



FOURTH SESSION — THIRTIETH LEGISLATURE

of the

**Legislative Assembly of Manitoba**

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**DEBATES**  
and  
**PROCEEDINGS**

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26 Elizabeth II

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CONCURRENT COMMITTEES OF SUPPLY  
ESTIMATES — LEGISLATION

**CHAIRMAN, Mr. D. James Walding (St. Vital):** Order please. We have a quorum gentlemen, the Committee will come to order. I would remind honourable members that we are in Committee of Supply. Members should address their remarks to the Chair and refer to other members by their constituencies and would refer honourable members to Page 2 in their Estimates Book. Legislation, Resolution No. 1, Other Assembly Expenditures (a) Leader of the Official Opposition— pass; Resolution 1(b) Leader of the Second Official Opposition Party—pass; Resolution 1(c). The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Just a question for clarification under the heading of the Leader of the Second Opposition Party. Are we actually paying \$6,000 in this category towards that particular office?

**MR. CHAIRMAN:** The Honourable Minister.

**MR. SCHREYER:** Mr. Chairman, the answer is no. It's being voted as a contingency and I might say as an attempt at humorous aside that one never knows what could happen in the contingency, but no, it's voted and if not paid it lapses. And it was not paid last year and presumably, for this calendar year, would not be paid either. Nevertheless, we ask for it as a contingency.

**MR. CHAIRMAN:** Resolution 1(c) Salaries. The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Mr. Chairman, there are certain responsibilities that we delegate from time to time through various forms of legislation which deal specifically with the Manitoba Legislature and I'm thinking of one particular position that we have assigned, and in that assignment we have said that person must report to the Legislature and yet we find there is no place that we have allowed him to make that presentation other than his annual report. I am referring to the position of the Ombudsman.

**MR. CHAIRMAN:** Order please. I think the honourable member would find that under Resolution 3 on page 3.

**MR. GRAHAM:** Very good.

**MR. CHAIRMAN:** The Honourable Member for Morris.

**MR. JORGENSEN:** The question I would like to ask is: I felt that it had always been assumed that the Leader of the Opposition and his office carries with it a responsibility that is comparable to any Cabinet Minister. I think that is really the criteria by which the Leader of the Opposition's position is being held at least in the House of Commons, and it has been regrettably somewhat less than that in the Province of Manitoba for a good number of years and I'm certainly not blaming the present government for that attitude. I think it's something that has been handed down for a good many years, a downgrading of the Leader of the Opposition's office. Even today, notwithstanding many of the improvements that have been made, notwithstanding many of the — I shouldn't use the word concessions because it's really not a concession — notwithstanding many of the additions and improvements that have been provided for the Leader of the Opposition's office, does the Premier feel that today we still have some way to go in providing for the Leader of the Opposition and his office a comparable staff to what is currently held by the Ministers of the Crown.

**MR. SCHREYER:** Mr. Chairman, I do agree in broad principle. I'm wondering if the Member for Morris is perhaps under the impression that there is a differential in pay. In fact, the pay is the same as the Ministers.

**MR. JORGENSEN:** Yes, I'm not talking about the pay. That that has been a standard thing for a number of years. What I'm talking about is staff and accommodation.

**MR. SCHREYER:** Well, I think I would have to admit that there is some way to go yet perhaps, but there has been on the staffing and administrative clerical side, there has been an increment of one staff man year last year and one this year. Now the one this year is already either put into effect or is about to. So there is two additional staff in the last 12 to 18 months been added to my knowledge.

**MR. JORGENSEN:** I'm aware of that and I want to tell the First Minister we appreciate that, but I think there are still one or two steps to make.

**MR. SCHREYER:** Well, then if the honourable member is perhaps thinking of physical space, I'm on less sure ground there because I suppose the physical quarters could be perhaps somewhat larger. But staffing is gradually being improved; physical quarters gradually, maybe not quickly enough. The only other thing — for what it's worth — is the right to use an automobile, but I assume my honourable friend isn't referring to that.

**MR. JORGENSEN:** No, I would be quite happy to forego the use of an automobile, but I do think that the use of an Executive Assistant for one thing and office facilities that are commensurate with the position that the Leader of the Opposition holds would be not out of line with what we find in other

jurisdictions and particularly in the House of Commons.

**MR. SCHREYER:** I must confess I'm not aware of what is available in the way of — and I guess it could be important — of Xeroxing facilities and the like. I suspect that is where there is the greatest single area for improvement. Staffing has been improved. Executive Assistant per se, I sort of assume the office does have that whether a direct arrangement, not paid by the Crown, well but through the caucus funds.

**MR. JORGENSON:** The caucus fund is earmarked for research, not the Executive Assistant of the Leader of the Opposition. I think the Premier has to admit that in his own caucus the caucus funds that are paid to the members of the NDP caucus do not go towards paying the Executive Assistants of the various Ministers.

**MR. SCHREYER:** I think you've identified three points where we can look.

**MR. CHAIRMAN:** The Honourable Member for River Heights.

**MR. SPIVAK:** This was brought in I guess under Salaries, under (c). In terms of what is now being provided as opposed as to what was provided before, there is a world of difference and improvement. There is no question about that and that one has to recognize. The problem is fundamentally the use of two things — the money that is available for the caucus in its application for the normal research that the Leader of the Opposition's office would take and its use rather than for the use of the caucus. Then that leads into the other problem which is the problem of research for the individual caucus members whoever they may be, whatever caucus that may be and leads fundamentally into another problem and I raise it now if it should be discussed now. But, if it's not to be discussed now I would want to know where we would have a chance to discuss it.

**MR. SCHREYER:** Namely?

**MR. SPIVAK:** Namely under the general heading of the public funding of elections or a partial funding of elections which would also be a partial funding of the constituency responsibility. Now they are two separate things, they're distinct, they're not the same, but it would appear to me that there is a need to have some discussion. There is a constituency allowance provided for under the statutory requirements and that's indicated here. That is one thing, one aspect, but that really is presented to each member and he applies it as he sees fit. There's no obligation to prove how he spent that money or what he has done with that money. It really is simply added to the indemnity and added to the allowance and I have no doubt that most members spend that money one way or the other on any number of things that they are required to do or in the normal course of their legislative year they would use it for either research or for reporting to their constituency. It would appear to me that there is a need for something more than what we have today. I don't know whether government will be providing it in this Session or not. But whether it provides it in this Session or not I think fundamentally we have to start talking about that, because I think realistically the requirements and the obligations of being able to meet the constituency needs, the ability to be able to understand what is happening within the areas which we represent, to be able to translate the general feeling and attitudes to specific issues and to the general pressures of the day whatever they may be with respect to policy decisions and the formation of policy that there is a further requirement that is required and there's a greater funding that's needed to be able to allow that. Being a Member of the Legislature in effect is becoming a full time job for anyone who really wants to apply their talents and it's not just confined to those who are in government governmental responsibilities. You cannot cope with the tremendous number of requests for help and assistance, the problems that people have with government at all levels and the general necessity of trying to provide a service. Now that really is distinctive to the issue of public financing of elections because that comes into another issue which I'm prepared to talk about, but there is somewhat of a relationship in terms of the legislative responsibility that a person has and the ability for him to be able to carry on his functions, to be able to maintain another source of income if it's required, particularly if he uses any part of his income that he receives here, for the servicing that I've suggested. I believe that that's really happening in a lot of cases, and I think that there are hardships; and I think in addition it prevents some who may very well have the desire and inclination to run for office, from running for office. And in an attempt at least, to try to provide a better opportunity, I think that this issue at least can be brought into question, and the matter can be discussed. Now if it's not appropriate to discuss it — I've already opened it, but I haven't discussed it fully — I'd like you to tell me where we can discuss it.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. SCHREYER:** Well, there are two parts to what the honourable member is talking about. One has to do with public funding of elections, and that I think would be directly relevant and appropriate when there is a bill coming forward, having to do with amendments to the Elections Act; there it would be directly relevant, with respect to . . . I'm not sure I could pinpoint it that well, but I think the honourable member is referring to special allowance for members as MLAs in their respective constituencies, they're under 3(a). Admittedly it's statutory, but there's an amount of \$900 per member, and I'm not suggesting that's adequate, but there has been no strong pressure; in fact, I think I could say, there's been no consistent pressure or suggestion that that should be substantially

increased until now.

**MR. SPIVAK:** It's my belief that there is a need. I think there's a reluctance on the part of members to deal with anything that's really going to affect their salaries or the moneys that are available or payable to them. I think that's been a general concern by all members. The constituency allowance that's now provided is something that's really relatively new. But there are really expenses I think can be pinpointed by any kind of study that would be undertaken with respect to constituency responsibility and servicing the constituency by members. Obviously in the more remote areas, in the northern areas, in the larger geographical areas, those costs are substantially higher even though there are other allowances that are available.

The reality of this problem, there's far more that's required in terms of the ability to be able to service the constituencies and, as I'm suggesting, I think there's a recognition that it's almost a full time job and it doesn't follow that an increase in indemnity is required; there's been a provision for cost of living increase in that, as much as a need to recognize that part of the costs of being an MLA are costs that are attendant in carrying out that responsibility which in many cases are taken right out of the sums that members have received for the indemnity. Part of the election costs that members have also comes from part of the money they receive through an indemnity — the provision for it — in some cases it does not, in some cases it does.

I think there is a need for an improvement in this and a need for a recognition for the change. There has been an evolution in relation to recognition of responsibility and the costs attendant to it and the need for change and I think there's still a further change that has to take change.

**MR. SCHREYER:** I'm not necessary arguing the point. I would think that this is something that really could be changed best, if at all, by amendments to the Legislative Assembly Act because when it says here that it's statutory, that it really is referring to that particular statute. And I admit, it's not on an automatic index and perhaps that's a problem. It requires deliberate change from time to time. Maybe next year is the time to change it. No pun intended.

**MR. SPIVAK:** I've already said it with a smile, Mr. Chairman.

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

**MR. GRAHAM:** Mr. Chairman, my concern is somewhat along the same lines although I have to admit it is registered in our book on probably the next page where we find under "Executive Council" the registration and election falls under the purview of the Executive Council. I have always felt that elections and the administration of such should quite properly fall under the purview of the Legislative Assembly and I was just wondering if this was a printing oversight or what was the reason for it coming under Executive Council rather than the Legislature.

**MR. SCHREYER:** Mr. Chairman, I'm advised that the Honourable Member for Birtle-Russell perhaps has a good point. The only reason why it appears under Executive Council, which I admit is perhaps no more logical, perhaps even less logical than under Legislation, is that until World War II, the elections were run by the Clerk of the Executive Council. Hence it was put in the Executive Council. It is one of those few things that remains entirely historical as to why it's that way. If I could be assured that there was no great administrative legal problem in transferring it to Legislation, perhaps we could accommodate you right here and now.

**MR. GRAHAM:** Mr. Chairman, I believe the Chief Electoral Officer is a servant of the Legislature, is he not?

**MR. SCHREYER:** Yes, but I'm giving you the answer as to why it's here. It's been here because of events in the 1930s. It has never been changed and frankly we haven't thought to change it either. Call it an oversight if you will.

**MR. GRAHAM:** This brings me into the subject matter that has concerned me for quite some time and that is the office of the Chief Electoral Officer in the Province of Manitoba. At the present time our Chief Electoral Officer is also another servant of the Legislative Assembly and we do know that there are times when that dual role does cause some concern and in fact does put a great deal of pressure on a particular individual. I'm just wondering if the First Minister and in fact all Members of the Legislature had really given any thought to establishing quite firmly and clearly two separate offices — that of the Clerk of the Legislative Assembly and a separate office for that of Chief Electoral Officer.

**MR. SCHREYER:** Mr. Chairman, I would have to admit that for a period of time every so often, there is a very considerable pressure on the Chief Electoral Officer. The problem, however, is that that function does dovetail rather nicely with other duties because for long periods of time there is no express duty or work for the Chief Electoral Officer to carry out. So it's a difficult problem unless one is prepared to justify a Chief Electoral Officer — which is by definition a senior position — which would for three-quarters of the time or more be really without continuing daily duties. So that's the other side of the problem.

**MR. GRAHAM:** Well, Mr. Chairman, again this leads us into a debate, I believe, which has surfaced in this Chamber and Committees on other occasions and that is dealing with the whole question of a permanent Electors' Roll, the maintenance of a roll of electors that is constantly updated and ready at

any given time for use. In other words, a permanent voters' list. I think that this question has been kicked around in the Chamber and in Committee for various periods of time on numerous occasions. I am one who has acted at one time as a Deputy Returning Officer and I think I know there are certain benefits to be gained from maintaining a permanent list of voters. I think it has a definite merit and I would just like to hear the views of other Members of this Chamber and members that are present here today on the merits of the maintenance of a permanent voters' list.

**MR. CHAIRMAN:** Order please. If the honourable member wishes to pursue that matter, I wonder if he would bring it up under the proper resolution, Resolution 7 under Executive Council. The Honourable Member for Morris.

**MR. JORGENSEN:** I wasn't sure whether the Premier's suggestion had been immediately implemented, that we could deal with it under "Legislation." If that is the case then we can deal with it now, but if we are not, then of course the discussion is entirely out of order because this comes under the Executive Council when we are dealing really with Legislation at the present time.

**MR. CHAIRMAN:** The Chair likes to be as lenient as possible, but if there is going to be a protracted debate I would suggest it comes under the proper heading.

**MR. JORGENSEN:** I have no objections to the debate continuing now, all I want to make sure is that we don't duplicate it again later on.

**MR. CHAIRMAN:** That is the reason why the Chair requests members defer until the proper place. The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Mr. Chairman, in all due respect, I have to say that I don't feel that it is a proper function of the Executive Council, I think it is a proper function of the Legislative Assembly.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. SCHREYER:** Well, like you, Sir, I am quite agreeable that it be discussed under this heading as long as it isn't then discussed again under the other. But the Member for Morris has offered correct technical advice that since it is in the other appropriation that we discuss it there.

**MR. GRAHAM:** Very well, Mr. Chairman, I'll defer.

**MR. CHAIRMAN:** Thank you. Resolution 1(c) Salaries—pass; Resolution 1(d) Other Expenditures—pass; 1(e) Legislative Printing and Binding—pass; The Honourable Member for Morris.

**MR. JORGENSEN:** I presume, Mr. Chairman, that that Legislative Printing and Binding refers to the printing of Hansard.

**MR. CHAIRMAN:** Yes.

**MR. JORGENSEN:** And who has access to those bound copies of Hansard, the Members of the Cabinet and one copy each to each political party?

**MR. CHAIRMAN:** The Honourable Minister.

**MR. SCHREYER:** I am advised, in direct response, that the binding that is done for these papers for the Ministers is done by the respective departments, and that which is done for the Speaker, the Clerk, and all of the caucus rooms is done by the Legislative Clerk's office.

**MR. CHAIRMAN:** Resolution 1(e)—pass. Resolution 1: Resolved that there be granted to Her Majesty a sum not exceeding \$526,700 for Legislation—pass.

Resolution 2, Provincial Auditor's Office (a) Salaries. The Honourable Member for River Heights.

**MR. SPIVAK:** Mr. Chairman, to the First Minister. I think it is appropriate to discuss generally the role of the Provincial Auditor, at this point, and particularly with reference to some of the recommendations in the Provincial Auditor's Report. But, more particularly to point out that in his recommendations this year he has highlighted what he considers is a particular need, and I would like to, if I can, refer to what I consider is another — not a need, a justification for a request — but, I would like to, if I may, also indicate another reason.

