opinion of the applicants, and after other good applicants were passed over, we arrive at the situation where a position is filled, that requires great technical competence, on the insistence of the Deputy Minister of Agriculture, and finally also the Minister of Agriculture himself. So when I this morning asked the Minister, why did the department ask for the resignation of Mr. Milne, and when he refused to give it on a matter of principle, why the department - what were the reasons for them to fire him? Mr. Speaker, the Minister rose

(MR. G. JOHNSTON cont'd)

GRIEVANCE

and he made a big point of saying that normal procedures were followed in the hiring of Dr. Ibrahim. Well, Mr. Speaker normal procedures were not followed. A Selection Board that examined the applicants was overruled; the Selection Board had documentation on all the applicants, and this documentation was ignored because had it been followed then obviously the position would have been filled on the question of competence and technical skill alone.

I would like honourable members to hear certain sections out of The Civil Service Act and Section 13 (2) and the subtitle is, Selection based on Merit. "Selection for appointment, promotion or transfer to a position shall be based on merit with a view to developing a Civil Service comprising well qualified personnel with abilities, skills, training and competence required to advance from the level of initial appointment through a reasonable career consistent with the type of work and the classes of positions pertinent thereto."

Section 13 (4) says: "Before appointing a person to a position the Commission shall by such investigation as it deems necessary satisfy itself as far as possible that he is personally reliable and fit to perform the duties and to undertake the responsibilities of the position."

Section 43 (1), and the subheading is Improper Solicitation of the Commission. "No person shall improperly directly or indirectly solicit or endeavour to influence the Commission with respect to the appointment or assignment of any person to a position or with respect to the promotion of or an increase of salary to any employee in the Service."

Well, Mr. Speaker, the three sections that I have just quoted to the House have been violated by the Deputy Minister of Agriculture and by the Minister of Agriculture. Now we have a situation where if it was only an employee who by some unfortunate set of circumstances lost his job, even that in itself is bad enough. But when we have a situation where this employee through a sense of idealism, no other, because he now has a good position to go to, he has several offers, he's well thought of in his particular field, but because this man had the idealism to try to bring to the attention of the Premier, and then when that failed he tried to bring it to the attention of the Minister of Agriculture - and he didn't try because he wanted his job back, because he doesn't want his job back, he tried so hard because he felt that the farmers of this province were going to suffer by a political decision made to hire someone when the sole reason for filling that position should have been that this person could do a job for the farmers of this province.

And I say now in closing my remarks, Mr. Speaker, that I don't know if the Minister is able to reply at this time, but if he can I would like to hear it. But if he can't, I think that consideration should be given to a resignation in the Department of Agriculture or a firing, one or the other. For a Deputy Minister to make such a spectacle of his Minister is unbelievable. But the very least that I do want, is a complete inquiry into this sorry mess. And I'm sure that the inquiry will vindicate Mr. Milne, and I'm sure the inquiry will see that a person of competence is put into that responsible position who will be advising the farmers of Manitoba in the future.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the Honourable Members to the gallery where we have as our guests 30 students of Grade 12 standing of Maddock, North Dakota under the direction of Mr. and Mrs. Phillips. On behalf of the Assembly I welcome you.

MATTER OF GRIEVANCE (Cont'd)

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I find myself in a position of disbelief in hearing the remarks of the Member for Portage la Prairie because if the situation were as he attempts to outline to the members of the House, then indeed there would be cause for concern.

I would like to point out that the individual in question obviously is taking the political route to put his case forward, because he doesn't want to take the normal provisions which are provided for. There is an appeal provision, and his case can be heard by responsible people who could make a decision to support or not to support the department's decision. But what is most unfortunate, Mr. Speaker, is that the Member for Portage casts aspersions on the Deputy Minister of my Department. And I want to say to the Member for Portage - at least to outline for his benefit - some of my recollections in this particular episode, and I have some

GRIEVANCE

(MR. USKIW cont'd) recollections that are worthwhile hearing.

The individual that has been employed, or hired recently, is one which I have no knowledge of, neither has the Deputy Minister. And I think it's worthwhile to observe where the contacts arose. At a Federal-Provincial Conference in Ottawa this particular individual approached my Deputy and myself as to whether or not he could have lunch with us, and of course I recall only meeting him once before when he was on our staff some two or three years ago, but I couldn't remember the guy, he had to introduce himself, and so on. At that point I recalled that at one time I had met him only for five minutes or two or three minutes, but certainly not a person that I would have any intimate knowledge of or any connection with, nor would my Deputy Minister who had never met him before. But the individual indicated to us that he noticed we had a job opening that he was interested in and that he wanted to get back to Manitoba, that he liked the Province of Manitoba, and he would like to work for the government in that position that was advertised. And of course we were not in a position then to know whether in fact that opening was still there, or whether it was filled, or whatever, but my Deputy undertook, gave him a commitment that upon coming back to Winnipeg we would refer his name to the department, and that the normal course of action would take place. And that is a very usual and normal procedure. Anyone that attempts to seek out information as to an opening that may be within the department or whatever, is entitled to get that information and is entitled to have his or her name put forward in the normal way. So there is nothing wrong in that, Mr. Speaker. I would not apologize for the fact that someone approaches me a thousand miles away, who I know nothing about, or don't know the purpose of, and wants to engage in conversation. So that does not bother me, Mr. Speaker, that is something that just happens, that is part of life.

Now it followed from that however that the Director of the Branch and the majority of the board felt that this individual was indeed overly qualified, in fact the comment that I recall was that he was "The top person that applied." That was the comment that I got from the Director of the Animal Industry Branch. Now, you know, I don't know what the Member for Portage is suggesting. Now I do recall that it was mentioned in the department that this individual who is now fired did not want to hire this person, and there was some problem as to understanding why he did not want this person hired. The board had met, the majority of the board, with the exception of this one person, decided that this particular individual had very good credentials and that was all to it. And if you follow through the process you will find that that is the case. Now if this individual had some reason to believe that the board was misled, I think he must have had an opportunity to make his point.

The unfortunate part about the individual that has been fired is that I believe it's really his temperament that brought him to that position. He happens to be an individual that approaches people in a very abrasive manner, and has written insulting memos, insulting memos to his superior officers, to the Deputy Minister, and indeed I believe to the Premier, indeed to myself. You know he is not one that accommodates a discussion, or that can be rational in that discussion, but presumes to introduce insult after insult with whoever he is discussing the matter with. And, you know, it's unfortunate that that individual pursues his case in that manner, because that is not a necessary way in which to proceed. In my own instance, when he asked for a meeting with me, and this was away after the fact, you know, I accommodated him, which I like to do, I don't like to deny my office to members of my own staff. I met with him and he virtually said to me that he didn't believe me. You know. He has, unfortunately, no respect for any office, and this is one of the incredible parts of this debate.

He also alluded to me that he was fired or he left his previous job for the same reason, that he disagreed with a decision of his manager, of his boss. And you know I just don't know how to relate to this kind of a situation. I think it's unfortunate. He has competence. I did ask him why it is that he doesn't want to pursue his career in the department, and he indicated to me that he felt that there was no future for him in the department, but he couldn't relate to me why he felt that way or who had advised him so. The whole discussion was irrational, and I came to the conclusion that the individual is impossible, perhaps may be in need of psychiatric help, that was my own assessment, and I hesitate to make those comments in the public arena.

A MEMBER: Well, why make them . . . ?

MR. USKIW: Mr. Speaker, the members say "why make them?" The matter was raised in the House and I am relating some involvement of my own with this individual which I regret

GRIEVANCE

(MR. USKIW cont'd) that has occurred. But, you know, one normally doesn't accost and insult his immediate superior, that is not something that is normal in the working relationship. I'm sure that my friend the Member for Portage la Prairie would not condone that kind of thing, if he had a number of people employed in his business, that he would every day enjoy and entertain insults from his staff. I don't think that he would do that. And my staff, you know, felt that there's only so much of that they could accept at which point they would have to bring about disciplinary action.

Now I think, Mr. Speaker, it should be worthy to note that the individual was warned that if he persisted in that way then he would be putting his job on the line. They did give him that concession. They said, look, this is as far as we can let you go, if you want to continue in that way then we will have to review your position. He did get warning. But, Mr. Speaker, he wanted to be fired. He wanted to do things to be fired. All the information that I have from my staff indicates to me that he wanted someone to punch him in the nose, that's what he was asking for. Now, why that individual pursued that course of action, I do not know, Mr. Speaker. But he has the right of appeal which he appears not to want to use.

MR. G. JOHNSTON: Is it not a fact that the Minister told Dr. Robson that the hiring of Dr. Ibrahim would be, and I quote "good business", and this in spite of adverse recommendations concerning Dr. Ibrahim.

MR. USKIW: Mr. Speaker, the opposite is true. The Director of Animal Industry Branch indicated to me that Dr. Ibrahim was the best man on that list, but that he had problems in convincing Brian Milne his superior officer to be, that that man should be hired, that his problem was with the individual that we are now discussing this morning. That here we have a topnotch individual who had successfully applied for the job but he said, I'm having problems with my nutritionist, he doesn't want to put him on. And at that point I said, there is no way in which you can show that kind of discrimination. That was an opinion of mine to him. I said, you cannot discriminate, for whatever reason, if that man is successful and he's rated topnotch as he described him to me, in fact he said I was so impressed with him I took him out for dinner to further pursue the point. He indicated to me that his difficulty was in getting this one individual to accept this person on staff, and that was his dilemma. And because of the fact that a previous person was fired, or asked to resign, I insisted that there be no discriminatory policy; that if a man comes through, if he is qualified, then he has a right to be employed, regardless of any other consideration. And that was the only interest. I said that it was fortunate that this individual was one which would at least set to rest the argument of others that there may have been some racial discrimination in the dismissal of the first person. And that was the only observation I made. But I said if you didn't hire this individual if you believe him to be the top applicant, then you would leave yourself open to that kind of a charge and that is something that I could not accept. We could not accept a discriminatory hiring policy.

Mr. Chairman, the individual has a right, the individual has a right to appeal, his grievance can be heard, but I presume, and I don't know that this is the case, that he wants to air it politically, he doesn't want to go through the normal procedure.

MR. G. JOHNSTON: Mr. Speaker, would the Minister entertain another question? Despite the fact that the Minister has used Dr. Robson as supporting his position, is he aware that Dr. Robson has written a letter completely supporting Mr. Milne in his whole position on this matter, and if he'd like, I'll table the letter.

MR. USKIW: Mr. Speaker, I have no knowledge of any correspondence between Dr. Robson or Dr. Milne or whatever. All I know is that I could not be directly involved in the hiring process. I know that this individual was referred for consideration by my Deputy Minister. Subsequent to it there was a board, where the board decided to hire this individual, three to one was the decision, and at that point Dr. Robson indicated to me that he had problems with Brian Milne who didn't want this person on staff. And that is the point at which I indicated that we could not allow a discriminatory policy in a hiring practice.

MR. G. JOHNSTON: I realize I have to have leave, but I would like to table the letter. Do I have leave? (Leave)

MOTION presented and the House dissolved into Committee of Supply, with the Honourable Member for Logan in the chair.

MR. SPEAKER: The Honourable House Leader

MR. GREEN: I just wanted to remind honourable members that two committees are again to meet simultaneously, and the Highways Minister will be dealing with the Estimates in the other room which is awaiting him.

COMMITTEE OF SUPPLY
DEPARTMENT OF HEALTH AND SOCIAL DEVELOPMENT

MR. CHAIRMAN (Mr. Jenkins): I would refer the members to Page 23 of their Estimates Book. The department under discussion will be Health and Social Development. Resolution 55(a)(1). The Honourable Minister of Health and Social Development.

MR. DESJARDINS: Mr. Chairman, it will not be my intention in offering these opening remarks presenting the Estimates of the Department of Health and Social Development . . .

MR. CHAIRMAN: Order please. The Minister's staff are not allowed into the Chamber until after the Honourable Minister has made his opening remarks. I ask the staff not to sit at the table.

MR. DESJARDINS: Mr. Chairman, I look forward to an item by item examination of the department's budget by the members. I promise to do my best to obtain all the information that might be required as quickly as possible during the course of the Estimates. However, because I am relatively new to this portfolio, I would ask the members to be patient and to bear with me as I intend to meet their requests for information --(Interjection)--I'm not. Just be patient.

As the members know, Mr. Chairman, various elements of the administrative structure of the Department of Health and Social Development have been reorganized a number of times over the past several years. In a large department which provides direct services in so many areas of particular sensitivity, it is not surprising that attempts are made to improve the vehicle through which such services are provided. Without in any way being critical of my predecessor's efforts in this regard, I too have found what I believe to be ways and means of improving the organizational make-up of that portion of the department which comes under my authority. As a consequence the department is experiencing yet another reorganization. It should be understood that the present approach in the most important respect is an extension and refinement of previous structural realignment, and I am hopeful that it will be some time before further major changes will be made again.

Because of the reorganization, various divisions will not be ordered along precisely the same lines as indicated in the printed Estimates, although for the sake of the Estimates' review I expect the members to refer to the document before them. Under the new set-up my Deputy Minister, Dr. Tulchinsky will be concentrating more of his efforts in the supervision of the delivery of services. A number of heavy administrative responsibilities as well as the evaluation of departmental programs have been given over to Mr. Johnstone who has been named Associate Deputy Minister. Amongst Mr. Johnstone's augmented duties will be the responsibility for the co-ordination of discussion with Ottawa in Federal-Provincial cost sharing arrangements.

Dr. Tavener, formerly Assistant Deputy Minister of the Inter-Regional Operation division, has been named Chief Medical Consultant. In this new post, Dr. Tavener will be responsible for all matters of the department as they relate to medical service and relationships. In addition to having authority in respect of the department's medical programs, he will be the department's principal liaison with organizations such as the College of Physicians and Surgeons, the Medical School and the Manitoba Medical Association in those areas where these groups deal with questions of medical standards and practice.

Two assistant Deputy Ministers have been named to work under Dr. Tulchinsky. Mr. McLean, assistant Deputy Minister of Community Services is responsible for the Health and Social Services delivered through the various regional offices, as well as the department's related Public Health and Service programs. Mr. Hikel, who has been named assistant Deputy Minister of Social Security will be responsible for the department's income security and related employment programs.

Mr. Chairman, I'm aware that periods during which organizational rearrangements are made are particularly difficult for staff, and I'm most grateful for the co-operation which has been exhibited in this department. Special note of thanks must go to my senior officials, Dr. Tulchinsky, Dr. Tavener, Mr. Johnstone, Mr. McLean, Mr. Hikel, as well as Mr. Edwards

SUPPLY - HEALTH

(MR. DESJARDINS cont'd of the Manitoba Health Services Commission. These gentlemen have given a great deal of their time and energies to this reorganization, while continuing to supervise the day-to-day activities which are their responsibility. I believe they share my optimism that the reorganization will produce a more efficient and effective department.

Although it has been said many times in recent years, it bears repeating here, Mr. Chairman, that every effort must be made to improve efficiency and effectiveness in the delivery of health and social services. Because they depend most heavily on the use of human resources, that is because they are most of all people-to-people services, health and social services are costly and are growing more costly year by year. If for no other reason than the fact of rising costs, we must seek every opportunity to save money where it is feasible, to avoid expenditures where possible and prevent waste at all times. In a climate of escalating costs, these must be important guides to our activities, but never at the expense of depriving our fellow citizens of the services they require and have a right to expect to receive.

In its struggle to achieve a fine balance between cost consciousness and service consciousness, the Department of Health and Social Development has chosen a reorganization of its administrative structure as one technique open to it, but at the same time we are continuing our efforts to take advantage of every opportunity afforded by the current Federal-Provincial cost sharing arrangement. Both the fields of Health and Social Welfare, the Provinces and the Federal Government are engaging in vital discussions which could result in important changes in these arrangements for many years to come. Mr. Chairman, let me say that Manitoba is most vigilant in these discussions, and I can assure this House that we will not leave a stone unturned in our efforts to secure for Manitoba the most advantageous sharing under the present arrangements and the best possible formula for sharing under any new program which may emerge.

This present juncture in these important talks it appears that the Federal Government is sympathetic to Manitoba's long enunciated position, that efficiencies and effectiveness in service can be found in a greater emphasis on alternate levels of care in the health delivery system. Manitoba has been one of Canada's leaders in introducing programs of service designed to keep people out of the highest cost institutional setting. Our most recent program with this objective includes the Insured Nursing Home Program and the Home Care Program. Recently I announced that approval in principle had been given to the development of a new system of geriatric services in Winnipeg. We are confident that this approach to the provision of health and related social services to our elderly citizens, which will be a "first" in Canada, will provide not only a better quality of care but also will prove to be less costly than the traditional mode of service.

Mr. Chairman, by making these remarks, I do not mean to suggest that we can look forward to a decline in health and social service expenditures. On the other hand, I'm optimistic that with acceptable Federal-Provincial cost-sharing arrangements, prudent use of our resources and an innovative system of delivering services, we have every right to expect a decline in the rate of escalation of health and social services' costs.

As will be shown, Mr. Chairman, the relatively modest overall increase in the Estimates for the Department of Health and Social Development demonstrate our sincere commitment to this worthy objective. When the review of this Department's Estimates is complete, I feel that the members will share with me the firm conviction that every reasonable effort has been made to balance cost and service consciousness. We are attempting to make the best use of our resources by expanding expenditures only where necessary and reducing costs wherever possible. Mr. Chairman, this pursuit I suggest can be seen in the relatively low increase of 9.8 percent projected in the overall request for the department as a whole, is reflected throughout the detail estimates of the various divisions within the department.

In the Resources Division, which provides administrative and related support services to this department, it has been possible to request 7.9 percent less this year than last, despite the necessity of increasing certain vital components. One major expansion in this section relates to the medical supplies and home care equipment programs, where increased expenditures are needed to fund the new motorized wheel chair and Ostomate programs and to pay for additional equipment for the home care program.

Another area of expansion can be found in the Personal Services Branch where the department will experience increased computer charges and staff training and development

SUPPLY - HEALTH

(MR. DESJARDINS cont'd)expenses. On the other hand it has been possible to take advantage of economies in other branches of the resources division, including external programs which co-ordinates programs funded but not operated by the department, statistics and research.

In the Community Operations Division which has responsibility for the direct provision of the department's public health and social service programs, we are requesting 10.8 more this year than we did in 1974-75. Mr. Chairman, it is in this division that the department provides many of the people-to-people services to which I referred earlier, and where it is most essential to balance cost and service consciousness.

I'm pleased to report, Mr. Chairman, that the major new programs funded last year have developed rapidly and are expecting to come to full maturity in the coming months. Specifically I refer to the Day Care program, the Home Care program as well as such older programs as those provided through our rehabilitation services and the basic annual income program.

Late in 1974 the Child Day Care program was introduced to encourage the creation and maintenance of high quality day care for preschoolers. It is designed to support both the providers of such services and families who require assistance in obtaining day care. It is a cost-share program under which the province is able to recover 50 percent of the cost from the Federal Government through the Canada Assistance Plan. The request before the members equalling a 21.7 percent over last year represents the projected cost for a full year's normal operation and required staffing for the program.

The development of the Home Care program has proceeded rapidly this past year with the number of persons being served growing steadily from month to month, although it is admitted that much more work is needed in this field. During the same period, improvements have been made in the assessment and panelling process of the Insured Nursing Home program which permits applicants to attain home care where it is appropriate as an alternative to nursing home placement. Because home care and nursing home care are particularly important in helping to prevent the misuse of higher cost institutional facilities, we intend to continue to develop them as required. For this reason, Mr. Chairman, we are requesting 38.1 percent more this year than last for our continuing Care Services. The additional money requested for this appropriation will be used for support staff and the purchase of services in the community. I would ask the members to note that a portion of the increase included under the heading of "Regional and Community Health Services" are related to improve staffing in the regional offices of the community operations division for the day care and home care programs.