I can quote from what he said on Page 28. He said, "Our recommendation included that the Public Accounts Committee be established as a permanent ongoing committee during the terms of the Legislature, to assume a role along the lines of an audit committee in the private sector, and that various managers be required to appear before the Public Accounts Committee to provide explanations and an accounting with regard to the day-to-day administrative matters of departments." Now we have followed procedure in the last few years where the Provincial Auditor has been here, and in effect the Public Accounts Committee realistically has spent more time on the Provincial Auditor's Report than it has on the Public Accounts Report. As a matter of fact I think there were years where we didn't even touch, if I am correct, the Public Accounts Report itself. To that extent I think that we have been negligent in carrying out our functions, and I think the fact that the Public Accounts Committee has not dealt with the Public Accounts Report has been an error. There is a responsibility for us to the actual expenditures that have been made. Having voted and approved those recommendations in years gone by, it would seem to me that there is an obligation on our part to examine it and to at least be in a position to question and discuss, discuss it in a way in which the Ministers would answer, and their personnel who are present would, in effect, provide

many of the answers that are required. There is no way in which the procedures of the House will really provide us, even in the way in which we deal with matters in Committee. That is one thing.

The second thing is that I am more convinced now that the procedures we have are intimidating to — and I am not in any way drawing any reflection on the government, this is a general observation, it has to do with the legislative process and the committee process — I think it is intimidating on the Auditor. I think that what is happening now is not in the best interests of degree of protection that is required to be given to the public in that the Auditor, as a representative of the Legislature, should have the freedom to be able to come into this committee, as others I think should have, that is the Committee of the Public Accounts, and to deal with those items of controversy or of question in such a way that the facts are presented accurately on the table and in a way in which there is nothing that he is doing which is in violation of the government of the day, whoever the government of the day may be, with whom he has that responsibility of auditing, and in answer to the committee, whatever the make-up of that committee may be.

It would seem to me that our procedures are such, and the way in which we operate, that we are not receiving from him the kind of analysis that should be given, that further than that the request on his part that there, in fact, be an audit committee or the committee operate in the same way as an audit committee of the private sector, with various managers being required to appear, I think is essential because there is no justification for him answering realistically in terms of his audit, for some of the questions that are properly raised by members of the Legislature about the handling of various transactions and occurrences in the departments. We have situations in which questions are asked in the House either during the Estimates or through the other procedures in the House of the Ministers with respect to various matters. They may very well require some additional confirmation or additional information to be supplied by the Auditor, he may or may not have that information, and in many cases — I guess you can cite examples where matters were brought up in the House, and as a result he took certain action, the action being to examine it from his point of view as the Provincial Auditor. But there should be an ability for him to be able to come and forthwith present everything, and for those who are involved in the direct expenditure of the money to be in a position to answer as they would in the private sector for their handling of the matters. So that in effect we have an accurate and a detailed picture. We do not have that now.

The Provincial Auditor presents to us three or four or five items this year, in the previous year there may have been a dozen, in which he has undertaken certain specific investigations and these are the matters which he reports to us — he doesn't report everything that he investigates — over and above his normal audit, and I am not expecting that, but the problem at this point is that his answers come as a result of a general survey, and all he can deal with is in a general way, nor does he want to in any way become involved in what may be at that point for him a political controversy in the House. But at the same time, what I am saying is that the procedures are such that we are not being put in a position where accurate and proper information is placed before us to be able to make judgments. There can be a lot of wrong calls on this, both on the government and the opposition side and it would seem to me, at this stage, that in talking about the Provincial Auditor's office, we have to recognize again that there has been a fundamental change that is taking place, not just here, throughout Canada, this issue is being discussed. There are changes proposed on the federal scene that we are aware of.

The whole question of evaluation of programs is another area which I haven't even touched at this point, as to whether he has or has not any responsibility in that, and probably that is another matter that should be discussed when we discuss his office and his operation. But, it would seem to me that what we are doing now, and the way in which we are operating, is a way that is not satisfactory in terms of the protection of the public interest which has to be our primary responsibility, and I recognize that any government, whatever political stripe, will be concerned about excesses of powers being placed in the hands, or the ability of the committee to go on any particular witch-hunt, or to be able to do certain things that are beyond reason. But, at the same time, I think, with that in mind there still are very fundamental changes that have to take place if the function of the Provincial Auditor's office is to continue in a proper manner.

**MR. CHAIRMAN:** Order please. Before we continue can I bring to the attention of honourable members our Rule 31 which says, "No member shall revive a debate already concluded." I would remind members that we have passed the Provincial Auditor's Report. Here I would seek guidance from the committee as to whether matters within the report should be brought up for discussion again at this time. The Honourable Member for Morris.

**MR. JORGENSON:** I doubt very much if the rule which you have now invoked is applicable in consideration of Estimates. I would think that the consideration of Estimates of Supply is a debate all by itself and it covers every aspect of government. If the suggestion you make were to be applied that means that we could discuss nothing in the Estimates because it could be covered by various pieces of legislation that are being debated in the House. I think that the rule applies to debates that can be initiated in the House, outside of the Estimates, but does not apply to Estimates themselves.

**MR. CHAIRMAN:** The Honourable First Minister.

**MR. SCHREYER:** Yes, Mr. Chairman. Well, I guess, the best way would be to speak to the point of order raised. I would agree with the Member for Morris, I think that Rule 31 relates to the context where someone attempts to raise the same substantive subject matter or motion *de novo* second or third time in a session. The Member for River Heights is not dealing with the Auditor's Report as such, but rather with the function of the office of the Auditor.

In reply to what he has said, I don't know that there is any easy reply. I have to, on the one hand, acknowledge the scope for which the Provincial Auditor is responsible for reporting, has changed. On the other hand the essence and nature of his function I don't believe has changed except by degree. There is nothing to prevent the Auditor from reporting on anything whatsoever, and if the Public Accounts Committee feels in the questioning of the Auditor that they have taken it as far as they can, and there is need for further information, nothing prevents a member of the Public Accounts Committee from raising the matter further by way of a substantive motion, resolution, amendment to a bill or whatever. So I don't know that we have inadequate means of pursuing anything that is important enough and substantive enough that flows from an Auditor's Report, even if one concedes a point to the Honourable Member for River Heights that sometimes a matter cannot be taken to its necessary ultimate in Public Accounts Committee itself.

**MR. CHAIRMAN:** The Honourable Member for River Heights.

**MR. SPIVAK:** Well, in the report — and again, because it refers to not the report but it refers to the changes that he would propose in his role — he states, "It is appreciated that, as we have pointed out in reports previously for the Public Accounts Committee to be able to carry out more effectively a review of accountability of the expenditures of public funds, appropriate Financial Statements, reports and other pertinent data must be available." In our view effective data is not as yet being made available to the Legislature and to the Public Accounts Committee. You know, that's his basic statement. Now, if the Provincial Auditor says, "In our view effective data is not as yet being made available to the Legislature and to the Public Accounts Committee," I don't know what other signal we need.

**MR. SCHREYER:** Well I think one statement that is very important is whether the Auditor himself is having a problem or is complaining as to the inadequacy of data and information to him, and if he is not complaining about that then I assume that he is in a position to report whatever he wishes to the committee. So, then the Committee is not precluded from following up, focusing in on any one issue or another, and additional documentation information is then available depending on the nature of the specific inquiry. You know, frankly I don't quite follow that particular assertion of the Provincial Auditor because there are motions and means by which specific information can be obtained, it depends what issue you wish to pursue. But to say in advance that there must be a whole range of additional information made available leaves me a little uneasy because I don't know where the demarcation is on that and I have visions of the generating of vast quantities and reams of paper, much of which may not be particularly important or useful.

**MR. SPIVAK:** Well, let me just quote what he says, continuing on from where the Premier finished. "Within the complexities of the present government operations we feel that there is a lack of operational rules and guidelines for effective communication of assigned responsibilities, not only with regard to the Public Accounts Committee, but in government operations generally. For example, under the heading of the Manitoba Development Corporation, in this report we comment on the situation indicating a lack of basic financial management system in the administration of public funds."

Now he has cited here a specific example which is what the Premier was referring to, but again, for him to make the observation that within the complexities of present governmental operations we feel that there is a lack of operational rules and guidelines for effective communications of assigned responsibilities, I think that he is highlighting what has to be a concern to the Members of the Legislature. And I am not suggesting that this is just as a result of this year, that all of a sudden he has moved to this position. I think this has come as a result of his survey and of the way in which we have operated in the last few years with the questioning that has occurred. I think that the nature of government, the change in the nature of government, the complexity of the whole range of governmental responsibilities, the difficulty of being able to deal properly with many issues within the legislative process means that the concept of a Public Accounts Committee meeting throughout the year, the ability of people to be able to come forward, and for people to be called, the ability for information to be supplied accurately becomes important. If there are changes and recommendations that are needed he has to be in a position to come forward and bring them out to us in a very detailed way, so that in effect those recommendations could be made to the government by way of legislation. To a certain extent there are some generalities in what he is saying, in the sense that he is not giving a specific, he's given one. But, the reality is he has already indicated the problem, and if we don't address ourselves to it, then I think that we are not, again, carrying out our function.

**MR. SCHREYER:** Well, Mr. Chairman, I would make two points. The first is that with respect to the example that he did give, which is rather a specific criticism of MDC's internal method, that I would

have thought that the Honourable Member for River Heights would take that rather important statement in the Auditor's Report and then take it to the very logical place to — well first of all he would do a little bit of further questioning of the Auditor to get a little more specifics — and then he would take that to the appropriate place, which is the time when the General Manager of the Development Corporation is before the honourable member, and to examine it and cross examine it to his heart's content. Is that not logical?

The second point is that on format, I think that the Honourable Member for Morris and others are aware that two years ago, because the Auditor seemed to feel, not strongly, but seemed to feel convinced, perhaps strongly too, I don't know, that there should be a different format introduced to the Estimates Book. So as rather not to argue the point on a theoretical basis, we then proceeded on the basis of trial to introduce two departmental Estimates on the basis of his new suggested format, which was supposed to provide additional insight and information, a functional format as opposed to the . . . I think his description of the old book is "line by line." So we did that with respect to two departments, no criticism intended because I am not sure that he was right or someone else was wrong. But the fact is that no one, either on our side of the House or on the Opposition side of the House, has urged the expansion of that particular format. So this year we rather cautiously approved one more department. Now we have three departments with this new format, and it is side-by-side because we haven't discontinued the old format. I am not sure that anything much results from it all, but we were willing to try it.

**MR. CHAIRMAN:** The Honourable Member for River Heights.

**MR. SPIVAK:** Let's take an example, the Manitoba Development Corporation, the fact that the chairman appears before the Standing Committee of Economic Development. That fact did not assist the Committee in determining whether in fact there were proper procedures taking place with respect to Flyer Industries in its operation; whether in fact there was proper cost accounting; whether in fact the records themselves were correct, simply because the chairman of the Manitoba Development Corporation took the position that, with respect to that one corporation, shares of which were in the main owned by the Manitoba Development Corporation, that in effect he would answer only specific questions, but certainly he would not deal with internal matters.

Now, the reality is that there was in fact an audit undertaken by the Provincial Auditor. There is mention of this here. It would seem to me that it was relevant to our discussions of the day, and in the public interest for its protection, that there should have been accurate financial information made available to the . . . and certainly answers to the questions that were asked because of all the concerns that were expressed about the financial situation, yet there was no way in which the Standing Committee operated that we could in any way find this information. It was only after the fact that the Auditor was able to provide information to us.

And I think that in this, and I can cite other examples, that the Committee system does not work to provide this, that the requirement of the Provincial Auditor coming forward over a period of time and others answering as well is far more important. I don't think the Provincial Auditor should be answering for the financial position or the concerns expressed by the financial position of Flyer Industries. I think the auditors involved are the ones who should be answering that, and I think that the chairman should be obligated to present accurately to the Committee when questions are asked about its financial position.

I am suggesting there are also times when obviously it is not going to be in the company's interest to be able to present information because of the particular situation, but here was a question of controversy in which it was generally known that there was a chaotic situation in which there had been enough public information which indicated some need for the Legislature to have accurate information in terms of its own debate. And I think what really happened wasn't a real solution, wasn't even beneficial to the government. I don't think the government solved anything from its own point of view politically. It is simply that our procedures did not allow for that, and the kind of changes that I am talking about I think are important. I don't believe that the Standing Committee in effect gives us that ability.

**MR. SCHREYER:** Mr. Chairman, I think it is a very important and necessary distinction to draw that the function of the Auditor is to go into any given department or agency and be duly authorized and capable of carrying out an audit to ascertain whether the internal operations are conforming with generally understood and acceptable accounting and accountability procedures. That seems unfortunately to be misconstrued to mean that the Auditor has a role and function to play in terms of commenting, gratuitously or otherwise, on such things as prudence of business judgment, or as to whether or not the suppliers to a given operation are acting in a normal business manner, or whether there is a horrendous time lag in delivery of supplies to the manufacturer or whatever. The Auditor would be among the first to say that his role and function, nor is his capacity such that he could become involved in the second aspect.

If you read closely the letter that I know my honourable friend has been preoccupied with, you will



find in there a sentence by the auditor to the effect that he was not presuming to offer judgment and advice with respect to business decisions, merely whether or not the accountability and accounting procedures and internal management were acceptable by generally understood criteria, two very different questions.

**MR. SPIVAK:** Mr. Chairman, I believe that our procedures are intimidating to the Auditor, and I do not believe that we receive from him the detailed information that we should. We are asked to seek that from him by asking questions, and I would think that a recognition that there is a longer period of examination, rather than a shorter period of a Legislative session, a recognition that others who are responsible for the accounting and audit procedures internally within a specific area may be subject to being examined by the Committee, so that they are going to be accountable for their actions, I think becomes a very important feature. I think that there have to be both rules and regulations set up in such a way that there is no abuse of this, but I think that it would be very important.

As an example it would seem to me that if those who are responsible for the accounting and auditing of Flyer knew that they really had to answer to the Legislative Committee, that a fair number of errors of judgment and mistakes that were made would not have been made, and simply there was no accountability and this is the problem. The Auditor went in after the fact. He did not go in at the time of concern, and he was auditing a set of circumstances. But the reality is that the chairman of Manitoba Development Corporation took the position that he could only answer in a general way, and the specifics were not really within his knowledge. And further, that insofar as the accounting procedures were concerned it really isn't a question of cost accounting, it is a question of how they had organized themselves so that they were in a position to be able to know the basic accounting information that was required, that this was not subject to our review, but this was essential to understanding the problem area. And again I think the public interest would have been protected had we known about that earlier.

**MR. SCHREYER:** Mr. Chairman, even accepting the honourable member's premise, which I think one would have to put some caveats on, but even accepting it, as I understand it then, the honourable member's problem which he should address himself to has to do with the adequacy of the answerability or accountability of the chairman of the MDC and/or its specific operating subsidiaries, and not the Office of the Auditor. That's where the greater problem lies.

**MR. SPIVAK:** The problem is, the accounting information that's required comes from the Auditor. The information is not available through any other source that I know of, and in effect in this particular case, there was a special audit undertaken. There was a special audit undertaken on the Department of Co-operative Development and that provided information that I think would have been valuable at the time the debate occurred in the House; valuable in many respects, valuable from the government's point of view, valuable from the point of view of the Opposition, because at that point at least we would have been dealing with more accurate information than both sides were dealing with at the time. And at least in terms of the public interest, there would have been a degree of protection.