Our request for funding for Rehabilitation Services for the disabled is 27.6 percent higher than it was last year. While we are increasing our financial assistance to agencies providing services to the socially handicapped, the greatest increase in this area relates to our new policy thrust for the provision of services to the mentally ill and mentally retarded. In both areas it is our intent over the next several years to place greater emphasis on community-oriented programs designed to integrate services as close to the mainstream of Manitoba's society as possible. In this effort we intend to improve services to persons recovering from mental illness by providing special assessment and training which will instil self-help and vocational skills. We also will be putting more money into assisting the mentally retarded to develop vocational skills and to provide job finding and follow-up counselling for that. In addition, we are increasing our funding for sheltered workshops. It is our sincere conviction that the money being spent in these fields will be returned many times over in the currency of self-respect and lives to be lived that might otherwise have been wasted.

I believe all members will be happy to learn that the income security programs of the department again experienced another year of declining caseloads and improved benefits. In 1974 there were 35,000 recipients of Manitoba supplement for the elderly which augmented the incomes and pension of qualified individuals. Because of the relatively good employment picture in the province as well as program efficiency in the department's work incentive program, the social allowance caseload in 1974 of 23,617 was the lowest since 1969 and contributed to the department's success at cost control in this area. At the same time a general rate increase was introduced to offset rising costs to recipients due to inflation. Because it is anticipated that caseloads will remain steady we are requesting only the most modest increase to pay for the indexing of social allowance which will be made on a once a year basis in relation to the consumer price index.

SUPPLY - HEALTH

(MR. DESJARDINS cont'd)

The department will continue its joint research project with the Federal Government called the Basic Annual Income Experiment. Designed to determine the feasibility of a guaranteed annual income especially in terms of its administrations and costs Minicome is a three-year study with 75 percent of the cost paid by the Federal Government and 25 percent by Manitoba. While it is too early to draw any broad conclusion from this project, its operation here in Manitoba has assisted the province in developing viable and realistic positions in the current Federal-Provincial Social Security Review which has as its objective the improvement of income support and supplementation programs which would enhance incentives towards employment.

The request listed under the heading "Inter-Regional Operations Division" relates to the cost for maintaining present programs in our community and institutional mental health and mental retardation programs, and expenditures to be used for the critical steps necessary to implement the new policy thrust in those areas I have described earlier.

I should explain, Mr. Chairman, that the Inter-Regional Operations Division under the new reorganization of the department soon will cease to exist. The general administrative responsibility for the institutions no longer rests with a single assistant Deputy Minister but has been given over to a Board of Management consisting of several senior officials of the department. It is envisaged that program supervision over the community-oriented and community-based programs will be reassigned in the near future. Until these changes have been completed the Chief Medical Consultant of the Department, Dr. Tavener, who is also Chairman of the new Board of Management, remains responsible for this division during the transitional period.

Under our new policy thrust in mental health and mental retardation services some staff presently serving solely in the institutions will gradually come to provide services directly in a community. At the present time, about 60 mental health workers and 50 workers in mental retardation have been relocated, who are devoting 100 percent of their time to clients in the community. In the coming year we are expecting to re-deploy additional staff from the institutions to provide both mental health and mental retardation services. One of the increases we are requesting this division relates to staff training programs designed to assist them in the transition from one working environment to another. Our estimates in this area demonstrates our intention, Mr. Chairman, to continue in this direction in a planned and orderly fashion to ensure the highest standards of service in both the institutional and community settings.

In addition, we are requesting funds for an extended treatment facility for emotionally disturbed children and adolescents to be located in Winnipeg and which will be phased into this development as rapidly as possible. This is a program which will meet a long felt need in the province.

As the members will see, the estimates listed under the heading for the "Manitoba Health Services Commission" are presented in greater detail than in previous years. No doubt the members will be asking a number of specific questions about our request for the Commission. In anticipation of these questions, Mr. Chairman, I will not attempt to deal with each of the programs under the authority of the MHSC but I would say that these include some of the major services provided by the province to its citizens and they reflect the government's most progressive approaches to the delivery of health services.

You will observe, Mr. Chairman, I have made no reference to the estimates listed under the heading "Corrective and Rehabilitative Services". As the members know, these services fall under the responsibility of the Honourable Mr. Boyce, Minister of Corrective and Consultative Services, my colleague who shares the heavy burdens of the Department of Health and Social Development. He will be addressing you in this portion of the Department's Estimates. I should point out that as two Ministers responsible for different functions within the same department, we work in close co-operation and share many common resources of the department, including those provided by the Community Operations Division, Resources Division and Chief Medical Consultant.

In conclusion, Mr. Chairman, I would like to reaffirm my contention that the estimates now before the members represent a sincere and viable attempt to provide essential innovative health and social services for the people of Manitoba at the lowest possible cost consistent with the maintenance of high standards. Confident that the members will concur, with great pleasure I can commend them for examination and perusal. Thank you, Mr. Chairman.

SUPPLY - HEALTH

MR. CHAIRMAN: Resolution 55(a)(2)--passed. The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Chairman. I would like to thank the Minister for his comprehensive report. He answered some of the questions that I was going to ask under this item, namely who is involved in this portion of the estimates. I would like to ask the Minister, though, whether there is any contracting out under these salaries, if there is anybody receiving any money from these salaries that are contracted out.

MR. DESJARDINS: Well, what number are we at, Mr. Chairman, I was in . . .

MR. CHAIRMAN: 55(a)(2) Salaries, \$156,200.

MR. DESJARDINS: If there is any contracting out? Anybody on contract on these Salaries in the . . .(1) executive function, ministerial salaries of the staff. No, there aren't any people on contracts in this.

MR. BROWN: Then we are to understand that these salaries are mainly for the people which you named in your opening remarks?

MR. DESJARDINS: No, these are the people that have been working mostly, that's the Deputy Ministers and people working closely with the Minister, the same 13 people, or the same 13 positions that we had last year. They're not necessarily all the senior people in this area.

MR. CHAIRMAN: I wonder, before I recognize the Honourable Member for Rhineland, if I could draw the attention of the honourable members to the loge on my left where we have a former member of the Legislative Assembly of Manitoba, Mr. Alex Turk. The Honourable Member for Rhineland.

MR. BROWN: Before we continue further, Mr. Chairman, I wonder if the Minister would be able to tell us under which item we would be able to discuss HESP and the Manitoba Health Services Commission.

MR. DESJARDINS: Well, the Manitoba Health Services Commission is quite clear. I think it's the last one on Page 27, it's written very clearly, Manitoba Health Services Commission, No. 6. Now, HESP would be under Executive Council. I'm not responsible for HESP, I'm only one of the members on the sub-committee of Cabinet. That is a sub-committee of Cabinet. --(Interjection)-- Well, if there's something related to health, depending what, you can take it under the proper item I'm sure, or on the Minister's Salary. But I can't tell him under what . . .

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. BROWN: Well, if we can discuss HESP right now, I wonder if the Minister could identify the people who are presently serving on HESP as his advisory committee.

MR. DESJARDINS: Well, Mr. Chairman, HESP is a sub-committee of Cabinet. I'm not the chairman and there's nobody serving as my advisers. It is HESP as a staff and it works for the sub-committee of Cabinet. The chairman is the Honourable Minister of Tourism, Recreational and Cultural Affairs, the Minister of Correction, the Minister of Urban Affairs, the Minister of Education and myself are members.

A MEMBER: Consumer Affairs.

MR. DESJARDINS: And Consumer Affairs. So this is something that would be under executive . . . if you want to know the makeup of HESP this is something that should go under executive . . .

MR. BROWN: In July 27th, 1971, the Health and Social Development Advisory Act received consent. I wonder, has this Act ever been implemented and if it has I wonder if the Minister then could tell me who the members are on that advisory committee.

MR. DESJARDINS: This Act has never been proclaimed so far. This is something that we're looking at now after a bit or reorganization.

MR. CHAIRMAN: Resolution 55(a)(2), the Honourable Leader of the Opposition.

MR. SPIVAK: Just on this matter, I'm not sure if the honourable member is finished or not, but on this matter, may I just refer to the Act itself which states: "That this Act was proclaimed in force as of the 15th day of November, 1973." So I think that the Act has been proclaimed but there may not have been appointments to it.

MR. CHAIRMAN: The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Chairman, if I might. The Act may have been proclaimed but no appointments were made. The matter was looked into and it was simply held off because of the numerous groups and organizations and

SUPPLY - HEALTH

(MR. MILLER cont'd) . . . professions that wanted to sit on this type of Board, it just grew and grew and as a result no action was taken on it. In other words, it was never put into effect.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder, as a matter of practice, I would like to deal with this particular item now. But just prior to that, if I can ask the Minister if he would be prepared to follow a procedure with respect to the department. The department itself has not been before this committee, was not before it last year and as a result it's a two-year span and it has been reorganized. I wonder if it would be possible for him to indicate as we deal with each item, the number of people who are salaried within the salary range. He already made reference I think to 13 people in dealing with salaries on this particular item, and I wonder, as a matter of practice, as we go down, when we reach it if he will indicate that to us without our having to ask the question so that we'd be able to have some sense of it.

I also wonder, as a matter of practice, whether he'd be prepared to indicate the number of people on contract which would be included within the salary range as well, if I'm correct. Now, if I'm wrong on that, because I don't know the--(Interjection)--

MR. DESJARDINS: We'll go ahead and give you the people that are working in there and before we reach the Minister's salary, anyway, I think that we should prepare for the members of the House a list saying how many people we have on contract if that's not too tall an order for my friend here who will have to do the dirty work.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: My assumption is that the Estimate Books would indicate the numbers and I assume that they're still handled in the same way.

A MEMBER: Not contracts.