What really happened is that following a debate in the Legislature which was extensive, in which a number of allegations were made, in which a number of answers were given, the Auditor provided a report the following year. And then at that time when the questions were raised, again they were raised on something that had happened a year before. And I think in this case it proved pretty satisfactory. His report proved that the answers given were unsatisfactory and that the allegations made were satisfactory. But that doesn't protect the public interest, because it would appear to me that those who were responsible, if they had to come before the Public Accounts Committee with the Auditor to answer for the allegations that had been made, there would have been a far better result, a quicker result, a better result overall and a greater protection for the Ministers and for the government involved who rely on people at different levels to carry out their functions. And I think that this is a problem area and this is what I believe he is highlighting and this is what I believe has to be considered.

**MR. SCHREYER:** Mr. Chairman, I am not going to resist the latter suggestion, because I think that is a more tangible proposal — that perhaps the procedures of the Committee on Public Accounts could be altered so that it is clearly possible and manageable for Public Accounts to call, after they have heard from the Provincial Auditor, in specific follow-up thereto, those of the departments or agencies that are specifically at issue in the report. And I think that that is a manageable procedure. It doesn't lend itself to being done all in one day, so then if my honourable friend is suggesting that some several days or few weeks, and not a year later but some few weeks later, the Committee reconvene to deal with this specific follow-up, some of the departmental heads or branch or divisional heads, well, I don't reject it and I do give an undertaking that we will see . . . I off-hand cannot see any practical obstacles in attempting to do it that way.

**MR. CHAIRMAN:** The Honourable Leader of the Opposition.

**MR. STERLING LYON (Souris-Killarney):** Mr. Chairman, the matter raised by the Member for River Heights, spoken to by the Premier, was discussed, I think as you are aware, in Public Accounts

the other day when we did receive information from the Provincial Auditor to the effect that the Public Accounts and his Auditor's Statement could be made available some time in the early fall of each year, a matter of some four to five months after the close of the books for the fiscal year; and that some variation on the recommendation that he made could well be implemented if Public Accounts were to begin its meetings between sessions, deal with the published records which then are available, rather than six months later, and get into some of the management items that he has recommended in his report that have been referred to by the Member for River Heights.

I don't wish to continue that discussion here; it was referred to in Public Accounts. I think Public Accounts, unless I am mistaken, will be meeting once again, not to consider the Auditor's Report, however. I am not suggesting that the matter will be gone into a second or a third time again, but to finish up on Public Accounts.

I made the suggestion that a motion could be put before the Public Accounts Committee to implement that recommendation. There seemed to be some consensus that the idea bore some merit, and as I understood the Minister of Finance, or the Legislative Assistant to the Minister of Finance, the government through him undertook to give consideration to that very procedure, which would be desirable and which would be at least a partial carrying out of what the Member for River Heights has been talking about here this morning; also would have more currency for the discussion in Public Accounts because now in that Committee, we are talking about books that have been closed some thirteen months.

**MR. SCHREYER:** Yes, I think in a general principle way we can agree to that contention. I think as of the last eighteen months, there has been an amendment to The Legislative Assembly Act — or the rules, I think it is to the Act — so that Committees can meet intersessionally without that having been necessarily anticipated and covered by a formal motion before adjournment of the House, so that it is possible, certainly it is procedurally possible, and inasmuch as we do mail out to members intersessionally such reports, Utility reports for sure, and I believe some others, there is no reason why this couldn't, assuming that it is available of course. So then that is the procedure which, if I understood the Leader of the Opposition, will be raised at the next meeting of Public Accounts?

**MR. LYON:** After discussion with the Clerk of the House, it was agreed that there was no formal resolution of the Committee necessary because the Committee has the power to meet between sessions. There seemed to be some consensus what remains now is for, I think, some undertaking as expressed by the Minister of Finance and tonight again by the First Minister, that that procedure would be a desirable one to be followed.

**MR. CHAIRMAN:** Resolution 2(a)—pass. 2(b) Other Expenditures—pass. Resolution 2, Resolved that there be granted to Her Majesty a sum not exceeding \$1,198,600 for Legislation—pass.

Resolution 3, Ombudsman. (a) Salaries. The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Mr. Chairman, dealing with the Office of the Ombudsman, I believe it is traditional in most of our Legislative appointments that, for instance, within the field of the municipal board, that reports through the Minister to the Legislature, the Human Rights Commission reports through the Office of the Attorney-General, but here we have the Office of the Ombudsman, who is set up as a creature of the Legislative Assembly and we vote him so much money every year and he prints an annual report. To my knowledge there is no vehicle that the Ombudsman has to actually report to the Legislature. I was just wondering if we should not consider having some Committee where he could report to members of the Legislature in a manner that we give to most other Committees that are set up under our legislation.

**MR. SCHREYER:** Mr. Chairman, the member is half right — therefore half wrong — in this sense, that the Ombudsman does report by means or by virtue of his written report, and if the honourable member is suggesting that he could be callable before a Committee of the House to elaborate thereon, it is provided for in the statute that he is callable by this Assembly, by any of the appropriate Committees thereof. Let me just, as a suggestion, offer the possibility of the Committee of Privileges and Elections. It would require a motion of the House, presumably, or just general agreement.

**MR. GRAHAM:** That is all I was interested in, Mr. Chairman, was just to know under what Committee we could call the Ombudsman before members of the Legislature, so you would have a chance to explain his activities to us.

**MR. SCHREYER:** I don't think it anywhere states that it must be the Committee on Privileges and Elections, but that would be one obvious vehicle.

**MR. GRAHAM:** No further questions.

**MR. CHAIRMAN:** Resolution 3(a)—pass; 3(b) Other Expenditures—pass. Resolution 3: Resolved that there be granted to Her Majesty a sum not exceeding \$135,400 for Legislation—pass.

That concludes the resolutions to be voted under the Department of Legislation.

### ESTIMATES — EXECUTIVE COUNCIL

**MR. CHAIRMAN:** May we turn now to Page 4, Department of Executive Council, Resolution 4(a) Premier and President of the Council's Compensation — Salary and Representation Allowance.

Does the Honourable Minister have a statement?

**MR. SCHREYER:** Well, I have just a very brief statement. As honourable members will note, the aggregate for this division of government shows a very modest increase over last year. The main increase, although it's modest too, ironically the main increase is coming from that division of government that has the principal onus of attempting to keep restraint on all departments of government. I mention that just as a rather ironic aside.

There was very little increment over last year and there is no significant additional activity that is presumed here in terms of new function or whatever; it is pretty well existing level of service so to speak.

**MR. CHAIRMAN:** The honourable member is aware that when we deal with a department that there is an opening statement from the Minister and we'll come back to deal with this as the last item.

Resolution 4(b) Minister Without Portfolio's Compensation—pass; 4(c) Administrative Salaries. The Honourable Leader of the Opposition.

**MR. LYON:** Mr. Chairman, how many — I'm trying with the usual lack of success to refer to the Public Accounts of 1975-76 and the two items — how many personnel are involved in the Administrative Salaries? Do we have a rundown or could a rundown be made available? If not tonight, at some other occasion.

**MR. SCHREYER:** Under 1(c) it would be a total of 27. No, I'm sorry, scratch that. We'll have to take that and get you the precise information. If we could have a recess of three minutes, I could get that information.

**MR. LYON:** I was going to ask the same question under Management Committee of Cabinet 3(a)(1) Salaries \$1,723,100, if we could have a breakdown of that in terms of the number of personnel, and Planning Secretariat, the same thing.

**MR. SCHREYER:** Under Planning Secretariat we have 39 staff. Is that what your question was? Under General Administration, which is the Executive Council office *per se* I have to get the blue books and we'll have them momentarily.

**MR. LYON:** Does that show, Mr. Chairman, the breakdown by job classification, etc., or is this just a gross figure that we have? I know the blue book will probably show the breakdown. If those could be produced before we adjourn or tomorrow in the House, that will be sufficient.

**MR. SCHREYER:** Yes.

**MR. CHAIRMAN:** Would Members of the Committee be willing to pass that and then just come back to it when the information is available?

**MR. LYON:** Well, not pass it, just hold it in abeyance and go on.

**MR. CHAIRMAN:** That is agreed. Can we move then to Resolution 4(d) Other Expenditures—pass; 4(e) Government Hospitality and Presentations—pass; 4(f) a Nil Appropriation—pass; 4(g) International Development Program. The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Mr. Chairman, under the International Development Program, I notice for the past several years we have had a quarter of a million dollars annually . . .

**MR. The past SCHREYER:** how many years?

**MR. GRAHAM:** I'm not too sure, it's been several.

**MR. SCHREYER:** Two.

**MR. GRAHAM:** Well, it was in 1975. Is this an ongoing arrangement, or how long does it run?

**MR. SCHREYER:** It runs as long as the Assembly is prepared to vote the amount, or until such time as the government may not wish to recommend it to the Assembly. But in a few words, it would seem to me as though we have a commitment to continue this as long as the Manitoba Association of International Aid Agencies, which is a federation of various private agencies in Manitoba, continue with their program and the Federal Government continues with its program of matching two dollars for two dollars, so that the way this concept works, if the federation of various church and other private non-profit charitable organizations — for every dollar they raise, the province matches and then the Canadian International Development Agency matches two for the two. That's the way this works.

I know that this is an unending type of question, whether a province is properly involved in this type of program but the Canadian International Development Agency, through its former president — perhaps he's still the president, Paul(?) Lejoie(?) made an offer to private agencies that if they could draw provincial governments into this, then they would match them two for two and it became a rather tempting target. I was advised that most Canadian provinces were going into this I have to in all candor say that at last count it was only three or four. I don't know if that's a significant argument but we are one of the four.

**MR. GRAHAM:** Mr. Chairman, then the amount that we vote is contingent not upon the Province of Manitoba as such but the various organizations within the province that want to put up their portion of the money; we have more or less guaranteed that we would match it. Is that right?

**MR. SCHREYER:** I think it would be more correct to say that because we didn't know in the first

year how this would work, we did put a ceiling on just to have a handle on it and the ceiling proved to be reasonably accurate in the sense that there was no indication that it was out of line. Now it is not to say that next year we may get a submission from this federation of aid agencies that this is only half enough or whatever, but that hasn't been the case so far.

**MR. GRAHAM:** It is more or less an open-ended agreement then?

**MR. SCHREYER:** No, well, by virtue of the fact that we have it at a specific figure — last year we had no difficulty living within those means.

**MR. GRAHAM:** The only reason I raised it, I know in the first year — you said 1975 was the first year — according to Public Accounts it was \$256,000, I think.

**MR. SCHREYER:** There may have been a \$6,000 over-commitment or whatever.

**MR. CHAIRMAN:** The Honourable Leader of the Opposition.

**MR. LYON:** In this grant, Mr. Chairman, who monitors the *bona fides* or the accountability or whatever of the disposition of this vote from the province? Does that go through CIDA or does it go through the private agencies? How do we get a monitoring as to how that money is used effectively?

**MR. SCHREYER:** Well, we have a very simple mechanism but we think it's quite adequate. The initiative comes from the private agencies who have people out in the field, in the Third World so to speak and they sift out — they do considerable prioritizing themselves — then it comes to us as a series of recommendations scaled to this amount of money. The Clerk of the Executive Assembly, Mr. Bedson, and I do whatever administrative work is involved — it's quite a simple procedure — and then it's approved conditional upon it being in fact matched by CIDA two for two. That's about how it's handled.

**MR. LYON:** I'm happy that the First Minister and Mr. Bedson are doing the monitoring, Mr. Chairman, rather than CIDA, having regarded some of their monitoring practices.

**MR. CHAIRMAN:** Resolution 4(g)—pass; 4(h) Special Hospitality Grant, that's a nil appropriation too. The Honourable Member for Pembina.

**MR. HENDERSON:** . . . nothing for 1978 there?

**MR. SCHREYER:** Well, I couldn't honestly say. I think it's covered by the General Hospital Grant and the reason we had a Special was, I think in our Centennial Year, and for some reason it hasn't been dropped from the format but it could be dropped entirely.

**MR. HENDERSON:** Well, 1977 wasn't our Centennial year.

**MR. SCHREYER:** No, 1970 was when we included it, and I'm saying that subsequent to that I suppose we could have eliminated it entirely from the format, not just eliminate the dollars but eliminate the line entirely.

**MR. CHAIRMAN:** Can we go back to Resolution 4(c) Administrative Salaries.

**MR. SCHREYER:** The Leader of the Opposition was asking as to staffing complement. Under Administration, which includes Executive Compensation, Administration of the Premier's Office, Government Hospitality and the International Development Program — but that's really to say really a one-man office in a sense — the staff complement last year was 29; this year it's 27. So there is actually a diminution of two.

**MR. LYON:** Where do we find a breakdown by function of those positions, Mr. Chairman. I'm sure it appears somewhere.

**MR. SCHREYER:** We would have to get that over the course of the next 24 hours.

**MR. LYON:** Fine.

**MR. CHAIRMAN:** Resolution 4(c)—pass. Resolution 5, Planning Secretariat of Cabinet . . .

**MR. SCHREYER:** Excuse me, but it's not quite specific enough. This complement of 27 would include Mr. Bedson, the senior officer series, Mrs. Goebel who — the actual classification is Secretary to the Premier, Mrs. Constantini would be a Senior Administrative Officer. There is a complement of five girls in that office, clerk-stenos. The office next to that has a complement of three girls, also clerk-stenos, and the office at the extreme west, there would be two professional officers and three clerk-stenos.

**MR. CHAIRMAN:** Resolution 5(a).

**MR. SCHREYER:** Is that adequate or would you like further precision on it?

**MR. LYON:** I had presumed that it would have appeared in Public Accounts from the previous year but it doesn't appear there.

**MR. SCHREYER:** You mean by classification?

**MR. LYON:** Yes, how many clerk-stenos — you've got one Clerk of the Executive Council — how many Executive Assistants, etc?

**MR. SCHREYER:** Well, it's pretty well as I've indicated to you: the two professional officers would be the two Executive Assistants.

**MR. LYON:** Right.

**MR. CHAIRMAN:** Resolution 5(a) Salaries. The Honourable Leader of the Opposition.

**MR. LYON:** . . . if it's available. Here we're talking about an item of almost a million dollars so, rather than read it into the record, if there is a sheet of paper that could be distributed, that would be

sufficient for my purposes.

**MR. SCHREYER:** I think (b)(5) here from the Estimates Blue Book would sort of sum it up. Perhaps I could pass it on. The staffing in this particular component is constant, no increase, no decrease.

**MR. LYON:** Mr. Chairman, SMYs are always very interesting but they are not very human. What are the classifications? How many are extant at the present time and so on? And I don't expect it at the moment; if it can be produced on a piece of paper tomorrow, that will be fine.

**MR. SCHREYER:** It's not nearly precise enough but as an interim bit of information, there would be two senior officers and approximately 15 professional officers and approximately 18 or 19 clerical, in that order.

**MR. CHAIRMAN:** The Honourable Member for River Heights.

**MR. SPIVAK:** I wonder if the Premier is in a position to indicate, does the Planning Secretariat assist — its function is shown here and I don't have to read it, in the Estimates Book — does the Planning Secretariat assist in the Dominion-Provincial relations field as well? In other words, is there a reliance on support from the Planning Secretariat for the Federal-Provincial Relations Research Division of the Department of Finance?

**MR. SCHREYER:** That is correct. I think quite logically it has evolved that way for the basic reason that whereas several years ago by far the greatest, if not practically the entire interface Dominion-Provincially was on fiscal matters, in this decade there has been a very major increase — and I'm not defending it entirely — in the frequency of Dominion-Provincial meetings and in addition, interprovincial all under the general heading of inter-governmental and much of that is although indirectly related to fiscal matters, a good part of it is on specific subject matters and so therefore depending on the agenda items of any given inter-governmental conference. If it's heavily fiscal then the division of the Department of Finance handles it in a lead sense. If it is indirectly fiscal, only indirectly, then planning priorities, appropriate person or persons there would work with one or two people from the Department of Finance. That's basically how it has evolved.

**MR. SPIVAK:** I think it would be appropriate to make a comment here with respect to one policy matter or a decision — not a policy matter but a determination. It would seem to me, Mr. Premier, that there is a requirement now for preparation of a document of what Manitoba has contributed to Confederation. It would seem to me very logically that there is a need for the province to provide, not a balance sheet at all, but a statement of its contribution over the years. I think probably every province in the country should in fact provide that. I think that's necessary for us to understand the fabric of our nation, particularly at this time. And it should be done in a positive way as opposed to a negative way. I think there is a tendency for some politicians to try and say, "What have we received from Confederation and what are the benefits?" And my reason for mentioning now. . .

**MR. SCHREYER:** . . . dollar terms, or some kind of subjective human terms or what?

**MR. SPIVAK:** Subjective, not in dollar terms, but of necessity some dollar terms may very well be mentioned. My point being that I think that if the Planning Secretariat are involved in the Dominion-Provincial field and not exclusively left to the Department of Finance and its branch — and this was my understanding and all you've done is confirm that — then it would appear to me that there is a need at this point for the people in Manitoba to understand it as well as for the people outside of Manitoba. It's something that could be considered as a suggestion to other provinces.

My point being it would seem to me that one of the useful functions of the Planning Secretariat at this point because of the nature of the debate that we're in today and the possible changes of that debate in the future, and the possible consequences of that debate without getting involved in the total emotional problem attached to the statements that are made by the various Quebec ministers at different times or by its Premier, or by the Prime Minister for that matter. It would seem to me that we, in our own province, should have some clearcut statement of what Confederation has meant, what we have contributed and what we see as our future. This, I think is a much more positive kind of approach than the more negative approaches that occur.

Now, when we have Dominion-Provincial Conferences dealing with whatever matters there are, there is a negotiation process and a bargaining process that goes through and we will go through some program or we will attend some program on a Dominion-Provincial level and there will be some adjustments and we may or may not be happy with it. The Finance Minister may come back and say, "My God, it's going to cost us this amount of money," or "We weren't satisfied with this." I think those are the realities that we deal with from day-to-day. But it would seem to me that it's necessary at this point for something in a much more positive manner to be presented. Just simply to reassure us — when I say "us" I mean the people in this province — of the things that have occurred and in effect the lifestyle that we've been able to develop with all our problems and with all the difficulties we have at present, because not everyone is receiving the benefits of the potential that really is ours. What I'm suggesting is that one of the functions that the Planning Secretariat should be developing is this very positive statement of what Manitoba has contributed and in many respects what Canada may mean to Manitoba and it should be done in such a way that it may set an example for others to follow so that

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when the National Debate enters the different stages that I have referred to that we would be equipped, all of us, with information and with facts and figures and with leadership with respect to the national issue that is before us.

**MR. SCHYER:** Mr. Chairman, I certainly can't question the suggestion. I mean it's obvious it's meant in good faith, but I find it difficult to respond to the suggestion because I see that it is in a sense fraught with some difficulty if not danger. If we do it in a way that is too heavily oriented to the financial and fiscal it will be described as being cold and cold calculus, relating to a country which is more than just numbers. If on the other hand we try to inject into it some feeling, it would be regarded as being poetic and not really realistic in the nature of things. I'm not saying that we should not attempt to prepare such a document, but to the extent that any one single document presumes to be a tablet of stone, something definitive to the exclusion of all else, frankly I see a psychological problem. I think that Manitoba's position in Confederation has been historically positive, certainly ever since the years of Rowell Sirois. I don't think it has basically changed and I don't think that any part of Canada or its people could suggest that Manitoba has somehow been preoccupied with wanting to pull in the direction of greatly increased provincial powers, that in fact it has been consistently concerned as much as any other single part of the country with the maintenance of a strong union. Maybe it is so self-evident to me that it to my mind hardly warrants restating in print.

**MR. SPIVAK:** It would seem to me that it could be fraught with danger and the Premier has mentioned this. But the fact is that the delicate balance which is required which is really what he is referring to, I think it is necessary. I think the leadership in this becomes a very important aspect of the atmosphere that we are going to deal with with the problems that face us. There has been too much negativism generally with the whole issue of Confederation.

The Premier in answer to a few questions that were asked in the House responded and I think you will recall this by saying that he was not going to be involved in emotionalism or in the emotional aspect of this. But the reality is that it is partially an emotional aspect and to a certain extent it has to have some basis in fact and it has to have some basis in the insights that those who are in the positions of leadership are prepared to provide to the general public so that the perspective in which we view the situation and we view our own position is understood. All politicians have the responsibility of addressing themselves to that problem, it's not just the Premiers or the governments. But it would seem to me that there is a capacity within a secretariat of Cabinet with resources that are available, with the personnel that are available and with the access to all the documentation that is available that's within the government in terms of the total past history to be able to develop this and that would become a very important part in the understanding and the development of the understanding and in the development of the mood, and the proper perspective within which we have to view the problems of today and the changes that I think we're going to have to deal with.

**MR. SCHREYER:** Let me get this clear then, Mr. Chairman. The honourable member is not, if I understand him correctly, is not advocating a strictly fiscal documentation. Such has been done by two provinces thus far.

**MR. SPIVAK:** I think that's a part of it and I think that's very important in terms of understanding the negotiations that will take place and the changes that are being proposed. I'm not in any way suggesting that that information should not be prepared. I think it's very important. I think the implications of everything are such that we should understand that very clearly. But I think there is something far more involved and it relates to some of the features that the Premier has mentioned, but it's a delicate balance in which to be able to present this properly. But at the same time it would seem to me that there is a need for this and I think that there is a general desire that this happen. In any case it would be a much more positive approach than part of the negative approach that is part of the debate at the present time.

**MR. SCHREYER:** Well admittedly something different is needed and the suggestion is taken in good faith. We shall see if the honourable member is setting us up to steer between Scylla and Charybdis. I hope he's not setting us up for that vortex — I hope not.

**MR. SPIVAK:** I want to assure the First Minister that that's not the case. It would seem to me that there is a need for a very positive debate to occur and for a very positive presentation to be made and the leadership has to come from the politicians, but the leadership also has to come from government. The leadership has to come from government to a large extent because the resources are available to them. It is not as if there are not academics or writers who are not in a position to be able to provide leadership. That I'm sure will be forthcoming and to a certain extent even at the present time it is occurring. But it would seem to me that because of the fact that governments and First Ministers are in the limelight constantly and other politicians as well, that there is an advantage to have it presented by those who are in a position to provide that kind of leadership and it would seem to me that the kind of presentation that I'm talking about is a very detailed one embracing part of the fiscal arrangements but not dwelling on that alone. It's a document that will really reflect the spirit of what has happened in the past and really possibly lift the emotions of the people in this province to

the issue of the day and hopefully this would happen in other areas so that the negativism that I've mentioned, and we all know, will not be the major factor influencing our will at this point as to what decisions are going to have to be made or the hard choices we are going to have to face.

**MR. SCHREYER:** Mr. Chairman, I don't disagree with those sentiments, but just to give a very preliminary or minor indication to the honourable member of what he already well knows, the problem is a very complex one, so much so that there is rather profound disagreement even in the most senior echelons of the Government of Canada. If I were to tell him, for example, that one of the more senior Ministers — if there is such a thing as senior and junior Ministers — in the Government of Canada has said repeatedly that the problem is one of language, language, language. Language within Quebec, language matters outside of Quebec. And another very senior person attached to that same government says, . There are still "No, it's not language. It's economics too many people, disproportionately too many, working at \$2.85 an hour or whatever in various kinds of industries at Trois-Rivieres and Chicoutimi and so on. So in the face of that one knows in advance that whatever we say will be perceived in different ways even within the source of the Federal Cabinet itself let alone the Federal Cabinet and the governments of the province and other provinces.

**MR. SPIVAK:** But our problem is to give leadership within Manitoba and it may very well be if that takes place that we'll do what is required in the other provinces and that that will have a very important effect on the federal politicians who still have to respond to their own area.

**MR. SCHYER:** Well, excuse me. You say, "leadership within Manitoba." I thought the main thrust of your point was that it had to do with Manitoba's articulating its perception of Confederation as a whole, so that we're involved outside Manitoba.

**MR. SPIVAK:** That's right we are involved. But the leadership I am talking specifically on that and I don't want to suggest anything else, but I'm talking about giving leadership in Manitoba for Manitobans to be able to articulate the position and to understand it and to be able to view it in the perspective that I think they have to.

I must say that in the debate that's taken place so far, I am generally appalled by what I consider is a negative attitude by many who for many reasons have, I think, lost sight of what this country really is all about. I think there is a need for the kind of effort that I have talked about. And I think there are others who would probably give the same kind of testimony. I'm not suggesting that everyone, by any means, is like that but there are some. I think that that is a danger for us and we have to face that. And it would seem to me that there are many times that I have challenged the exercise of money being spent on behalf of the public and the utilization of resources of government but in this kind of effort I think this is very essentially necessary. And there is a capacity, I think, within government to do it.

**MR. SCHREYER:** Well, as I say, we'll take the suggestion in good faith. Maybe I'm pessimistic by nature, but I feel in advance that it will not make a profound difference because there are basically different perceptions as to the nature of the problem and its possible amelioration, not to say solution. But we'll accept it in good faith.

**MR. CHAIRMAN:** Resolution 5(a). The Honourable Member for Pembina.

**MR. HENDERSON:** I'll pass.

**MR. CHAIRMAN:** The Honourable Leader of the Opposition.

**MR. STERLING R. LYON (Souris-Killarney):** Mr. Chairman, perhaps this would be helpful for the First Minister. My colleague, the Member for Birtle-Russell has showed me what I was missing, on Page 9 of the Supplement to the Public Accounts, we see the breakdown for the fiscal period '75-'76 of Administrative Salaries under the Executive Council. That shows 17 members . . .

**MR. SCHREYER:** I'm sorry it can't be Page 9, do you mean . . .

**MR. LYON:** Pardon me, Page 6. . . 17 salaries, or 17 persons at fiscal year end March 31, 1976. The First Minister now says there are 27 or 29 is it.

**MR. SCHREYER:** Twenty-seven.

**MR. LYON:** This is where is our problem universally on locking in the Public Accounts with the Estimates.

**MR. SCHREYER:** Let me get that quite clear. You wish the actual job classifications?

**MR. LYON:** Yes, job classifications. We can figure out the additional names usually.

Similarly, just to jump ahead, Mr. Chairman, on the Planning Secretariat of Cabinet at the end of fiscal '76, it showed that there were 52 by my count, 52 members of the Planning Secretariat with their salaries that are listed on Page 6 and their names. And similarly on Page 7 for the Management Committee of Cabinet, it showed 35 plus 31, which is 71 people in Management Committee and it shows their names and salaries there. All I'm looking for is the lock-ins so that we can find out what changes if any have occurred.

**MR. SCHREYER:** Clearly I can get that information for tomorrow, as far as classification. With respect to reconciliation of the numbers where there appears to be a difference in numbers it is because some of the 50 or so names here, some of those would be part-time of the year, so when you consolidate them it comes out to 39 staff man years, full-time staff man years or full-time equivalent.

Some of these have been for parts of years, in the supplement. I think that would reconcile the 50-something with the 39.

**MR. LYON:** It merely highlights Mr. Chairman, part of the problem that you run into trying to utilize the information that is available. The information generally speaking is available if you can put your hands on it, and it suggests that if we could — we used to try to provide, at the beginning of each Minister's department, a lock-in piece of paper which would show the personnel or the job description of the personnel, plus the numbers, which when compared with the sheet from the Public Accounts for the year previous, the one on Page 6 and Page 7, for example, would give you an up-to-date picture as to who was there, roughly what category of salary they were in and what their job classification was.

**MR. SCHREYER:** Right. is,

**MR. LYON:** The information there it is a question of just locking it in.

**MR. SCHREYER:** Well, I can only comment that the actual names are in the Supplement, but there are two problems with it. One, it doesn't give the job classification or description; the other, is it also doesn't indicate the portion of the year as in some cases it is a portion of the year that they may have been on strength.

**MR. LYON:** You can usually assume the job classification from the salary. .

**MR. SCHREYER:** Except where in some cases the salary is perhaps for six, or eight, or ten months.

**MR. LYON:** That's right, although that is clearly indicated in Public Accounts, it is always asterisked.

**MR. CHAIRMAN:** Resolution 5(a), 5(b) Other Expenditures. The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Well, Mr. Chairman, dealing with Other Expenditures under Planning Secretariat, I notice in 1975-76 under Public Accounts that we had \$231,500 plus another \$83,000 which would run well over \$300,000. Last year we had \$414,000, this year we are cut down to \$188,000. I notice also that there is a substantial increase in salaries, but their expenses are cut more than half, I hope we are not paying more people to do less and less work, that's all I am thinking of.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. SCHREYER:** No, indeed, the number of people on staff with the Planning Secretariat is constant in the upcoming year, the year we are in now, as compared to last year. What accounts for the decrease in Other Expenditures, and an increase in Salaries, is, I believe, two things: one, some decrease in consulting fees, that is a decrease; and the other is, I think, some transfer to the order of four or five persons from a contract position to a Civil Service position or permanent position. For example, some persons are brought on on contract, short-term or even full-year, that may even extend for a second year. At some point some of these people — I say, I think, the scale is about four persons transferred from a contract position to a permanent position, and when that happens the dollars to go with that would appear under Salaries, and if they were on contract it appears under Other Expenditures.

**MR. GRAHAM:** Well, Mr. Chairman, I know it is very difficult going back and forward, but under Public Accounts we find that the total professional fees in 1975-76 was only \$24,000.

**MR. SCHREYER:** I am advised that moneys for contract personnel would be under Other Expenditures; they are not under Professional Fees, unless the person involved is indeed being retained on a consulting fee and is a holder of a professional degree.

**MR. GRAHAM:** Mr. Chairman, that is expressly what I was addressing myself to; I wasn't addressing myself to the salaries at all, they are a separate item under Public Accounts. It is the Other Expenditures, and where they do list professional fees as \$24,000 under 2(d) on Page 81 of the 1975-76 Public Accounts.

**MR. SCHREYER:** I can get more specific detail, but I am convinced that the bulk of the difference is accounted for in the fact that Other Expenditures show a marked decrease, salaries show an increase, is because, not only of the normal increment in salaries, but in addition the transfer of three or four persons, previously under Other Expenditures as contract personnel to Civil Service Commission positions.

**MR. CHAIRMAN:** Resolution 5(b). The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Well, Mr. Chairman, I'll accept the Minister's explanation but it is still about \$150,000 out.

**MR. SCHREYER:** Well, since we do have to get some job classification information for the Leader of the Opposition we can red circle this question as well.