MR. SPIVAK: Well. Then I would say this--(Interjection)--No, no. Then I would then ask the Minister, and I appreciate it may not be available immediately, but I expect we'll be on the estimates for a couple of days and . . . period of time. I would wonder if he would then indicate the number of contract employees with respect . . . because as I understand it the contract employees would be listed in the salary aggregate figures under each item. --(Interjection)--Not necessarily? They would be listed in some cases under Other Expenditures, is that right? All right. Then I would . . . but I think in some cases they may be listed in salaries. Some cases? --(Interjection)--No. Well we have a situation just a little bit different here than possibly some of the other departments. And if that's the case then I would then want (a) the listing of the number of employees in each category under salaries, and then, if we would make available, the number of people under contract in each category. And that I realize will have to be produced and then furnished. So that we would be in a position to have some idea of the staffing both in terms of contract, etc.

Now, this item leads into the next problem with respect to the department. I wonder if, in indicating those who are under contract, the number of employees, there would be an indication of the number that have been under contract for more than a year. That is, that are on their second contract. And I take it that there could be a six months contract and that could take two contracts in a year. But more than a year, because I think that there has been a tendency, if I'm correct, with respect to this department, for a number of people to be on contract for a number of years, and I think in terms of understanding the complexion of this and the make-up of the department, that we have that. If that can be done, and I'm assuming - the Minister is shaking his head, and I'm assuming that is an acceptance of that . . . All right .

Then I would like to move on just with the Health and Social Development Advisory Board, and Council at least. The Act itself was passed on July 27th, 1971. The obvious was to establish a citizen council under the name of the Manitoba Health and Social Development Advisory Council. It was to be composed of not less than seven persons appointed by the Lieutenant-Governor to represent the various geographical regions of the province. Not less than seven persons who are not involved in their profession or occupation in the provision of health or social development business, appointed by the Lieutenant-Governor in Council to represent the interests of the users or consumers of health services or social development services. So in effect what we were really talking was consumer participation for basic principle - that, by the way, I think we were talking about when we were dealing in the Professional Association Committee that aborted about a year after this. Not less than five persons

SUPPLY - HEALTH

(MR. SPIVAK cont'd) who are involved in their profession or occupation in the province of health services or social development services to be appointed by the Lieutenant-Governor in Council; the Deputy Minister, who is not entitled to vote or to make any motion when he's in council, and who is not entitled to be elected as an officer of the council; the Chairman of the Manitoba Health Services Commission who is not entitled to vote, with the same provisions.

Now, Mr. Chairman, the powers of the council. They were to carry out, or cause to be carried out any research that it considers useful and necessary, or invite, receive or hear petitions, submissions and suggestions from any persons on any matters related thereto, or do any or all of those things. The council may be required to advise on the development of policy, the goals and objectives for health and social services; advise on the determination over health and social needs and the priorities; assess the results of the overall health and social service system; work closely with the physical education, economic and other relevant planners in order that planning over the whole province be developed as a co-ordinated basis. Now, Mr. Chairman, what we have here in legislation but not in practice, is again the . . . we have here as I suggested in legislation but not in practice, is the letters of reform, the language of change, the language of participation, but when we actually come to the facts, we find that it didn't occur. And this is one of the problems we've had I guess in understanding the nature of the . . . or the manner in which the department itself has operated. The council was supposed to be a council advising and assisting in the overall responsibilities of the department. It was proclaimed two years after it had been enacted. We are now two years after that, four years from the time it was set up, and in effect, Mr. Chairman, there has been nothing undertaken. Now, I do not believe that that fault can be attached to the present Minister, and I think he has to bear enough of a burden with some other matters that may be discussed as we deal on the Department of Health and Social Department estimates, but I think this is a real reflection on the government who . . . mind you it took something which was laudable and commendable and was not in the position to undertake what was said and what was proposed. Now one has to ask, what are the reasons? Why didn't this occur? Well, I listened to what the former Minister of Health and Social Development said and I have a feeling that he is giving a very kind view of the situation. In effect, I think this didn't happen for the simple reason that the government, (a) did not know what they were doing initially with respect to the whole field of health and social development. We've gone through several reorganizations and several ministers. We've had what I would consider is an unbelievable amount of paper, from what I understand, transferring back and forth from the department to the Cabinet Committee on HESP and to the former Planning and Priorities Committee, and one would like to know and be able to assemble all the paper that passed back and forth as each one tried to deal with it. What we really have in this particular situation is as you know, is a bit of a mess. And again we have a problem because the present Minister is here to try and correct it, and one has to give him credit for that, credit that he's undertaking the responsibility. But the problem we have is that this is I think symptomatic of a problem area. Laudable objectives have not been achieved because they were incapable of being achieved, because no policy formation was undertaken. In the confusion that's existed in the last four years, nothing very much has really happened.

Now the other problem, and the other problem with this, is that inherent to what is involved in the proposal is participation, which the government has always prided itself about. But you know the former Minister, or the present Minister of Mines and Natural Resources has an environmental council. And the Member for Fort Rouge I'm sure will talk about that, and I think he knows, as I know, exactly what that advisory group means to the Minister. If the Minister is not going to take their advice, and as a matter of fact is not going to summon them, and if it was in his power would just simply wipe out the legislation and that would be it. And that's the problem with this. One of the serious concerns that we've had and one of the problem areas that we have tried to cover, and will be covering as we deal with this, is the whole problem generally of the voluntary sector. The refusal to really become involved and assist in the development of policy. The fact that interest groups who should be very much a part of policy formation in both an advisory capacity and in a referral capacity by the Minister and his department, to be able to balloon certain ideas and to be able to hear arguments for

SUPPLY - HEALTH

(MR. SPIVAK cont'd) . . . and against whatever proposals are being developed as policy formation within the department all of these things that should have happened have not happened

Again I indicate very directly that the objectives of this council, which was to be a council advising the government and the Minister on the development of policy goals, on the objectives of health and social services, on the determination of needs and priorities and recommendations to other levels of government, and assess results of over health and social service systems, and work closely with the educational, economic and other relevant planners, did not come about because really from the period 1971 to 1975, the government has been in a fair state of confusion as to where it has been going. And I'm not even sure that this has been settled yet, and it will be interesting to hear philosophically, as we question the Minister, what his position is with respect to direction, because the confusion that existed was confusion compounded by administrative problems, and which I do not hold civil servants responsible for - administrative problems directly relate to the way in which the Cabinet was reorganized, the way HESP was organized, and to the way the Minister perceives his responsibilities. It also came about as confusion caused by the inconsistency in policy, and thirdly, the realization of the government as the years progress that real participation meant real involvement and really hampered the ability to make the kind of political decision that the members opposite are inclined to make and then announce as reform. And it's for that reason there was essentially a feeling that what has to be done here as has had to be done in other areas, is to push it aside.

So we don't really have that participation. The kind of reform that was really talked about which is the kind of reform that the NDP and CCF have for years talked about with respect to how they would approach government, has not occurred and we see a failure, and corrective action now at this point may at least be an accomplishment. But I wonder really what effect it has when we now see a budget that has jumped up so tremendously in the last four years from what it was in the period of 1971, with new changes, new organizations, new programs, and really with direct effects on the various interest groups and various people in need.

And I really reject the proposition given that somehow or other it was difficult for the government to make the decisions that there was competition and some confusion as to who should be on and who shouldn't be on, because I think that once you want to do something you can get it done. But the reason that this was not done, and I think the reason is very obvious, it was not done because the government did not know where they were going, and one will have to see whether they really know where they're going now, and if they do know where they're going then I think for everybody's sake they better start telling the people, telling the voluntary sector of our community where they're going, and then we'll be able to understand fully the implications of many of the programs that we're going to be discussing in the next few days as we go on line by line with respect to the estimates.

MR. CHAIRMAN: The Honourable Minister of Health and Social Development.

MR. DESJARDINS: Mr. Chairman, the Leader of the Opposition was kind enough to tell me that I was not necessarily to blame for whatever he doesn't like in this department, or, well-the past anyway. Maybe I should thank him for that, but I think that I will accept and I do accept all responsibility.

I think that the honourable member spoke correctly when he talked about an awful lot of paper going between the departments, and so on. I think this is something that we have to be looking at all the time and try to reduce. But I think that he is most unfair when he says that nothing was done in this department and, you know, there was method in my madness when I said that I would accept the responsibility, maybe I'll receive some of the credit for what was done in this department before, also. But I think it is most unfair to say that nothing was done in this department. If anything, maybe, maybe things were happening a little too fast. --(Interjection)-- All right, maybe we should have a list of some of the things. I know that you know one very well, the elimination of health premiums, which was something that happened not long ago. The universal Pharmicare was another program that came in. It gives you a direction of where we want to go. The supplement for the elderly is something else that certainly was an improvement; one of the only three provinces that has universal nursing home programs; the day care - mind you we have a lot of work to do with day care, but at least we started; the Work Incentive program; much more home care than we've ever had before; the patient air transportation to help the people, especially of the North; the Community Mental Health Retardation Program; the Wheelchair Program, now the Motorized Wheelchair Program; the

SUPPLY - HEALTH

(MR. DESJARDINS cont'd) Detox Centres, and so on. I think that those are certainly achievements of this department and I think it is exaggerating quite a bit, in fact it is nonsense to say that nothing was done.

Now, I don't know if I should apologize again for the sake that nobody was named to this board, but I certainly reject the comments of the Honourable the Leader of the Opposition who was saying that the government doesn't know what it wants, where it's going and that it's changed its mind, it doesn't want participation at all. I think that one of the reasons that nothing was done because it was, I think that this can be improved. And you will see a bill in front of the House, to be placed in front of this House fairly soon, that will go for the setting up of boards, different boards. Now you had one advisory committee that would be too big in all the regions, it would be very very difficult to work. I'm not saying that we will not set up this board, but now the legislation that we will have in front of us, Mr. Chairman, fairly soon will demonstrate to the members of this House where this government is going, and how much they want, and they're interested in getting participation because there will be different boards, the people will be encouraged to set up their different boards to take care and to look exactly at what my honourable friend was saying, about the priorities, the needs of these special areas. This will be coming very fast, and this will include all the cares that are needed, patient cares, in this field of health. So I think that the motives that my honourable friend was suggesting that we had, I think that that's unfair.