**MR. CHAIRMAN:** Resolution 5(b)—pass; Resolution 5, resolved that there be granted to Her Majesty a sum not exceeding \$1,170,000 for Executive Council—pass. Resolution 6 Management Committee of Cabinet (a) Management Committee Secretariat (1) Salaries—pass; (a)(2) Other Expenditures—pass; (a)(3) Development and Training—pass; The Honourable Leader of the Opposition.

**MR. LYON:** What is Development and Training, is that Sabbatical Leave, etc., etc.?



**MR. CHAIRMAN:** The Honourable Minister.

**MR. SCHREYER:** There is a small component under Treasury Board or Management Committee, which schedules and co-ordinates the holding of in-House training seminars and short courses. This is separate and apart from the encouragement of those in the public service to attend extramural or full-time courses at the university. This is strictly having to do with internal, in-service training so to speak.

**MR. LYON:** At the rate of salaries that we are paying for Management Committee's Secretariat, \$1,700,000, it would suggest that we should have people in there who don't need too much additional training; it is sort of like having an in-House training course for the Board of Directors of the Bank of Montreal. Who needs it?

**MR. CHAIRMAN:** Resolution 6(a)(3)—pass; The Honourable Minister.

**MR. SCHREYER:** Excuse me, Mr. Chairman, just to provide some further information on this. This \$81,000 doesn't relate to Management Committee personnel as such; it might in the odd one or two circumstances, but it relates to in-service training, the cost of staging the in-service training relating to all of the departmental personnel that are enrolling or encouraged or induced or whatever to enter into those in-service training programs.

**MR. CHAIRMAN:** Resolution 6(a). The Honourable Leader of the Opposition.

**MR. LYON:** The First Minister would agree that the Salaries themselves provide sufficient inducement, one would think, without very much more.

**MR. SCHREYER:** Well, I don't argue the point. I think I have made somewhat the same point and we have been monitoring the Education Leave Program so that it doesn't — well, we do on the other hand have the argument put to us as to how we stand in relation to other jurisdictions with respect to the same program offerings and opportunity improvements and the like. In a final analysis, I think, the point has to be well taken that much of the opportunity for advancement has to come from within the desire of the individuals themselves.

**MR. CHAIRMAN:** Resolution 6(a)(3)—pass; Resolution 6, resolved that . . . The Honourable Member for River Heights.

**MR. SPIVAK:** I didn't deal with anything in a specific way, but I would like to ask the First Minister, are there situations that arise with respect to the Management Committee, where the Provincial Auditor requests the Management Committee's assistance, or the Management Committee itself requests the Provincial Auditor's assistance?

**MR. CHAIRMAN:** The Honourable First Minister.

**MR. SCHREYER:** Well, I don't know about the latter; I think the former I could say has happened, the latter on occasions.

**MR. SPIVAK:** Could you give us an example of a request from Management Committee — I am not asking for the specific incidents, I am just trying to find an example of how that would work.

**MR. SCHREYER:** I don't know if the procedure of this Committee is such as to . . . perhaps Mr. Snider could answer directly and save time.

**MR. CHAIRMAN:** I am sorry, our procedures don't permit other than the Minister to reply to other members of the Committee.

**MR. SCHREYER:** Is my honourable friend seeking specific examples by which to arrive at some impression?

**MR. SPIVAK:** Yes.

**MR. SCHREYER:** Well, one specific example is that the Provincial Auditor has requested program auditors of Treasury Board, of which there are several, for direct, detailed assistance with respect to auditing the Co-op Development Loans Board activities. That's one example.

**MR. SPIVAK:** Procedurally, can I ask: Is this a direct communication between the Provincial Auditor and the General Management Committee without going through the Minister? In other words, is this the Provincial Auditor to the civil servants involved?

**MR. SCHREYER:** There is, I am advised, no set pattern. Whether that means that protocol is not observed, but rather dictates some common sense so that the Provincial Auditor presumably worked through Mr. Snider or through the Minister chairing Management Committee, either one or the other actually . . .

**MR. SPIVAK:** Has there been any incident in which there has been a request from the Provincial Auditor to the Management Committee for which the Management Committee is responsible, the official response has been that this matter has to be discussed with the Minister rather than at our level?

**MR. SCHREYER:** I have no specific recollection.

**MR. CHAIRMAN:** Resolution 6, Resolved that there be granted to Her Majesty a sum not exceeding \$2,107,900 for Executive Council—pass.

Resolution 7, Registrations and Elections. The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Mr. Chairman, dealing with the election, I heard the remarks of the Minister over here. The question I want to deal with, though, is not so much dealing with a particular election in

Manitoba, but dealing with the question of elections in general. I understand that according to our statutes, we are supposed to revise our constituency boundaries every ten years on the basis of the off-year census, which was the 1976 census. And it appears with \$9,800 here, that there is no provision being made, with that amount of money in there, to carry out any attempt at least until after March 31st, 1978, in that respect, and I would like to ask the First Minister if that is the intention of the government.

**MR. SCHREYER:** Mr. Chairman, I think that the member is correct, and I am not even sure if it is discretionary. I think it is laid down in statute so that electoral redistribution takes place next year, could not take place this year. And I think it would require an amendment to the Act for it to be otherwise, which means that the 1976 census data which always has a time lag before it is really fully available, usefully available, is just now becoming available, but I don't see a time schedule problem because under statute redistribution would not take place till next year. I admit I am speaking from recollection, but that is my recollection. Now, have I answered my honourable friend's question or have I sidestepped it?

**MR. GRAHAM:** I think the First Minister is quite correct, but I see no evidence of any appropriation of funds to cover that cost.

**MR. SCHREYER:** The honourable member is assuming that this work must be done, perforce it must be done before the 31st of March next year, and I don't think that that is our view. It could be done at about that timing, where the bulk of the funds required would be required after the 1st of April. If we are out by a month or two in our sense of timing on this, then at worst there would be a few thousand dollars in Special Warrant or Supplementary Supply.

**MR. GRAHAM:** A further supplementary question, Mr. Chairman, I believe I have made a recommendation to the Legislature on previous occasions dealing with the Committee that has been established to review electoral boundaries, which involves the Chief Electoral Officer, the Chief Judge, and the President of the University of Manitoba.

**MR. SCHREYER:** You have an improvement in mind?

**MR. GRAHAM:** I believe I have suggested on previous occasions that probably a more appropriate person than the President of the University would probably be the head of the Union of Manitoba Municipalities who is probably much more knowledgeable of the Province of Manitoba than the President of the University of Manitoba.

**MR. SCHREYER:** What do you do when you have two ideas of equal merit? I think our present arrangement is quite satisfactory. That is not to say that there is anything wrong with my honourable friend's suggestion but I'm not sure it would be an improvement.

**MR. GRAHAM:** Mr. Chairman, there is one valid point in that I think it is a fundamental requirement of the Union of Manitoba Municipalities that the head of the union be an elected official from the Province of Manitoba, he must be a Manitoba resident. Now, I don't think that that same criteria applies when the choice is made of the President of the University. In fact I would say it is probably the opposite, that the President of the University is quite often selected for his academic knowledge in other spheres and in most cases is usually a person who comes to Manitoba from other areas of the world and may not have an intimate knowledge of the geographical conditions and the demographic conditions that exist in the Province of Manitoba.

**MR. SCHREYER:** I suppose those arguments must have been heard and listened to and rejoined to by those who drafted the statute in the first place. I would put forward another consideration as well for the honourable members's consideration and that is that it is conceivable that from time to time somebody active in municipal politics will also be very visible and known to be active in provincial partisan politics, in which case we would be immediately into a problem of psychology because the whole intent and purpose of the Electoral Commission is to have three persons who are not demonstrably involved or in fact involved in current partisan politics.

Now, I'm saying that we could go for years without that being a problem and then at a given point in time it could be a very real problem. Then what would have been regarded as a reform would be looked upon as being the antithesis of it.

**MR. GRAHAM:** Mr. Chairman, am I to infer from the remarks of the First Minister, then, that that is one of the criteria that is used in the selection of a president for a university, that he not be knowledgeable and display any partisan politics?

**MR. SCHREYER:** Well, I don't know if this surprises my honourable friend but the president of a university is not chosen because of any perception as to what his partisan politics are. Indeed, I have no basis of regarding any of the three past presidents of the university — and I limit it to three because they are the only three that I know — as having any identifiable partisan politics, which for purposes of the Electoral Commission Reform Act, was I think precisely why a person holding that position was chosen. It's unlikely that the president of a university would be actively partisan. Not that there is anything so horrendous with being actively partisan, but not for that position.

**MR. GRAHAM:** Mr. Chairman, I'll put forward this suggestion once again. I put it forward in the

past. I have known some of the presidents of the university and it is not meant in any derogatory manner towards any of those individuals that I make this suggestion, nor do I profess to know who will be the incoming president of the Union of Manitoba Municipalities — in fact the present one — I think that the office of the president or the chairman or whatever you profess to call him, of the Union of Manitoba Municipalities should be a person who is probably far more knowledgeable of the geography and makeup of the Province of Manitoba and could probably make a far greater contribution because of that knowledge, to any committee that is studying electoral boundaries within the Province of Manitoba.

**MR. SCHREYER:** I think it would be fair to ask the honourable member if he has persuaded his colleagues on this point? I have kind of a suspicion that he feels strongly about a proposed reform which he hasn't necessarily convinced his own colleagues about and I'm not so sure I should go too far along the road with him on this so quickly.

**MR. GRAHAM:** Mr. Chairman, I have never attempted to convince my own colleagues of many of the proposals I put forward. I put them forward for the consideration of the entire Members of the Legislature and once again, I throw it out again for the consideration of all Members of the Legislature.

**MR. CHAIRMAN:** The Honourable Member for River Heights.

**MR. SPIVAK:** Mr. Chairman, there is a suggestion, trying to reach someone who is in politics was non-partisan and one could suggest the present Mayor of the City of Winnipeg. He's not partisan; he's not involved in politics.

**A MEMBER:** The question is, is that normal?

**MR. SPIVAK:** The other question to the First Minister, in view of what he said, can we be sure that the provincial election will take place before redistribution?

**MR. SCHREYER:** Oh, almost certainly.

**MR. LYON:** I think two statutes would ensure that.

**MR. SCHREYER:** Yes.

**MR. CHAIRMAN:** Resolution 7.

**MR. LYON:** 1978-79 would be your redistribution. You could have a little bit of overlap.

**MR. SCHREYER:** Yes.

**MR. CHAIRMAN:** Resolution 7, Registrations and Elections.

**MR. LYON:** I presume, Mr. Chairman, that any general election that might be contemplated would be covered by Special Warrant?

**MR. SCHREYER:** Yes, Mr. Chairman, you see, to have put the estimated total amount in here would have been tantamount to announcing the election. Maybe it was overly facile on our part not to put the amount in, but there's only one occasion in which the full amount must be put it and that's in the fifth year of a Legislature. But obviously when a government calls an election in the third year, which has happened, it couldn't have been anticipated so it would have been some nominal amount. I admit in the fourth year this is still a nominal amount but if not here it's covered by Special Warrant.

**MR. LYON:** Do we, Mr. Chairman, have any ballpark figure that we can estimate at this stage as to what this necessary exercise in democracy will cost the taxpayer?

**MR. SCHREYER:** A rough estimate, \$1.2 million.

**MR. SPIVAK:** How high is that by comparison with previous years?

**MR. SCHREYER:** In 1973, three-quarters of a million.

**MR. CHAIRMAN:** The Honourable Member for River Heights.

**MR. SPIVAK:** That's all I wanted to know.

**MR. CHAIRMAN:** Resolution 7, Registrations and Elections. The Honourable Member for River Heights.

**MR. SPIVAK:** One other question, Mr. Chairman. Does the First Minister consider that part of his job formation program at least temporarily for the next period of time would be to further . . . that would be introduced into the economy as a result of the election?

**MR. SCHREYER:** It would be directly highly labour intensive in relation to cost of materials.

**MR. SPIVAK:** And would add to the job formation.

**MR. LYON:** Would it be restricted to the same four-month period, though, Mr. Chairman, that we're concerned with.

**MR. CHAIRMAN:** Resolution 7: Resolved that there be granted to Her Majesty a sum not exceeding \$9,800 for Executive Council—pass. The Honourable Minister.

**MR. SCHREYER:** May I ask, Mr. Chairman, given that there are two separate pieces of information that are requested, are we to hold these items or are we to provide them by tabling in the House?

**MR. CHAIRMAN:** The Honourable Leader of the Opposition.

**MR. LYON:** For my purposes, Mr. Chairman, it's not necessary to hold the items unless other members of the Committee want that done. If they are tabled through the Chairman of the Committee, that would be satisfactory for my purposes.

**MR. CHAIRMAN:** The Honourable Member for Morris.

**MR. JORGENSEN:** Mr. Chairman, I was wondering, there are some items on the back page of the Estimates that I think — some of them come under the responsibility of the First Minister — the Flood Control — Flood Control and Emergency Expenditures. I wonder if the First Minister would not want to deal with those that come under his responsibilities now so that we can dispose of them once and for all.

**MR. SCHREYER:** I would be delighted to deal with them. I don't think they fit under any particular department and accordingly if the Honourable Member for Morris is suggesting to take these up tomorrow, or is he suggesting he is anxious to proceed tonight?

**MR. JORGENSEN:** I was wondering which ones the First Minister would want to deal with and we could deal with them right now. It isn't that late.

**MR. SCHREYER:** Well, certainly I - Flood Control and Emergency Expenditures. They are really all of an interdepartmental nature and I suppose can best be dealt with here, although I prefer, all things being equal, to lay this over until the next day if that's okay.

**MR. JORGENSEN:** I don't know what useful purpose can be served by holding them over to another time. We can dispose of them now and then you won't have to come back.

**MR. SCHREYER:** Can we have a two minute recess.

**MR. CHAIRMAN:** We have one more item to pass under Executive Council, gentlemen. Resolution 4(a) Premier and President of the Council's Compensation. The Honourable Member for River Heights.

**MR. SPIVAK:** Mr. Chairman, I believe that the Minister of Corrections will probably want to say something about the Premier's salary.

**MR. CHAIRMAN:** Resolution 4(a)—pass. Resolution 4: Resolved that there be granted to Her Majesty a sum not exceeding \$743,800 for Executive Council—pass. That concludes the Department of Executive Council. The Committee will recess for two minutes.

### **ESTIMATES — FLOOD CONTROL AND EMERGENCY EXPENDITURES**

**MR. CHAIRMAN:** I would direct the attention of honourable members to Page 62 in their Estimates Books, Resolution 111, Flood Control and Emergency Expenditures. The Honourable Minister.

**MR. SCHREYER:** Mr. Chairman, this item, as the round figure would indicate — it's not even an estimate, it's a guesstimate; it's not even a guesstimate, it's just a contingency figure.

**MR. CHAIRMAN:** The Honourable Leader of the Opposition.

**MR. LYON:** May we have, Mr. Chairman, the all-in figure for what the flooding on the Souris and the various rivers last year did cost us?

**MR. SCHREYER:** Yes, I believe that to the amount that you see entered, there is an additional amount of \$1.1 million, I believe.

**MR. LYON:** So it rounded . . . out at about 4.1.

**MR. SCHREYER:** That's province-wide, yes.

**MR. CHAIRMAN:** Resolution 111—pass. Resolved that there be granted to Her Majesty a sum not exceeding \$1 million for flood control and emergency expenditures—pass.