Now maybe we didn't go quite as fast as some of the members of the House would want, and I'm sure that many of them think that we've gone too fast. I think in many areas Manitoba has . . . while it is difficult and it might appear there is confusion at times, I think that Manitoba has pioneered many of the changes. Manitoba is much more advanced than many of the other provinces in Canada. I don't think that we have anything to be ashamed of, and I can assure my honourable friend that when this Act was passed the intent of it is reaffirmed now more than ever, and that we definitely will have participation. My honourable friend was interested to know what the now present Minister feels about it. I can tell you that I certainly am all for participation, as much participation as possible, and that was one of the reasons why there was a bit of reorganization, and this is not done in a day or so. I can say even if we never appointed a single person to this board, that there will be more participation because of this piece of legislation that the House will be asked to pass in the coming weeks.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Chairman, to the Minister. The fact that Medicare or Pharmicare and the other matters came, you know, or came to be, and the fact that they've been introduced are matters that, you know, I think we have discussed and debated in the House. What we are talking about is apparently very different. The object of the Health and Social Development Council - and we can go back to the Hansards when this was set up - was to have participation, was essentially be able to involve the private sector in the establishment of priorities and to be able to test the views of the government. The government had announced the formation, or the probable formation of I think some 20 community clinics; that by this time the government had announced a direction with respect to its income programs; it was talking about a single unit delivery system at that time. And the problem was how the voluntary sector would adapt to the changes that were being proposed. And how it would be utilized. Now the reasons that it was not formed is very obvious. The government had to make up its mind as to how it was going to deal in the first place with the voluntary sector, and the government had to be sure in their own mind really what they were intending to do, and they weren't sure of it at that time and there was enough confusion caused between both the Minister and members of his Cabinet. But in addition to that the problem was the fear of testing the position really with the voluntary sector who, for many reasons, questioned a great deal of what the government was doing, to a large extent because part of its planning had been inadequate, part of its research had been incorrect, part of the ideas appeared far out and because some of the voluntary sectors felt threatened.

So what we had was four years really wasted, yes, four years wasted in terms of potential. The fact that money had been spent, the fact that political decisions had been made, the fact that allocations had taken place here and there is fine. You know equalization had risen substantially, a lot of windfall money had come into the hands of the government, and they did certain things with it. So they can argue, you know, that that was a policy. But the fact is in

SUPPLY - HEALTH

(MR. SPIVAK cont'd) . . . terms of the kinds of problems of the establishment of priorities, the communication that was to take place, the involvement of people, the setting of goals, the determination of objectives, all of these things it didn't come about, and didn't come about because of a mistake on the part of the government in not selecting people, and I suggest it really did not come about because there was some difficulty in who would be the right people to put into these positions. It didn't come about because the government really then started to realize they didn't want the advisory council, and in fact the Minister is now going to suggest that we're going to have a new Act and there's going to be another advisory council and it's going to work well --(Interjection)-- Well then we'll be interested to see --(Interjection)-- A board. Well we'll be interested to see what participation he's talking about. This was an advisory council to the government. This was to be able to help them. This was to have the concept of consumer participation, in this case those were the recipients involved in the planning. And the reality is that nothing took place and the reason it didn't take place is for the reasons I've suggested.

While I suggest to the Minister that I don't hold him responsible for it, I say it's a testimony of the government that he's part of and of the failure, the real failure, and the failure that I think is so obvious to all the people who have worked in the field and who in many respects have been touched by the government in one way or the other, and who find you know with respect to what's happened a very very serious cleavage between themselves and the government and the feeling of in many respects almost incompatibility with respect to the directions that are taking place, because the whole mechanism of the voluntary sector has in fact been ignored, and the mechanism has been to a certain extent wasted. It may be that the Minister will be able to develop a rapport that will be better but I must suggest, Mr. Chairman - and the Minister will quarrel with me - that in effect the last four years have been wasted years with respect to what the purposes and objectives of this Act were supposed to be, and it seems to me that it only reflects failure. And I say that, very obvious failure on the part of the government.

MR. DESJARDINS: Well, Mr. Chairman, again I must refute the statement of the Leader of the Opposition. I think that I probably agree with him on one point, is that we haven't told our story, given the information to the public as much as we would want to. I think there have been a lot of forces who have been trying to scare the public that the government was going to take over everything. I think that I'm fortunate now, and I accept the challenge because I think that I'll be able to prove in a year that I will be - because of the work that was done by the previous Ministers, and so on, I think that the pieces will fall in place and that you will have probably more than any other province in Canada, you will have people advising and discussing with the government, because that's exactly what we're doing where we're going, and I don't think it's fair. Again I reject the statement that the government did not know where it was going, did not want to deal with the people, wanted to make sure. Of course when you have a policy or are determining a policy, it takes a long time, especially when there are people who are doing everything that they can to mislead the public, and so on, which happens no matter which government is in power, which party is in power, and this has been done. I say that this new legislation that we will have will do a much better job than what 19 people representing all Manitoba, then it is so difficult that you would have much trouble finding out what the priorities are, and so on. So now we will have a board who will have certain very clear responsibilities, and they will be telling us where their priorities are, and so on, and this will come out publicly. So I think that the difficult work that was done in the last few years I think will bear fruit fairly soon, and I gladly accept the challenge of my honourable friend, and I think that come next year I think that you will see that all these years were not wasted indeed.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Chairman, I reject completely the suggestion by the Minister that it's some other forces that have been responsible for creating this impression. I think that, you know . . .

MR. DESJARDINS: There are many . . .

MR. SPIVAK: Well there are many vested interests but I think one has to look at the record of the government and the performance in the last four years, and the statements of the politicians particularly, and the confusion that's existed, and the contradictory positions that have been taken, and I think one can say the threat hasn't come from people who are fearful and who therefore have tried to, you know, excite others; the threat has come from the actions

SUPPLY - HEALTH

(MR. SPIVAK cont'd) . . . of the government. If the Minister is capable of correcting it to a certain extent that is probably more power to him. But one has to remember as well he's only one man within that government, and one has to be sure of the overall policy direction and commitment that others will give to the continual centralization that has taken place both within the department as a basic philosophy, and within the government generally, because that's really what part of this is about. And it comes, you know, comes right in line because here was a council that was supposed to be an advisory group, supposed to be assisting, and really nothing happened.

MR. CHAIRMAN: The Honourable Minister of Health.

MR. DESJARDINS: What a difference a day will make or a year, and so on, or a changing position. I remember while I was sitting on the other side and my honourable friend was sitting here, where he appealed to the House - he was Minister of Industry and Commerce and he had a tough job to do and he was appealing to the House and he was saying, you know, fine, hit us hard when we're weak, attack the programs that you don't like, but don't go around scaring the public, and so on. And I am saying that, what is so wrong if I'm saying that I would like to see the same kind of co-operation. Any time that you have pioneers in any field they'll be criticized and it's going to be difficult, because there's always people that feel that they will be hurt personally, that are afraid because they don't like changes. That's done in church reforms, in government reforms, in any kind of reforms. You've had that when you first started Medicare, when you started Hospitalization, when you had - especially in this, you have minimum wages, and so on. So I'm saying that, right, I agree with him that at times it seems that there has been some confusion. And I'm saying that I'm fortunate now that I'll be in a position to reap the hard work of the people who were there before; but I reject that the government did not know, the statement that the government did not know where it was going in the last four years.

This government has not been afraid to tackle some of the things that were never tackled anywhere in Canada before. And I was fortunate enough to see this at the three meetings that I attended in Ottawa where I met with the different Ministers of Health and Welfare and the Federal Minister; and I think that a lot of the things that this government led, the direction that it was going, the Federal Government is now taking it, and the other ministers are taking it. So if my honourable friend wants to tell me what direction that he knows we're going, that he rejects, fine, I'd like to - I'm always open to any criticism, especially when it's constructive criticism - but a judgment, a statement like this, you know, I've got up three times now and he did the same thing, where he's going to tell us that we didn't know, we didn't know what we wanted, that we did not want to have people because we were afraid that they would not accept our principle. I'm saying that this is not true. I'm saying that the intention was there no doubt when this Act was passed and they wanted 19 people, and so on, and maybe the government was wrong, you know - it's true that this department in going through the estimates for the last four or five years, and I'll have enough trouble defending my own this year, that I'm not going to defend the last four years of estimates. But I think that it will be clear that again we'll be ahead of most of the provinces in Canada because we want to have the people in certain communities to get together in boards instead of a board for an acute hospital, for a nursing home, somebody else to look after home care; and should home care be community oriented or institutionally oriented; and new programs that you want, somebody might want dental care, or some other programs like that, we will have these boards. I think that you'll be very interested. There's one thing at least, it's not a waste of time by listening to my honourable friend today, I'm assured that this Act will be passed very fast because in the way he was talking, I think that we all want the same thing. So I'm saying, well, you know, we can argue until we're blue in the fact what happened and why this wasn't done. I'm just saying to my honourable friend that I for one certainly want to see much more discussion with different groups, as long as it's constructive criticism, and as long as we could work together, and I think that I accept the challenge. If I stand here next year to defend these estimates, I think that I'll be able to point and show him that this was done. But it won't be because of me as a Minister, it will be because of all the work that has been done during the last four or five years.

MR. SPIVAK: I'd like to make something very clear, because I think it's important. The Minister acknowledges the fact that the estimates have not been covered - he says four or five years. I don't . . .

SUPPLY - HEALTH

MR. DESJARDINS: Well, three years.

MR. SPIVAK: Three years since it's been covered. Well, you know, that puts us at a bit of a disadvantage, because if you aggregate the total dollar volume of the three years in the last time to this time in terms of estimates, we're probably talking - what, a billion dollars? --(Interjection)-- Well, we're talking close to a billion dollars, we're talking close to a billion dollars. You know, I think we are entitled to examine how that billion dollars was spent. I think that the Minister has to recognize that, you know, all we can go on is the evidence of what we have and what has been represented to us, you know. We are not trying to - and I want to assure the Minister - to sabotage his department, nor are we trying to sabotage in any way his relationship with the voluntary sector. But I think we have a responsibility - and it may very well be that we will find a document that we will produce for him which, you know, may or may not be something of significance. But our responsibility, you know, is not to act like sheep here, but to basically be concerned about those areas of concern that have been expressed to us. We here have a Health and Social Development Advisory Council Act passed four years ago, and the Minister's acknowledged that something else is going to be happening fairly soon, and that there's going to be another bill that we're going to be dealing with, and that's fine, I'm going to be very pleased to deal with him on that bill when it comes in. Who knows whether we'll support it because I'm not sure what other things are contained in the bill. We would then have to look at it and review it and give him the benefit of our advice with respect to it. But the fact is that this council was not formed; it wasn't formed for a reason. Now the government can give the reasons, and I can make some guesstimates about the reasons, and I've tried to indicate what I sincerely believe have been the real reasons. I say that it is something that, you know, it is not something that we haven't said in this House before. We've tried to, both by questioning and by the opportunities available in the House, to try to indicate what we sensed were confusions with respect to the policies and the confusion caused by the establishment of really the Secretariat of the Planning and Priorities and its relationship with the department at the earlier stage before the formation of HESP, and the formation of HESP, and the fact that there really appeared to be almost three working groups at one time dealing, both in health matters and then in terms of the social service area, there was still confusion between two, both in terms of pronouncements, policy pronouncements that were made, and in the kind of private discussions in which the voluntary sector was involved at different stages.

Now, there's no point in documenting this; that's not my objective. I'm simply saying that at this point, and this is the first time we've had to deal with this because we've had no opportunity, there seems to be at least a prima facie case which we think we can make, based on this Act passed four years ago, proclaimed two years ago, setting up an Advisory Council to advise, that was never formed, and it's our belief that it was never formed for the reasons that we've suggested. And that is a failure, it is a failure of the administration of which the Minister is a member. It may not in any way take away from his ability to try and do something else, in something more positive in another way. We'll look at his legislation and deal with it, but at this point it appears to be a failure.

MR. CHAIRMAN: Order please. I want to make it quite . . . The hour being 12:30, I am leaving the Chair to return at 2:30 this afternoon.

COMMITTEE OF SUPPLY - DEPARTMENT OF HIGHWAYS

MR. CHAIRMAN(Mr. Walding) . . . direct the attention of honourable members to their Estimates Book, Page 29, Department of Highways. Resolution 63(a)--The Honourable Minister.

MR. USKIW: Mr. Chairman, I wonder whether it wouldn't be appropriate to respond to members on some of the questions that were put yesterday for which we didn't have answers, the Member for Birtle-Russell, I believe, wanted to know something about the bridge at the Qu'Appelle. The bridge department has inspected the structure over the Qu'Appelle River and has limited the g. v. w. to 74,000 pounds with the stipulation that no overloads be allowed.

Now we have a question from the Member for Souris-Killarney who's here, yes. The formula for cost-sharing on traffic signals at railway crossings is as follows: Applicant 12-1/2 percent, railway 7-1/2 percent, the Board of Transport Commissioners 80 percent.

The Member for Fort Garry had a question with respect to students' payments. Agreement was not finalized until December. The regulation under the Civil Service Act state that only those people on staff at the time of the agreement being finalized were eligible for retroactive pay. This applied to all departments. Should I restate that Mr. Chairman, for the benefit of the Member for Fort Garry.

MR. SHERMAN: Well I don't want to interrupt the . . . but I would like to ask a question about that, when he's finished the continuity of his remarks, Mr. Chairman.

MR. CHAIRMAN: Would you come back to that --(Interjection)-- The Honourable Minister.

MR. USKIW: On maintenance items, there are 90 activities related to maintenance. The largest expenditure pertains to grading, gravelling, bituminous repairs, traffic, and so on, snow plowing. Those are the main components, but there are 90 activities. I'm sure members don't want to go over 90 items.

The question of the Yellowhead Route, the agreement was that the municipalities along the route would pay for the signs and the area that was raised by the member for Birtle as having no signs represents those municipalities who have not complied with that agreement, or have not decided to enter in, and they are the R. M. of Harrison, Strathclair, Saskatchewan, Town of Gladstone and Minnedosa. That's the reason for the gap in the Yellowhead Highway signs.

Now the Member for Virden wanted a district map, we have bent over backwards for him and have provided one, which I believe he now has. --(Interjection)-- Is there another one there? Yes, other members who wish them if they would send their request to the district office I'm sure they could get one.

The Member for Portage wanted to know the traffic count on the St. Adolphe Ferry. The figures I have is for the period May to November of 1973, for a total of 24,782 estimated. The projection is that that will double in the first two or three years of the new bridge. That's the department's figure.

MR. SHERMAN: What was that, Mr. Chairman?

MR. USKIW: 24,782.

MR. SHERMAN: Thank you.

MR. USKIW: That's May through November.

Now I have one more I should complete, Mr. Chairman. The Pembina Highway-St. Mary's Road traffic counts, there is no data available at the Highways Department, and as I said yesterday, the City of Winnipeg has retained a consultant in this connection, so that any information will not be up to date information in any event.

Now the point is being made by the department that traffic counts are one of the criteria but certainly not the only criteria, that there are many other factors that are taken into account in the building of structures, and that if traffic counts were the only criteria, the main criteria, most of rural Manitoba would not have structures built whatever. That is the comment of the department on rural structures.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, I thank the Minister for his information. I would like to go back to the answer that he gave me with respect to the students summer employed by the Department of Highways, and I believe he said that Civil Service regulations make it clear that only those who are on permanent staff are eligible for retroactive wage awards. That is helpful information but it doesn't really strike at the question that I think both the department and the government and the opposition face in this case, and that is, what were the students

SUPPLY - HIGHWAYS

(MR. SHERMAN cont'd) . . . themselves told. The information that I have is that the students were assured when they went to work that they would be eligible for any retroactive compensation, whether they were still at work or back at university.

MR. USKIW: I wonder if I could pursue a point of clarification, Mr. Chairman. By whom were they told in the opinion of the Member for Fort Garry.

MR. SHERMAN: By the Department of Highways, by the persons hiring them.

MR. USKIW: Because, Mr. Chairman, the important point to note is that the Youth Secretariat was in charge of the policy with respect to that question, and which applied on all departments, and it seems to me rather odd that a single department would want to make that kind of a commitment.

MR. SHERMAN: So what you're suggesting to me is that whatever they were told, it came from the Youth Secretariat.

MR. USKIW: Well it should have. That's where the policy was established.

MR. SHERMAN: Well I'll check that out, Mr. Chairman. It may well be . . . the impression I got from them was that it came from the Department of Highways but I may be incorrect, it may well have come then from the Youth Secretariat, in which case the Youth Secretariat was . . . if it's true, then the Youth Secretariat was misinformed and passed on incorrect information to them, because the nature of their grievances is that they were under the impression very clearly that they would be eligible.

MR. USKIW: Now, Mr. Chairman, the Member for Birtle-Russell in his closing comments yesterday wanted some breakdown of the maintenance expenditures, and I'm prepared to do that before we enter into the next item.

MR. CHAIRMAN: The Honourable Member for Souris. May I just interrupt here, the Member for Souris-Killarney, I believe, had a comment on what you were saying before.

MR. McKELLAR: No, it was a different item altogether. It's under the same item, but I mean a different subject matter.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Okay. The maintenance of provincial truck highways and roads involve some 1,008 staff-man years, for an expenditure of \$18,133,300, which is an increase of \$2.6 million over last year. The traffic area involved 13 staff and an expenditure of \$1.480 million, with an increase of \$425,000 over last year. The ferries' operations are the same as last year, \$56,000.

Now the costs per mile, if the members are interested, on provincial trunk highways, the maintenance costs, summer maintenance costs, are \$600 per mile. On provincial roads - that's on trunk highways - on provincial roads the costs are \$750 per mile. Now cost of snow plowing for 1973-74 was \$4.3 million compared to 2.4 million in 1972-73. That's an example of escalation. That's the breakdown that I have here, Mr. Chairman.

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

MR. McKELLAR: I may be off the subject matter, and I don't know whether it comes under maintenance, but I guess it would be, it's regarding the International Peace Garden, of which I am a member of the Board of Directors and of the executives, and because of the fact that United States are celebrating their bi-centennial next year in the year 1976, we have asked the Highways Branch through the Boissevain office if it's possible to pave the formal area, that's the parking lot, formal parking lot, and also the parking lot of the Errick Willis Pavilion.

MR. USKIW: Mr. Chairman, I think I should raise a point of order. I'm advised that that responsibility belongs to the Department of Tourism. The financial appropriations would have to come from Tourism for that project.

MR. McKELLAR: Well the Department of Highways do the work and I was . . .

MR. USKIW: Yes, but they are hired by the Department of Tourism.

MR. McKELLAR: I see.

MR. USKIW: They are a service department to tourism in that connection.

MR. McKELLAR: Well if that's the case. . .

MR. USKIW: Tourism provides the dollars in the estimates, in other words.

MR. McKELLAR: Well maybe this is the case, but in the past, the Highways Branch through their budget at Boissevain have contributed a great amount of money to paving of the road, the 3-1/2 mile road in the area. All we're interested - I don't care what department, I can contact

SUPPLY - HIGHWAYS

(MR. McKELLAR cont'd) . . . any department, but it's very important that we get this completed because there's going to be enormous traffic. This past number of years we've had over a half a million visitors to the International Peace Garden, and I would suspect that in the year of 1976 that it would be up to at least 800,000 people, visitors to the International Peace Garden. And we had no funds other than what the governments of Manitoba and North Dakota and Canada contribute to our . . . and we're getting caught in the middle of inflation on both sides of the border. That's one of our problems, yet we can't let things fall to pieces and we're trying to get - the amount of money is \$10,000. If it's a case for the Tourism and Recreation I can bring it up under that department. Is it not the case though, you folks do the work and they through . . . that's the way moneys are handled through that area, eh?

MR. USKIW: The debate should be properly under the Department of Tourism, Mr. Chairman.