### **ESTIMATES — CANADA-MANITOBA GENERAL DEVELOPMENT AGREEMENT**

**MR. CHAIRMAN:** Resolution 112, Canada-Manitoba General Development Agreement, Planning Agreement. The Honourable Minister.

**MR. SCHREYER:** Mr. Chairman, here I will remind honourable members that we have a Supplementary Supply, part of which relates to this very agreement. The reason, then, for this figure is because at the time of the finalization of the print Estimates, there had as yet been no signature on a number of them, and rather than put an amount here based on something as yet unsigned, we put in this figure. And then there are additional funds in Supplementary Supply now before the House.

**MR. CHAIRMAN:** Resolution 112: Resolved that there be granted to Her Majesty a sum not exceeding \$225,000 for Canada-Manitoba General Development Agreement.

**MR. SCHREYER:** My comment with respect to the previous item applies here as well.

**MR. CHAIRMAN:** Resolution 112—pass.

### **ESTIMATES — GENERAL SALARY INCREASES**

**MR. CHAIRMAN:** Resolution 113, General Salary Increases.

**MR. SCHREYER:** Well, I in all candour have to say that this is a rounded figure which we put in in order to reduce the amount of additional or Supplementary Supply, but any figure we put in here is quickly related to what the negotiations will be, and it is a dilemma that we attempt to deal with by putting in what is obviously a rounded preliminary figure.

**MR. LYON:** Those negotiations then, Mr. Chairman, I presume are underway.

**MR. SCHREYER:** Yes, yes. I wouldn't hazard a guess as to when they will conclude.

**MR. LYON:** If they conclude before the 14th of October of 1977, they will be under the AIB. If after,

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we don't know.

**MR. SCHREYER:** I guess that's a fair comment. But I don't anticipate the negotiations will stretch out that long by any means.

**MR. CHAIRMAN:** Resolution 113: Resolved that there be granted to Her Majesty a sum not exceeding \$10 million for General Salary Increases—pass.

Committee rise and report. Committee rise.

**ESTIMATES — TOURISM, RECREATION AND CULTURAL AFFAIRS**

**MR. CHAIRMAN, Mr. William Jenkins (Logan):** I refer members to Page 59, Resolution 107(b)(1) Provincial Park System: Management Services (a) Salaries \$752,300.00. The Honourable Member for La Verendrye.

**MR. BANMAN:** Thank you, Mr. Chairman. Before we broke for lunch, I was briefly describing to the Minister some of the concerns with regards to the Whiteshell area as far as the tourist facilities for overnight campers and for people that wish to spend a weekend or some of their vacation there and I was just mentioning to the Minister that some of the problems that we are faced with is overcrowding on the weekends and what is happening is, very often a husband will send out his family in the car in the morning on Friday so that they can get a proper camping spot or even I know a lot of people are going to the extent of driving down Thursday night with their family or just the heads of the house and driving down and pitching a tent and making sure that they get a spot for the weekend and then coming back with their families on Friday. So there is a certain amount of overcrowding there and I appreciate that the Minister has said they won't be doing any more developing as far as the Whiteshell is concerned, but I would urge him to re-examine that position and possibly open up some more lakes for not only the campers but also for cottage ownership.

I wonder if the Minister could tell me, a lake like Crowduck Lake, is that going to be included in the new natural park area that was implemented last year? Before the implementation of that Nopiming Park, I wonder if there were any hearings held in Eastern Manitoba or anywhere with regards to the establishment of that park.

**MR. HANUSCHAK:** Mr. Chairman, before I answer the questions of the Honourable Member for La Verendrye, there is just one point that I wanted to clear up which was raised I suppose in relation to accommodation within parks in general and then, of course, there was specific reference made to a facility which was dealt with separately under the Estimates and I am referring to Gull Harbour Lodge. The Honourable Member for Wolseley spoke of a conference. Is that the one to be held May 16-20th he was referring to? —(Interjection)— But it was the one sponsored by the Manitoba Economic Development Fund? Yes. Well, Mr. Chairman, I think that this ought to be put in its proper perspective because you will recall that the Honourable Member for Wolseley attempted to make it sound as if this was a conference being, if not organized directly by me, that I as Minister either of one department or the other, either as Minister of Tourism, Recreation and Cultural Affairs or Continuing Education and Manpower, was attempting to exert my influence in getting people to congregate wherever, and in particular to get them to congregate at Gull Harbour Lodge. He tried to make it sound as if this is some sort of a government sponsored, a government financed conference that is being held there under the auspices of a number of agencies including the Manitoba Economic Development Advisory Board and I believe he also mentioned Continuing Education was involved in the sponsorship of this program.

Mr. Chairman, I think it would assist the committee tremendously if the honourable member were to check his facts before he would rise to speak in the House because otherwise, you know, one may run the risk of misleading the committee because neither of my departments had anything at all to do with the organization of this conference. The Economic Development Advisory Board, yes. The phrase "Continuing Education" if the honourable member were to have read the pamphlet, —(Interjection)— very well, I'll assist the Honourable Member for Wolseley to that extent. "Sponsored by the Manitoba Economic Development Advisory Board in association with the University of Manitoba Division of Continuing Education." But the honourable member referred to Continuing Education as a department of mine. If the honourable member will check Hansard, he will find that he made reference to it as a department of mine, that he was referring to my Continuing Education department and this is not it at all. In fact, if the honourable member were to have read farther and turned to Page 7, it tells him very clearly what the Continuing Education Division is, that it is a division of the University of Manitoba and it is not a department of mine. Now, Mr. Chairman, I think honourable members ought to know that deliberate attempts at misleading the committee and lies aren't tolerated.

**MR. WILSON:** Mr. Chairman, on a point of privilege.

**MR. CHAIRMAN:** The Honourable Member state his point of privilege.

**MR. WILSON:** Mr. Chairman, again, as I say, if the Minister would defer his remarks until after he reads Hansard, he will find that in the last couple of days I have been attempting to find out if the Minister issued a directive or any department of government issued a directive . . .

**MR. HANUSCHAK:** Mr. Chairman, you know as well as I do that there was no point of privilege that the honourable member had, or matter of personal privilege. It was simply an interjection, if it is to be described in any fashion at all.

Then the honourable member, you know, he also went on to as if to imply and infer that this is a publicly funded conference of some kind. Mr. Chairman, I have no funds appropriated for the funding

of this conference or for any such conference that is being held at Gull Harbour Lodge. I note on the back that the participants are asked to pay their own way — \$300.00 — it's a week long conference for economics for executives, inviting some of the top economists to conduct the seminar. Some of the experts, most of them are from University of Manitoba and they are asked to pay their own way — \$300.00 for tuition and \$200.00 for board and lodging. Mr. Chairman, if the honourable member were to read that carefully, he will find that there is no hidden subsidy here from the public purse. The participants pay their own way, it is a five day function, \$40.00 a day for board and room and I would assume that that is a reasonable amount for a five day stay because, as you know and I know, if it is a package deal for a group for a period in excess of one, two or three days, then the rate drops somewhat because the operating overhead reduces with the increased length of stay. So, I simply wanted to make those points when the Honourable Member for Wolseley spoke about accommodation within our parks to clear that point up because when he was referring to this conference, he did leave the committee with the impression that this was some conference being organized by government. But it was not organized by government at all, not at all, and each of the participants will pay their own way in the same manner as Great-West Life and many of the banks and other organizations from the private sector who have held conferences there have paid their own way. The public was not asked to subsidize their neighbours across Osborne Street from Great-West Life Insurance for any time that they choose to meet in a facility owned by the public and which they have and they seem to have no qualms about meeting there, neither do the banks.

Now, if I may respond to the remarks and the questions raised by the Honourable Member for La Verendrye, Crowduck is part of the natural resources zone of the Whiteshell Provincial Park and it is not in Nopiming. Now, I can sympathize with the Honourable Member for La Verendrye, and I cannot disagree with him that on occasion, our camping facilities on weekends are taxed to the limit; in fact, from time to time, perhaps even overtaxed. It varies with the temperature, it varies with the weather, it varies from year to year. In fact, it is difficult to predict from one weekend to the next what the attendance will be. If, a week or two hence when our parks open up, we should happen to strike on a nice weekend no doubt our parks will be crowded once again. On the other hand, if it should rain and be cold, then they may not be crowded. In fact they may not even be filled to capacity.

So, in determining the extent to which we ought to develop camping facilities in our parks, we cannot forget the fact that in mid-week, generally speaking, our camping facilities are under-utilized. So one has to draw a balance between the two and it's impossible. In fact, I don't think that we will ever have sufficient camping facilities to accommodate each and every person who wishes to camp on any particular weekend. But to some extent we are expanding our camping facilities as I mentioned earlier, at Nopiming Park, at Black Lake, Long Lake, and an expansion of camping at Caribou Lake on the west end of Nopiming Park.

So, to whatever extent may be practical and reasonable, we will expand our camping facilities. But I must repeat again that it's unlikely that we will ever have sufficient camp grounds to accommodate each and every person who wants to go camping on a Saturday or a Sunday, or on a weekend.

Now it may be that in the years to come people's camping habits may change. I think that over the past while winter holidays have gained popularity. The ownership of recreational vehicles is increasing which also contributes to taking people away from home in the winter, with vehicles being on the market now that can be used reasonably well during the winter season. The compressed work week will, no doubt, free up people on certain other days of the week other than just Saturdays and Sundays for camping. So what I'm saying is that with the population we have in Manitoba . . . They will be doing their camping spread over a greater number of days, perhaps over a greater number of weeks and months of the year which should, to some degree, at least balance off the pressures that are brought to bear on our camping facilities. But to expect to be able to accommodate each and every camper who wants to spend the weekend camping, I don't know to what extent we would have to expand our camping facilities but I have no doubt that it will have to be much much more than what we presently have. And I'm sure that the Honourable Members of the Opposition would be the first to criticize us for doing that, if we were to do it.

**MR. BANMAN:** I thank the Minister for those comments. I think there is maybe a difference of opinion as far as the path that he would like to follow, and us, and of course that's part of the thing that we all have to set our priorities and all have to have a certain attack that we particularly would like to see happen. But I would just like to say in reference to that, I would like to see more of the money that is being spent on such things as the cabins that the Minister is building and that type of thing, spent on developing more recreational facilities in the Whiteshell. I appreciate that some people want to keep it a wilderness area. I would like to see more of the lakes opened and I appreciate that's a point of debate and we won't resolve it here. But, just for the record, I'd like to say that that is what I would like to see and have some of that moneys that is presently now being put into that cabin program being put in proper facilities as far as camping is concerned.

Mr. Chairman, I think the other questions I would have would relate to park maintenance and operations and I think I'll leave those until we get down to that point.

**MR. WILSON:** I just wanted to wrap up, Mr. Chairman, with the comments that the Minister made when he said, "We'll never have enough places for people to go camping." And yet he has embarked, in the last couple of days, on his Hecla Island project in which he said it was a social program to give the less fortunate low-income people a place to enjoy. And yet, again, my information is that in the experimental year last year at \$11.00 a night on these particular cottages at Hecla Island that it was hardly the working poor that were using these facilities. And this may be just an observation or point of debate but I don't think if you can't find enough places to go camping, we on this side would like to see a reasonable approach to try to get facilities so that Manitobans could certainly go camping, if nothing else. But to try to embark on building cabins at \$22,000 each is to me a wrong direction when we have such a need for people wanting to enjoy the outdoors. I would welcome the Minister's . . . — (Interjection)— Pardon me. Well I know the cabins at \$22,000 each are \$19 a night, but the cottages at Hecla Island near the hotel complex, which I had the privilege of visiting myself, I believe you said they were \$11 a night, Mr. Minister, and I will stand to be corrected.

But the government with the availability of seemingly a bottomless pit of taxpayers' dollars is able to build these and not have them stand on their own two feet, so the result is that very few of them ever are intended to I guess, because it is a social program to operate at a profit. Again I think it's a matter of primary priorities which I think are not being met compared to what I think the Minister has been engaging in, which is a social program of maybe secondary priority. I did try to wrap up by saying when the Minister informed us the total cost of the entire complex was somewhere in the neighbourhood of \$9.6 or \$9.7 million, they said that was a tremendous amount of money, and I was merely stating that when the Minister stood up to say how well it was going with only an investment of \$25,000 start-up money for a pre-opening campaign; that to stand up and say that it's 72 percent occupied seemed to me to indicate that obviously — people have been telling me that a number of government departments, government related situations have been up there, and I said that propping up by the government — I don't care if it's the Minister or a Deputy Minister in another department — but somebody is suggesting to people — (Interjection)— Or a university. Somebody is suggesting that they go up to Hecla Island. It was just an observation and I was trying to seek information. The question I asked was a simple one, and could have been answered by a straight yes or no. Did the Minister or anyone to his knowledge in government issue a directive ordering the government people to use Hecla Island? So that was a straight yes or no. Under this Section I'll just leave those comments be.

**MR. SPEAKER:** The Honourable Minister of Tourism.

**MR. HANUSCHAK:** In a simple two-letter word, the answer is no.

**MR. SPEAKER:** The Honourable Member for Assiniboia.

**MR. PATRICK:** Mr. Speaker, I have a couple more questions before we get off this item. I can't see where I can bring it up again.

This afternoon the Minister indicated that up to the present time there has been about 15 cottages developed on Hecla. The hotel has an accommodation of approximately 60 units and there were somewhere in the neighbourhood of maybe six private cabins that were probably there from before. There is two things that I would like to ask the Minister. I understand that the senior citizens get passes to the park every year, they are issued every year. I wonder if the Minister has given any consideration to issuing permanent passes to the senior citizens so you don't have to go through the procedure of issuing them every year. I believe the Province of Ontario does issue permanent passes to all its senior citizens and they don't have to go through the procedure of issuing them every year.

My other point is in respect to the whole Hecla Island Development, the whole Provincial Park. In my opinion — and I have been there, it's a beautiful island, it's a beautiful site. I think it could be one of the best in this province if it's developed properly. My only concern would be that it is much further from the City say than the Whiteshell and it may not be on the same type of transportation or highway system that we have to the Whiteshell and you may not get as many people to that park. But to have that park be really successful, it would need a pretty good base of tourists in there not only on the weekends; I think that you need tourists there for at least three and a half months or four months of the year and perhaps during some other time. I believe that that park has a great potential of having that but I think that park will need a base of some kind more than just the weekend sort of tourist attraction. I know that the Minister last year or the year before, it was indicated that this park will be different than the other provincial parks and it will be more of a camping and a tenting park instead of more residential summer home development.

My concern is you have to hire staff and personnel, say, beginning of May or first part of May anyhow for the park maintenance, for the golf course, for the hotel, for operating the rental units that you have for summer accommodation, you have to have the staff in place. It is pretty expensive to have the staff in place for weekends with the exception maybe a certain time in July. My recommendation to the Minister would be would he give consideration or has he examined that instead of just, say, camping and tenting, would he give consideration — and I am not saying maybe lakeshore properties — to subdivision or to development of lots because there is a lot of space, a



tremendous lot of room in the two parks, say in Hecla and in the other one, across the causeway. There is all kinds of room in there and I am not saying that lakeshore property should be developed but why not subdivide part of the area that is quite attractive and tender the lots or let the people have an option to tender the lots and lease them just like we do in the Whiteshell on the same basis. So if we develop 200 lots one year and 200 the next year, then you have a base of 300 or 400 cottage owners there not only starting in May that they are coming there weekends but their friends are coming there staying at the hotel and the other unit, there is more participation on the golf course and then the whole park is getting the kind of activity that you are not only occupying it during weekends for a couple of months of the year.