MR. McKELLAR: Well I'll bring it up under that department, then if that's the case.

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

MR. GRAHAM: Mr. Chairman, the Minister indicated in the past year snowplowing was \$4.3 million. I'd like to ask if that expenditure was all by government forces or was there some that was done by municipalities working for the government.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Yes. It was done partly by municipalities, wherever it was necessary to do so.

MR. GRAHAM: The reason I raise the question, Mr. Minister, is I know there has been considerable conflict in the past between the municipalities and government forces where you find it necessary in many cases for municipal snowplows in doing their work that they have to almost plow some government roads as well, and we know that in times of a storm naturally everybody wants roads plowed at the same time and the government just doesn't have the forces and I would hope that the liaison that has existed, or used to exist, is improved to a point where there is a good liaison between the department and the various municipalities where joint forces can improve the service to the motoring public.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well my impression is that there is fairly good liaison as between the department and the municipalities. The Deputy advises that we haven't run into any serious problems for lack of it, so that it seems to be a fairly good relationship.

MR. CHAIRMAN: The Honourable Member for Virden.

MR. McGREGOR: Yes Mr. Chairman, is there any way of having a breakdown of highway maintenance and aids to the city separate to the rural. Is there any ball-park figure you would . . .

MR. USKIW: Sorry I didn't catch that . . .

MR. McGREGOR: A breakdown of highway maintenance to the cities.

MR. USKIW: Well all we've got here, Mr. Chairman, is a breakdown of urban kinds of assistance, and assistance for urban streets in which the province participates.

MR. CHAIRMAN: Order please. We seem to be having a little trouble with our recording equipment, can we just hold it for a minute please.

Order please. I understand our technical difficulties are resolved. I believe the Honourable Minister had the floor.

MR. USKIW: Yes, Mr. Chairman, we were talking about towns and cities, and so on, and the support that the province provides for those communities. The grants calculated on a per lane-mile basis to the City of Winnipeg are \$2,400, that's in the area of maintenance grants. In the area of . . . there are no maintenance grants to rural towns and villages, but there are construction grants on a 50-50 basis. I believe that's the information the Member for Virden was seeking.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: On a point of order are we down to that point yet in the resolution because I wanted to ask some questions about plans for urban transit, and I was under the impression we had to wait till we got down to sub-clause (b) before we could do that.

MR. USKIW: We're on the right subject right now, Mr. Chairman.

MR. CHAIRMAN: My record indicates that we passed 63(a) last night.

MR. USKIW: We're on (b).

SUPPLY - HIGHWAYS

MR. CHAIRMAN: 63(b)--The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Chairman, I wondered, we're looking at an appropriation here under Assistance Programs of \$14.5 million, and I wonder if the Minister can identify the amounts that are designated as grants for urban transit as specified in the title of the resolution.

MR. USKIW: The 1975 Estimates for Urban Transit Assistance is \$4,111,000, which is an increase of \$133,000.

MR. SHERMAN: What . . .

MR. USKIW: There's an additional amount - perhaps I should complete that. There's an additional amount known as the Innovative Urban Transportation Demonstration grant in the amount of \$1.5 million for 1975-76. That's additional.

Now there's purchase of transit buses but . . . yes, these items are really the items that come under Urban Affairs. They show in our estimates but they are really administered by urban affairs. They're debatable here, there's no question.

MR. SHERMAN: So the appropriation of \$4,111,000 for the current fiscal year includes purchases of capital, purchases of capital equipment, buses and other capital equipment.

MR. USKIW: No, Mr. Chairman. If I may clarify for the Member, the \$4.1 million is exclusive of the transit bus grants. We have an additional \$810,000 for the purchase of buses. There are three components, there's the general grants, then there's the innovative urban transportation, and then the grant toward the purchase of buses, there are three areas, 4, 5, 6, over \$6 million in total.

MR. SHERMAN: So of the three areas, only two of them are included in the \$4.1 million appropriation we're looking at. Is that right?

MR. USKIW: No. Only one area is included there, and I'll read to the members. Provision for grant equal to 50 percent of the operating deficit of the next previous fiscal year, or 40 percent of the passenger revenue of the previous fiscal year. The formulation of which adds up to \$4.1 million. This is losses in city transit, and so on. Oh I'm sorry. Yes, all of these items are included in the \$14 million item. That's correct.

MR. SHERMAN: Can the Minister advise the committee of what kind of budgeting is planned in the area of planning and research? For example, for rapid transit systems or improved urban transit programs.

MR. USKIW: I'm advised that that comes under the area of Urban Affairs and should be debated under that department.

MR. SHERMAN: Under Urban Affairs? Thank you, Mr. Chairman.

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

MR. McKELLAR: Mr. Chairman, can the Minister advise us what cities get these transit grants, and how much do they expect to . . . like Brandon, Flin Flon and Winnipeg. Could you . . .

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: The breakdown is: Winnipeg 4,013,000, Brandon 88,500, Flin Flon, 9,500.

MR. McKELLAR: Well I was just wondering . . . many of our towns are just at the point where they are not able to provide transportation like a town like Killarney but they provide a subsidized taxi business, or something of that nature. I realize that it's not on a regular basis, but it's a problem that some of the communities are having now, that they need transportation and yet they can't afford bus transportation but the taxi service is sufficient. Now is there any grants for that type of service in a town like Killarney?

MR. USKIW: No, Mr. Chairman, there aren't any but the member should debate that point under Urban Affairs, which is the policy area with respect to grants. This department happens to be the delivery area so that the policy questions have to come under urban affairs for future development or innovations in transportation grants.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, can the Minister explain the formula, or when you have construction of bridges and certain streets in the City of Winnipeg, is it based on every project considered separately, or is there some kind of a formula, some kind of a plan, that the City gets so much money for streets and bridges on an annual basis, or what is the plan at the present time? My concern is if there isn't one, I'm sure that it's time that the department and the

SUPPLY - HIGHWAYS

(MR. PATRICK cont'd) . . . Minister give serious consideration that, you know, we don't argue over one bridge and over one street which we're confronted with every year, year after year. So certainly there must be some policy, and if there isn't one it's time that the Minister gave some serious consideration to see what grants are available each year and on what basis. Is it on per capita, and what is the formula?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: The general cost sharing is 50-50 but in specific cases they arrive at a percentage basis in negotiation that takes place between the City, the Urban Affairs Department and the Department of Highways, so that there are variations below and above. Above or just below? Could be either above or below, depending on the conclusions of those negotiations. That's per project.

MR. PATRICK: Can the Minister - and this is the question I have. The Minister says that's per 50-50 and my questions is of what? --(Interjection)-- The Minister says that's per project, now what is the allotment a year? You know, is there certain grants available, and is there a specific amount, and what is it based on? You know, after a certain few years of debate and argument then we decide to build a bridge after 20 years debate, and he says we'll finally go on a 50-50 basis. 50-50 of what.

MR. USKIW: I presume the member is talking about the City of Winnipeg. Yes. The construction grants, the normal construction grant is on a 50-50 basis, and in 1975-76 we have \$3,300,000 in our estimates.

MR. PATRICK: 3 million?

MR. USKIW: 3,300,000.

MR. PATRICK: Can the Minister say how this formula is based, or what is it based on, that there was an agreement that there's \$3 million for this fiscal year.

MR. USKIW: Oh. How do we arrive at \$3 million? Is it based as a catalogue . . . It depends on the projects that are submitted and subsequently recommended as to the amounts of money required in the estimates.

MR. PATRICK: So there's no formula at the present time what it's based on - it's on a per project basis on submission from the city and so on?

MR. USKIW: The department has to make the request basis, all of the applications or submissions presented to it, and this year's is 3.3 million, which is an increase of \$587,000 over last year.

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

MR. GRAHAM: Further from the remarks or the questions of the Member for Assiniboia, are all of those projects now identified, that the 3.3 million, or is that just a ball-park figure to cover some projects that may not even have received approval yet?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: The capital construction program has been submitted by the city and approved by the Minister.

MR. GRAHAM: So that total 3.3 is all earmarked, committed and . . . On the basis of that if the city then has some other projects which require urgent attention, then they have to come back to the province for renegotiation on an emergency basis. Is that correct?

MR. USKIW: That is correct.

MR. CHAIRMAN: Resolution 63(b)--passed; Resolution 63(c)--The Honourable Member for Virden.

MR. McGREGOR: I was just wondering on this other jurisdiction, if this touches the Saskatchewan boundary, where I believe you're going to be making a road into Saskatchewan, or what is Other Jurisdictions? What are we referring to? Out of province, other departments.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: The Highway Department provides specialized services to other government departments. That's what this is all about. Such other jurisdictions as cities, towns, villages, municipalities, local government districts, and certain private parties.

MR. GRAHAM: Do those private parties include Indian bands?

MR. USKIW: . . . there is a revenue side to this operation. Receipts for services to other jurisdictions are credited to the Department of Finance. The department becomes a service agency for which it submits a charge.

MR. McGREGOR: Mr. Chairman, is this engineering or is this carrying out of the full program?

SUPPLY - HIGHWAYS

MR. USKIW: I'm advised that it's engineering and program. With respect to the question of Indian reservations, there are cost-sharing programs with the Government of Canada.

MR. CHAIRMAN: Resolution 63--The Honourable Member for Souris-Killarney.

MR. McKELLAR: I'm just wondering, on the road through Riding Mountain National Park, No. 10 Highway, who pays for construction of that road?

MR. USKIW: That's a national responsibility.

MR. McKELLAR: Did the Department of Highways have any part to play in designing the road or construction of the road, or engineering, or any . . .

MR. USKIW: Apparently not, Mr. Chairman.

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

MR. GRAHAM: On that same issue. Does the department not have any input to insure that the standards that are required in the Province of Manitoba are met with respect to construction of highways in national parks?

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: I'm advised that the department has not reviewed their design.

MR. GRAHAM: Does the Minister not think it advisable that perhaps we should, to insure that the standards that we set in the Province of Manitoba, because after all it's our provincial numbering that goes on those highways? I think we should have an overriding responsibility there to insure that the Federal Government does meet the standards that we require.