With the popularity of cross-country skiing that has caught on so rapidly in Manitoba, there is another attraction that cross-country skiing trails could be developed in there and I think it — now again I don't know if the hotel or motel will be staying open, the lodge, will be staying open all year or just during the tourist season. That's another factor because it may be pretty expensive to keep it open all year round if you are not generating enough people going to that lodge. I still feel the concept may have been fine to establish it as a camping and a tenting park but I think that you have to have the people in place, you have to have services in place and maybe have it a little more than just a weekend tourist attraction, to have it an all-year attraction. I think that maybe the government can give consideration to see if there is any possibility of a small subdivision to let the people have an opportunity to bid or tender on lots and lease. Start with a minimum of 50 or 100 and if it is attractive and this is what the people want, perhaps you can develop a little larger. But I think that there is all kinds of space, there's all kinds of room for that type of development. I wonder if the Minister can give me some of the answers to the questions I am posing to him: has there been any consideration given to that.

The other point — I perhaps was out of the House and if he has discussed this and answered the question in respect to Nopiming Park. If he has, then perhaps I can read it in Hansard. I know when it was announced last year, last session, it was indicated by the then Minister that there will be activity taking place. In fact, I believe it was indicated there would quite a bit of road built including some cottage sites. There would be a lodge built, day-use boat launching lodge and picnic areas, facilities, and some water access points and some washroom facilities. With the recent government program that has been just announced in respect to job-creating and job opportunities, I think this is one area that some of the jobs can be put to use because development of that kind I would say would be quite labour-intensive. Is there any activity that has taken place as far as Nopiming Park? What kind of road connections have been developed to the park and through that park? Has there been any cottage sites developed, has there been any lodges built and has there been any picnic areas developed on it? I know there was quite an extensive report to the House by the then Minister. In fact, we had a couple of news releases after that what would take place and I think what an opportunity for the government this year because of the requirement of the Job-Creation Program and I would say that would be one area that we can put some of that money to use. My concern is what has been developed, if anything, at Nopiming Park, the access roads, is there any lodging facilities available and washrooms and so on. So can the Minister perhaps give me some answers.

**MR. CHAIRMAN:** The Honourable Minister of Tourism.

**MR. HANUSCHAK:** Mr. Chairman, in response to the first question posed by the honourable member, the senior citizens' passes are renewed — park passes, that is — are issued annually. The individual need not re-apply from year to year; it is issued automatically. Now, if the honourable member is suggesting some form of permanent, lifetime pass that the senior citizen be offered, well I'll have to take that under advisement. Perhaps that may be possible; I'd want my staff to take a look at it. I don't know, there might be some administrative details or problems that I am not aware of, but it is certainly something that we would look at.

With respect to cottage facilities the Honourable Member for Assiniboia made reference to the distance differential between Falcon and Hecla. The difference in distance is only about 16 miles or so, 94 miles to Falcon, 110 to Hecla, so the difference isn't all that great. Now the honourable member is quite right that if one wants to depend strictly on camping and tenting or to use a park exclusively for camping and tenting, or park within any area that the problem the honourable member speaks of is exactly what happens: that your get peak load in utilization weekends, drops off in midweek and in the meantime you've got staff. It is easier to hire a staff for the two or three-month period, employed five days a week than it is just for a couple of days a week and that sort of thing. But really, Grindstone Point isn't that far away from Hecla Island. In fact, when one looks at the Whiteshell, when one is out in the Whiteshell, it is not uncommon to drive several miles either to a lake or a beach for swimming or boating, water-skiing or fishing or whatever. The distance is about 30 some odd miles, 35 miles from the Hecla core area to Grindstone and six miles by boat in the summertime, so it is not that great. And really, we are looking at Grindstone Point as the cottage development area. Grindstone Point has a potential for development up to 3,500 units. So, as Grindstone Point grows, and no doubt, it will be a source of supply of users of the Hecla Island facilities; and then the honourable member is correct

with winter sports gaining popularity and Hecla Island has a cross-country and power tobogganing ski trails and so forth. It really will be no different driving from Grindstone Point to Hecla Island than it is from Winnipeg to some of the nearby cross-country skiing or power tobogganing areas such as the one in Birds Hill, a few miles farther; well, no, not even a few miles farther because if you drive to Birds Hill from the south end of Winnipeg from the Fort Garry area, St. Norbert, it is a pretty fair drive too. So distance-wise, it's roughly about the same proportions.

With reference to Nopiming Park, 36 miles, and I did make some reference to the building of the road. I think I made reference to it in my opening remarks, and if not then, I did this afternoon at one point in time when I made reference to the road that was built connecting the two PRs. So there's 36 miles of road that was built last year through Nopiming connecting Cat Lake with Beresford Lake. Insofar as other facilities, as plans for cottage subdivisions, that is presently under study. It is our intention to move in that direction and to provide for such facilities, but our study and research of that is not complete at this point in time but we are working on it.

**MR. PATRICK:** Mr. Chairman, on Grindstone Point, how many lots have been leased at the present time?

**MR. HANUSCHAK:** About 150 have been leased so far.

**MR. PATRICK:** Can the Minister perhaps indicate how many have been developed as of the present time or what is the . . . for somebody that gets a lot? I believe it is by tender, if I am not mistaken. How do the people get their lots? If they get it by tender then how many have been developed to the present time and how many are there available? If 150 have been leased, is there another group of lots that will be put on the market for tender for people? What is the number that could be made available to the people at the present time?

**MR. HANUSCHAK:** There are about 60 some odd that are under development at some stage of development, some stage of construction. In addition to those which have been let out now, there will be 60 to 70 that will be put up for public tender this year, so that will increase the total to over 200, in that order. That will be in the within the next couple of weeks and then there will be more later this summer.

**MR. PATRICK:** The potential up there is for a considerable amount. Is any of those lots — I believe the Minister said up to 3,500 — are any of those lots lakeshore lots or properties or is it all back lots?

**MR. HANUSCHAK:** I believe a third of those of lots are lakeshore lots.

**MR. PATRICK:** Mr. Chairman, there will be no lots of that nature on Hecla. I don't mean lakeshore or even back tier lots.

**MR. HANUSCHAK:** No, at the present time there is nothing in our plans for cottage subdivision on Hecla.

**MR. CHAIRMAN:** The Honourable Member for Virden.

**MR. MORRIS MCGREGOR:** Mr. Chairman, I would like to question the Minister. In the Virden Constituency we don't have any provincial parks or federal parks, but not far off from those boundaries is Oak Lake and the park at Rivers, Wahtopanah Beach, and I would just wonder what the department's intention is in regard to either one of these resorts. If you take my opinion and my suggestion, I think we have enough expansion at Oak Lake. I know many years ago when we were on the government benches, we expropriated, it was a tough fight there, it was the right move. But today, inasmuch as they do have quite a bit of government property, they have a big play area, a big park area, a ballpark area and many of the residents who are there continually are asking is the government going to expand here or is it not. And I really think they have enough there. They have a big beach, a good beach and I frequent it very often in the summertime and it's true two or three Sundays, it is almost congested, but it is really not that terribly congested the rest of the year. I think if the Minister would come out now, and say for the next ten years, there is no real expansion plans at Oak Lake, it would put those people that either have their lease on it or own their property at least they would go ahead and upgrade their cottages. Many have done this but under much doubt as when the government is going to come along and either buy them out, expropriate them out.

By comparison on the east side of my constituency is Wahtopanah, the Rivers dam and beach, and there you have a pretty good parking space but as far as trailer space of that sort they are very, very limited. I don't go there myself because if you go there, you can't even find a table to put your basket lunch on. And while the government — and I congratulate them — in the last year and a half of purchasing the land known as the Grant property. It's been years and years struggling and I am glad that they were able to agree to a price without expropriation action. I think this action was popular by anyone in the general Rivers area and the question is when are they going to do something with that land they purchased. This is accommodating people from the City of Brandon and that general area because both Oak Lake and Rivers, both drain people from Brandon. Oak Lake has a better reputation of its own; it doesn't need any building, I don't believe what but I do think to make Rivers or Wahtopanah Beach it should be and it could be now that the government has the land, when are they going to spend a few more bucks and make the parking facilities. I am thinking mainly of trailer

parking overnight or weekend. Now it's just extremely limited and therefore the cafe that goes with it hardly gets a good business because there isn't enough campers there all the time. I wonder if the Minister could bring us up-to-date on this.

**MR. HANUSCHAK:** Mr. Chairman, with reference to Oak Lake, he and the users of the Oak Lake facility ought to know that the development of Oak Lake is to the fullest extent possible so there will be no further development of that area. Far as Wahtopanah Beach at the Rivers reservoir is concerned, the honourable member is quite right that many a weekend, it is extremely crowded and that the trailer camping parking lots are inadequate and there is need for expansion there. The area, in time, will be expanded, that we are presently studying; that's under review. It's only recently that we completed the assembly of all the land for it and now that we have the land and know what block of land we are going to be working with, now we can proceed with the planning of the development of that park area to make adequate space for day use, camping use, for camping, both tenting and trailer as well as the provisions whatever other facilities and services a park area of that kind would require. But that is in its planning stages now.

**MR. CHAIRMAN:** The Honourable for Virden.

**MR. MORRIS MCGREGOR:** Mr. Chairman, would it be fair to look say in the next twelve months to have some progress in this particular field. In any case I would certainly like to invite the Minister either at Rivers or Oak Lake to really see that in the summer time when he is touring out that way. I generally use Ministers of the Crown pretty hospitable. If I can work around to get some credit out of them I do it too. But I welcome him to Rivers and Virden.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. HANUSCHAK:** As far as the next twelve months with reference to Rivers I don't think that the honourable member will be able to receive much more than a progress report, but no, toward the end of the twelve month period I hope that I will be able to indicate to the honourable member that they will get appropriation in the 1978-79 Estimates for Wahtopanah Beach at Rivers.

**MR. CHAIRMAN:** The Honourable Member for Assiniboia.

**MR. PATRICK:** Mr. Chairman, I would like a report on one more park in the province and that is Birds Hill Park. I don't know if the Minister gave us any report or not when he introduced the Estimates in respect to the kind of utilization that it is getting during the summer with a close proximity to a city the size of Winnipeg. My biggest concern is what kind of utilization is the camping ground getting, the camping and the tenting at Birds Hill Park. I know at one time when the Park was announced, it was a huge number of — in the thousands that would be available for campers to park their camping facilities — I don't know if that has been developed to its fullest extent or fullest potential or not. But I would like to know what kind of utilization it is getting. I know at one time it was also announced that in that park there was supposed to be two golf courses and then it was reduced to one golf course. Is this still in the planning stage or what has transpired? My first concern would be what kind of utilization are we getting insofar as the camping grounds, by that I mean overnight utilization for campers, and how many is there available and what is utilized during the summer. Are they all utilized to the fullest extent. Also on the golf course too.

**MR. HANUSCHAK:** Insofar as day use of Birds Hill Park, it runs at about 600,000 per year. Camping — I may refer the honourable member to the Annual Report for the year 1975-76, which gives a breakdown of traffic attendance on a regional basis — Page 32 of the Report — on a regional basis and also on a park by park basis. The honourable member may note that for the four years shown there, Birds Hill show practically, I would say roughly about, well over a 25 percent increase in park attendance from 124,000 in 1972 to 158,500 in 1975. I do not have the 1976 figures at my fingertips, but I am quite satisfied that they are significantly higher than 1975 so that the utilization is still increasing of that park facility.

In fact, when they find that that is one park, you know, over that period of time with the exception of a slight drop from 1973 to 1974, but then there was a significant increase from 1974 to 1975, from 132,000 to 158,000, an increase of some 26,000, which is in the order of 20 percent. So there certainly is increased utilization. Not only that, but there is also increased utilization of Birds Hill Park during the winter season. It is a very popular area for both cross-country skiers and power tobogganers who use the park facility quite frequently. And the horseback riders perhaps to some extent in the winter. I am advised — I thought it was only a tally-ho that was popular in the winter time but also horseback riding is very popular in the winter time too.

**MR. PATRICK:** Mr. Chairman, I wondered if the Minister must have forgot camp spot facilities. What is the number of camp spot facilities that are available? How many? — (Interjection) — 300, is that all that has been developed? That's all that has been developed and can the Minister indicate are they fully utilized or what?

**MR. HANUSCHAK:** The 300 camping sites plus a very large overflow unit — you know, for those who have been out in Birds Hill Park the fringe area, the overflow unit is just about as comfortable and as private as many of the camp sites are. You know, because of the lay of the land and the wooded area around the field and a couple of wooded bluffs in the centre of it. The overflow would hold at

least another 300 or so.

**MR. PATRICK:** Mr. Chairman, at one time, I don't know if the demand is still great, but there was a very serious demand in around the City of Winnipeg where people with campers and tenting had no place to park their facilities in the City proper. There were just no facilities. I know there are some private facilities along the highway, but when the Park was discussed a few years ago and was debated, they were talking that there would be enough camper spots facilities up to 2,000, 3,000 or 4,000, it was not in the hundreds, it was in the thousands. Is there this type of facilities? Is there a need for it or if there is a need — if we are utilizing the overflow all the time is it worthwhile developing because it is so close to the City. Firstly, my first question was: Was it not utilized and if it is over-utilized, when the space is there, is it worthwhile to develop the extra camping requirement that is necessary?

**MR. HANUSCHAK:** Well, first I wasn't quite certain whether the honourable member was talking about some camper storage facility for the winter or for overflow use. Well, this is something that we would want to look at.

**MR. CHAIRMAN:** Resolution 107(b)(1)(a) Salaries \$752,300—pass; (b)(1)(b) \$195,300—pass; (b)(2) Field Administration - \$815,800, (a) Salaries—pass; Other Expenditures (b) \$440,900—pass; (3) Park Maintenance and Operation (a) \$5,422,300. The Honourable Member for La Verendrye.

**MR. BANMAN:** I wonder if the Minister could tell us how many people are employed in the STEP Program with regard to park maintenance and park operations?

**MR. HANUSCHAK:** No, there are none in park maintenance, not under the STEP Program. They are hired as department employees for the season.

I believe it was the Honourable Member for La Verendrye who asked me quite early in the consideration of the Estimates of my department, for a staff breakdown. So many of the departmental or casual employees that are hired for the summer season come under that category and in the eastern region there are 331 staff man years, northern 56, western 106, and 56 which are classified as head office, for a total of 551.

**MR. CHAIRMAN:** Resolution 107. The Honourable Member for La Verendrye.

**MR. BANMAN:** I wonder if the Minister could tell us if, and I apologize if I didn't pick that up before, roughly what kind of revenues are derived from the sale of season tickets into the Whiteshell and to Provincial Parks and daily passes?

**MR. HANUSCHAK:** \$808,500 from camping permits, \$487,700 park entrance fees. I'm sorry, that's for the province. 808,000 camping permits. Well, I'll give the more precise figures, I was just rounding them off to the nearest thousand. 808,500 camping permits; park entrance, 487,700; lot rental for summer homes, 657,400; lot rental commercial, 150,000; golf course fees, 110,000; ski tow, 40,000; rental for the cabins, 38,000; garden plots, 9,000; and there is 46,500 which would be simply called miscellaneous leases and stuff like that; for a total of \$2,347,100.00.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** Under this Section, I'm reading from the Report here. It says the two pilot programs, the rental of garden plots and vacation cabins, were met with enthusiasm by the public. The Report indicates a movement towards complete success and I wondered if you had mentioned that you made \$38,000 on the cabins and \$9,000 on the garden plots, would you be able to give me the maintenance costs of those two sections?