MR. USKIW: Well, the point that the member is making is a good point. The department advises that they liaise with the federal authority but they have no legal control over the project. The parks authority of Canada develop a road system in their parks and on the basis of esthetic considerations rather than traffic considerations, and so that does to some degree compromise our rule of thumb as a Highways Department here in the province. It's not a straight line approach that they use in the building of a highway through a park; it's a lot of curves and bends in the road, shall we say, for those reasons.

MR. GRAHAM: I think from that, Mr. Chairman, I think the Minister must have driven through the Riding Mountain National Park, and now I would ask the Minister and members of his department if they agree that that is the best way to build a road?

MR. CHAIRMAN: Order please. The honourable member can ask the Minister, he cannot ask the Minister's staff.

MR. GRAHAM: Well I ask the Minister and he can . . .

MR. USKIW: Mr. Chairman, it's a matter of purpose really. If the intent is esthetics, of course, one could build roads in all sorts of shapes and conditions; if the intent is to move traffic most efficiently, then of course you would want to take a very hard and straight line approach. But obviously when you're talking about parks jurisdictions, you're really leaning toward the esthetics rather than the efficiency of a highway.

MR. GRAHAM: Well, Mr. Chairman, I think the Minister is well aware of the concerns that have been expressed both by the Member for Roblin and myself on numerous occasions over many years, and it isn't only the Member for Roblin and myself, it has been expressed by members before our time about the need for a road through the park which will be a means, not just for esthetic reasons but to accommodate the economy of that area. It has been a serious detriment to the operation of the cheese plant in Rosburn, and we have urged for years that a road be built through that park. Now we find that upon their rebuilding No. 10 they're putting obstacles in the path of commercial use rather than expediting commercial use, which is vitally essential, and I would urge the Minister to use his good office to try and persuade the park officials in Ottawa if they want to use No. 10 that way, then provide another road through the park which could be used for commercial use.

MR. USKIW: Well, Mr. Chairman, I'm aware that there have been discussions with the Government of Canada for many many years on that point, and the Government of Canada's position seems to be firm in that they want to maintain a park as a park with very limited response to the commercial aspects, and that is a matter of federal policy with their parks program. I presume that the province has the option of doing their own thing by building roads around parks in areas where they have jurisdictions to deal with their commercial needs, or perhaps a choice of not having a federal park in the province.

SUPPLY - HIGHWAYS

MR. GRAHAM: Then lets look at that . . .

MR. USKIW: But I think once one accepts the idea of a national park in the province, one has to accept the rules that go with the national park system. However one may want to disagree with those rules.

MR. GRAHAM: Then, Mr. Chairman, can I ask the Minister another question? Has the province ever considered building a road from Rossburn to Grandview which would separate the west end of the present Riding Mountain National Park from the rest of the Riding Mountain National Park and make the west end a provincial park, which would operate under the same rules as the . . . That is one way we might be able to get that road through there.

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

MR. ADAM: Thank you, Mr. Chairman. On 63(c) I believe the Minister said that part of this was recoverable.

MR. USKIW: Where work is done for other jurisdictions, yes, there's a revenue side which accrues to the Department of Finance.

MR. ADAM: This would be, say maintenance, snow plowing on a reservation?

MR. USKIW: Yes, that's one of the activities.

MR. ADAM: And is the recoverable portion 100 percent, or what percentage is recoverable?

MR. USKIW: No, it varies, but I'm told that it could be for example a 50-50 arrangement. The recovery on this program on this particular item, is the full amount.

MR. ADAM: That brings a point up. I notice like for instance Ebb and Flow Reserve, there's a road running across there to a community called Comeau along Ebb and Flow Lake, and there's school buses going across this road. Our school buses, you know. There's no way that the reserve can have sufficient funds from the Department of Indian Affairs to maintain these roads and yet they have to pay the full costs of construction on the reserve, and I understand now the full construction of maintenance and plowing as well. These buses may also pick up Indian students going to school but they go right across, and there's heavy traffic, daily traffic, and they receive very very little money from the Department of Indian Affairs to maintain . . .

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, the only thing we can do is check out that specific point. We're not familiar with it but we'll try and get the information.

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

MR. McKELLAR: Just one further question. I was just wondering on Highway No. 10 through the Riding Mountain National Park, does the Department of Highways do the snowplowing and maintenance of that particular road up to now, and charge it back to the Federal Government, or how do they work it? How is it maintained?

MR. USKIW: We're not involved. The provincial department is not involved whatever.

MR. McKELLAR: Not involved at all with that stretch or road, eh? I see. I wondered who is maintaining it because there's sure an awful lot of holes in there.

Also, too, they have a rebuilding program going on - how many years does that take to complete the whole road through that. . . I wonder, have your Highways Department been notified when they're going to complete it?

MR. USKIW: No, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Chairman, I'd like to question on Resolution 63 with regard to the grants relative to the metropolitan street system established by the Lieutenant-Governor-in-Council and grants for Urban Transit, whether this is being dealt by the Highways Department directly, or is it going to be open for discussion under the Department of Urban Affairs?

MR. CHAIRMAN: We've already passed that section, we're on 63(c).

MR. SHAFRANSKY: I realize that, and I apologize that I'm bringing it back. I was trying to maintain a quorum in the other part and I had to walk out of here for a minute.

MR. USKIW: Mr. Chairman, I'm prepared to just quickly recap the figures. The general grants for urban transit assistance is 4.1 million for this year, of which Winnipeg gets 4, 013, 000; Innovative Urban Transportation demonstration grants is 1.5 million for this year; and Bus Purchase grants is in the order of \$810, 000, for this year.

MR. SHAFRANSKY: Now my question would be, if the Minister, Mr. Chairman, can

SUPPLY - HIGHWAYS

(MR. SHAFRANSKY cont'd) tell me, what is the traffic count on Highway 59, especially the truck count at the weigh station just north of the Perimeter and 59, and how much revenue is derived on those trucks coming into the city from the north side from the gravel pits on the Birds Hill area, and again in the Gull Lake area where the Winnipeg Supply Company has a fairly large gravel plant, compression plant? All of these vehicles I know come into this city and they're all channelled, most of them channelled down Nairn Avenue, which creates a considerable problem for the people in that area because you have a constant traffic of heavy, big loads of gravel coming down creating problems for the people who live along Nairn Avenue, and I just wonder what type of revenue is derived from the weigh stations that pass through on 59 and then go on Nairn Avenue Especially.

MR. CHAIRMAN: The Honourable Minister.

MR. USKIW: Well, Mr. Chairman, the type of information that is being asked for is not something that would be expected to be handy. It's really something that is more appropriate under an Order for Return. The department advises however that that is the most heavily travelled highway in Manitoba, that particular area, so that it breaks all records province-wide. Now the revenue side can only be derived from the Finance Department. We don't have those statistics.

MR. SHAFRANSKY: Mr. Chairman, this is one of the most heavily travelled highways in the Province of Manitoba, especially when you say heavily it is the heavy loads that come down practically 24 hours a day, and they all go down Nairn Avenue, and it creates a very terrible situation, not only in the way of the fact that the people cannot sleep but it adds to the damage to their homes, the gravel that is spewed across the road and onto the people's lawn, any time it rains the mud that is splashed right up, they have no particular defence whatsoever. What I'm leading to is just whether the Minister has considered this fact that there is an alternate route possible down what is known as Thomas Street, land that is available for a street and to channel the truck traffic in such a manner that it will not continue the problem which exists now. The cost is very minimal in view of the total cost since this would be in the City of Winnipeg, and I understand any construction that is done in the City of Winnipeg is on a 50-50 basis. The total cost estimated for the project which would take the truck traffic off Nairn Avenue and down Thomas Street, would . . . the total cost of developing a system like this would be 1.8 million, so 50 percent is \$900,000. I think that this is something that the department, the Minister and the department should consider. It's been a long-standing problem for many years, you know, and I can't see why we should allow this to continue today, especially in view of the fact that there are people who have resided in the area long before the highway system was developed, and this is something that I feel that the department should give their serious consideration into developing that alternate route system which would by-pass the residential area.

MR. USKIW: Mr. Chairman, the department is aware of that suggestion, and in fact is involved to some degree with the City of Winnipeg in looking at an alternate approach but we cannot be more definitive than that at the moment. One of the problems of building subdivisions in Winnipeg is that you need trucks to bring in the material.

MR. SHAFRANSKY: Well I hope that this item is not going to be closed off from discussion, Mr. Chairman, in the Urban Affairs because I believe that there is that type of arrangement where the Highways Department gets the money appropriated for their construction, but it's the Urban Affairs that is responsible in the City for the spending of their requirements.

MR. USKIW: Well, Mr. Chairman, I should like to make the point again: it does involve the City of Winnipeg traffic planning. We don't have unilateral access to their decisions.

MR. SHAFRANSKY: But the City Planning Department has made certain proposals. They have about four proposals, and the one most logical that I feel that would meet the most immediate and almost the lowest cost, is the one which would - Scheme D on their Planning Department. There is one that would cost . . . while the total cost of Scheme A is 1.8 million, and you have a lower one - well there is various totals. There's one, Scheme C, 2.8 million; Scheme B, 1.9; and Scheme A, 1.7, but Scheme A would not resolve the problem that the Scheme D, which is the medium-priced project, would accomplish.

I wish to thank the members of the committee for allowing me to come back to this item.

MR. CHAIRMAN: Resolution 63(c)--Passed; Resolution 63, resolved that there be

SUPPLY - HIGHWAYS

(MR. CHAIRMAN cont'd) granted to Her Majesty a sum not exceeding \$35,074,700 for Highways --Passed.

MR. McKELLAR: Mr. Chairman, I just wondered if you would call it 12:30 before we start the Motor Vehicle Branch. There are some members not here, they're at the other committee, that we can't get to right now, and I just wondered . . .

MR. CHAIRMAN: Is it agreed then that we call it 12:30? I am leaving the Chair to return at 2:30.