Do you anticipate further revenues now that you have the extra golf course at your disposal? You mentioned \$110,000 — can you project an increase in that this year?

**MR. HANUSCHAK:** This is for the forthcoming fiscal year? Insofar as the maintenance costs of the cabins, it is roughly \$38,000. As I indicated to the honourable member before the dinner hour that the rent was set to cover maintenance.

**MR. CHAIRMAN:** The Honourable Member for Assiniboia.

**MR. PATRICK:** Mr. Chairman, perhaps the Minister can indicate how many — the rent here I say is \$657,000 for rental of lots, cottage lots. I believe that's in the whole province when he said 657 — how many cottage lots would we have under lease program that are not purchased out — (Interjection) — 6,500 lots. Can the Minister also indicate to me are most parks paying their way with exception — I'm not taking capital investment into consideration, but the maintenance like of the golf course and the maintenance of roads, facilities, garbage pickup and everything else. Can the Minister indicate what is . . . ?

**MR. HANUSCHAK:** The answer is brief. There is no park that pays its own way in Manitoba nor does any park pay its own way anywhere in the world. If a park were to pay its own way from the admission fees that is charged to the users then the fees that we charge would have to be much much higher than what they presently are. I suppose if one would take a pencil and paper one could make a rough calculation fairly rapidly to determine what fee should be charged. The fees that we charge in total cover roughly about 35 percent of the operating costs of our parks.

**MR. PATRICK:** Perhaps this is an unfair example if we use Falcon Lake as it's probably over-

utilized. With all the park entrance again, you would have to apportion the park entrance because that is where the people buy them and usually that's what they'll use most of the time. With the park entrance and the golf course fees and any other revenue that is derived from that park, it would also only pay 35 percent of the total cost of operating? I'm not talking about repayment of the capital investment. I'm talking strictly of the operation from a year to year basis. That park would also only run 35 percent?

**MR. HANUSCHAK:** No, this is the average for all the parks in the province. I would suspect that the revenue earned at Falcon Lake would be somewhat higher than that in most parks. In other words, I suppose that most of the park entrance fees may be bought at Falcon Lake and then the park entrance fee that is picked up at Falcon Lake will show up on their books, but will not show up at Grand Beach or Hecla Island or Duck Mountain or Spruce Woods or wherever. And because it's a park entrance fee which is valid in any provincial park I don't know if there will be much useful purpose accomplished in doing that type of an analysis by attempting to relate park revenue from one park to the cost of its operation, not unless one did some expensive and extensive survey. I would suspect that it will have to be fairly extensive and expensive to make it meaningful because as I have indicated, one may buy a season's pass to Birds Hill and only go to Birds Hill once for the season and spend a couple of weeks in the Whiteshell or *vice versa*; or may spend some time in a number of parks because the pass is honoured at every park. So for that reason, I don't know if much will be gained by doing that type of analysis.

**MR. PATRICK:** Well, the other question I would like to ask the Minister for instance, instead of the government developing, say 'all the facilities in the parks like structures, stores and so on, has it been ever considered to tender to somebody who that would like to develop that kind of facility and operate it on a year-round basis. For instance, the two motels at Falcon were, I believe, developed privately, one met with great success, the other one, I know did have some difficulties. Was that same consideration given, say, in Hecla? Would anybody have ventured to invest any money not knowing what the tourist trade would be in an all-year-round basis. I know on a seasonal basis, it is probably very difficult to get anybody to develop. I am just posing that question to the Minister. Has that consideration been given?

**MR. HANUSCHAK:** Well, I can assure the Honourable Member for Assiniboia that there was not a line-up of private investors to invest in Hecla Island.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** Mr. Chairman, I find the revenue projection of \$110,000 for the golfing rather low in my estimation and possibly it might be explained if some answers come up. When all these packages are put together, that includes a round of golf, is there any cross bookkeeping? By that I mean, you are going to have Northlands Inns Ltd. and maybe the Minister could explain, is Northlands Inns Ltd. keeping all the money and the golf course paying the maintenance? In other words, would it be safe to say that it is possibly there is possibly some charges that may be in this \$7.7 million. I don't know the maintenance for Hecla itself but would you be able to hide some of the possible expenses that the hotel complex might have by all this revenue that generates through packages that include golf and what have you? Would there be any payment to the particular golf course arm if it is separate? What I mean is, is Northlands Inns Ltd. going to be operating the golf course and the pro shop? I understood they weren't. So if they're not, looking at it from the point of view that the golf course — we're trying to look at the revenue side — who operates the pro shop and what protection have the taxpayers got that all the green fees that are coming to it will be collected? Maybe the Minister can explain that procedure.

**MR. HANUSCHAK:** The pro shop is leased out, the same as I believe it is at Falcon. The golf course is operated by the park, the lodge by Northlands Inns. Insofar as selling tour packages by Northlands Inns, there's separate bookkeeping kept. Northlands Inns, for whatever guests of theirs use the golf course, Northlands Inns pays on their behalf to the golf course at the regular, normal fee.

**MR. WILSON:** Under the hotel section, Northlands Inns Ltd., there will be a section where they're going to have maintenance for their grounds and that, it won't be hidden in the Parks' budget.

**MR. HANUSCHAK:** There will be some maintenance responsibility as there is in other parks. I would suspect that roads and perhaps even bring some of the services to the lodge, that will be an expense item picked up by the Parks. But insofar as the lodge proper, the grounds immediately adjacent to it, that could be identified as part of the lodge area; the parking lots and the landscaped area around it, that would be an operating expenditure charged to Northlands Inns.

**MR. WILSON:** Okay. Very quickly. I have two very brief questions. One is, could you give me the anticipated deficit for the entire Hecla complex if possible? And the other is, pertaining to Grand Beach which I assume is under the Parks Department as well. Grand Beach, is that under —

**MR. HANUSCHAK:** Yes.

**MR. WILSON:** I wonder if you can tell me, because you mentioned you didn't anticipate any further capital expenditures in the Grand Beach area — with what we have there, could you possibly indicate how many tenders are there for the Grand Beach concessions and how do you go about the

tendering for the three concessions on the lake front — the store and the laundromat at the east beach, and the west beach store. Are these given out in a regular tender system? I understand Councillor Skowron has recently sold his store at the beach and I wondered how the new tendering has gone for that. Those are the types of things. In other words, the existing capital things that you have out there, how are you going to find new people for them?

**MR. HANUSCHAK:** In response to the first question posed by the Honourable Member for Wolseley, debts at the Hecla Island Park, I am sorry I cannot give the honourable member the answer for that question for the same reason that I have given in response to a similar question from the Honourable Member for Assiniboia — because of the fact that we sell season passes to parks that are valid at all provincial parks and so forth.

As far as Grand Beach is concerned, tenders are advertised and the best bids are accepted. This year, all the concessions will be combined as one operation. Rather than operating them as separate concessions, they would be grouped into one and run as one and leased out to one contractor.

**MR. CHAIRMAN:** The Honourable Member for Assiniboia.

**MR. PATRICK:** Mr. Chairman, not so much as a question, I just have a couple of statements. I hope that the department will keep up with maintaining some of the forest trails that we have in the Whiteshell. I believe it is one of the finest things that the parks have developed and I am sure from the comments that they get in the bulletins that they put out right in the forest of any comments about the parks, people from far away have taken the opportunity to walk the trails and certainly have made some great comments. I think even people from Winnipeg that have taken the opportunity to walk the trails, they found it was one of the finest things. Unfortunately, some of them are vandalized and it is just too bad. I hope that they will be maintained because I know where the flags and the markers are, some of them were pulled out and thrown away. I know the time that I went through, if we found one, we replaced it. But I think it is worthwhile for many people that they do — and there were many people walking through the forests. So that was, I think, a good thing and I hope they will maintain it.

The other one, I think it is great that the department has a reduced fare for our senior citizens on the golf courses. I am not at that age yet, but I'm getting there, and I have taken the opportunity last year to golf with a couple of senior citizens' groups. I think it is really worthwhile because most of them only golf nine holes. I've arranged for a group going to Hecla the beginning of June and I understand the arrangements have been finalized for that group of senior citizens from the City of Winnipeg. I think that if they would have to pay the regular fare maybe be another little obstacle but this way they certainly go out and enjoy themselves.

Perhaps the Minister can maybe communicate with the Minister responsible for our natural resources in respect to fishing at Falcon and West Hawk. Not too long ago — when I say not too long ago, 15, 20 years ago — either one of the lakes were quite good for sport fishing. A lot of people like to get out and do that and I'd say in the last four or five years there is. Has the almost none been lake restocked? I know he is not the appropriate Minister but I hope he would check if the lakes are restocked with fish or not because it doesn't appear that they are, unless there is just too many boats on those lakes and it may be so, that the fish just can't survive. Is the Minister or the government considering opening any lakes in the Whiteshell, I know it's been asked, perhaps a lake where no motorized boats can be used, say, strictly canoes and rowboat type. A lot of people are beginning to use that I know in the Whiteshell and are getting back to that type of recreation and enjoying it. Has the Minister given any consideration to that type of development?

**MR. HANUSCHAK:** Mr. Chairman, it is encouraging to hear that our forest trails are appreciated and his comments and suggestions my department will certainly make note of them.

I agree with the honourable member it is regrettable that on occasion it is difficult to keep on the heels of vandals who regretfully do appear on the scene from time to time and will destroy markers and so forth, thus making the use of our forest trails or whatever facility it may be, somewhat less pleasant to others, to those who come out purely for the enjoyment of the outing.

As far as the fish are concerned — and I was checking with my staff whether there is a problem or not — it reminds me, Mr. Chairman, of a book that I read some time ago, in no way related to parks, but rather to education, The Sabre Tooth Curriculum, which traces the origins of education and the reason why schools had to be established and schools had to be established to teach people how to fish. The problem that arose then was that the dumber fish were caught and then only the species of the smarter ones were procreated that swam in deeper waters, in murkier waters, in swifter waters, so man had to go to school to learn how to outwit the fish. The sports fishing biologists tell us that the fish populations have not declined but that they have just become more wary.

Now, as far as boating regulations are concerned, we are looking at drafting and preparing boating regulations but no decisions have yet been made on that point.

**MR. CHAIRMAN:** Resolution 107(3)(a) \$5,422,300 — pass; (b) Other Expenditures — \$2,355,100. The Honourable Member for La Verendrye.

**MR. BANMAN:** I wonder if the Minister could tell us if there are funds allotted in this particular part for the completion of the Marina or the boat docking at Falcon Lake, which I understand has not been

completed as yet.

**MR. HANUSCHAK:** Mr. Chairman, there is no capital under this.

**MR. BANMAN:** No capital, okay.

**MR. CHAIRMAN:** (b) — pass. (b)(4)(a) Special Studies and Projects — Salaries and Wages \$146,100 — pass; (b) Other Expenditures \$92,500 — pass. (5) Grant Assistance — \$2,654,100. The Honourable Member for La Verendrye.

**MR. BANMAN:** I wonder if the Minister could give us a breakdown of where the grants went.

**MR. HANUSCHAK:** Yes, Mr. Chairman. This appropriation consists primarily of, in fact, better than 98 percent consists of one grant to the City of Winnipeg pursuant to the arrangement with the City of Winnipeg for the operation of Assiniboine Park. So the grant to the City of Winnipeg for the operation of the park and zoo is estimated at \$2,570,600.00. That was our estimate but I would suspect that as of recent times we probably have a more accurate figure on that because this was the figure we put in before the City of Winnipeg had completed its budget, and the final figure will be somewhat in excess of \$2.6 million, about \$60,000 or \$70,000 higher, about \$70,000 more than what is included in here, and \$3,300 for bus service to Birds Hill Park that the City of Winnipeg Transit transit provides, and a grant to the International Peace Gardens of \$30,200.00.

**MR. CHAIRMAN:** Resolution 107(b)(5) Grant Assistance \$2,654,100 — pass. Resolution 107(c) Historical Resources (1) Salaries — \$107,900. The Honourable Member for La Verendrye.

**MR. BANMAN:** Thank you. I wonder if the Minister could inform us if some of these moneys in this appropriation go to any of the museums in the province or is this strictly to do with historical sites such as different roadside historical sites and that type of thing.

**MR. HANUSCHAK:** I note, Mr. Chairman, that the honourable member is looking at (c)(3) Grant Assistance. The answer to his question is yes. In fact, a major portion of the \$122,500 is museum grants. That's the operating assistance to approximately 62 museums. The maximum grant is \$2,000. It's a dollar for dollar matching grant up to a maximum of \$2,000. So that's the \$100,000. I am not sure, Mr. Chairman, because as I have reminded you, we are on (c)(3) and I don't know if you want to go back to (c)(1) and (2). But if the Committee is objecting I will give the details of that grant — (Interjection)— You'll pass the other two. Okay. Museum Grant - \$100,000; Manitoba Historical Society - \$15,500; the Historical Society of St. Boniface - \$7,000; for a total of \$122,500.00.

**MR. CHAIRMAN:** Resolution 107(c)(1). I wonder if we can pass these two items to get down to the Grant Assistance. Agreed? The Honourable Member for Fort Rouge on 107(c)(1) Salaries - \$107,900.00.

**MR. AXWORTHY:** Mr. Chairman, I just wanted to get from the Minister if he would consider this would be the item to discuss the existence of the Heritage Foundation and the work or non-existent work that it may be doing. Is this the proper item to raise that question now? — (Interjection)— Mr. Chairman, I just wanted to inquire as to the whereabouts of the Heritage Foundation. We passed an Act in this House two years ago with some degree of fanfare, I suppose, about the interest that the province was going to express in setting up a foundation that would have matching grant systems to preserve a variety of historical buildings and artifacts in areas of the Province of Manitoba. It seemed like an awfully good idea at the time, except that the Heritage Foundation has now disappeared from sight. We don't know where it is, we don't know what it's been doing. It certainly has not been in the forefront of any attempts at preservation or restoration or historical rehabilitation.

In fact, the only agency working in this area is the Federal Government's group right now which is putting some money into one older part of the City of Winnipeg, and yet there is no question that there is a high degree of interest in the preservation of many of these items and that this foundation was supposed to provide the vehicle by which the province would be able to not only put its own funds but also recruit private funds.

So, Mr. Chairman, I would just be curious as to where the Foundation is, what it's doing and what kind of intentions the government may have for it, if they decide to activate it and bring it back into active status again.

**MR. HANUSCHAK:** Well, Mr. Chairman, quite to the contrary, the Honourable Member for Fort Rouge said that the Heritage Foundation disappeared out of sight. The Heritage Foundation has come into being and is very much alive and well. A Board has been established under the chairmanship of Stewart Martin. It was established late last calendar year. Up to this point in time it has held two meetings. It, of course, has certain powers under the Act, certain things that it can do, and at the present time the Board is reviewing their terms of reference and establishing methods of operation. So they haven't reached the point yet where they'll be in any way involved in the expenditure of moneys as related to Heritage properties and they wouldn't be able to do that until they do the ground work that I have just indicated, reviewing their terms of reference and establishing methods of operation. So that has to come first and once that is done, then it will be able to proceed with its duties and with its role and function as outlined in the Act, and whatever funding it will require for the forthcoming year, that will come from Lotteries revenue.

**MR. AXWORTHY:** Well, Mr. Chairman, I'm pleased to hear that there is a Heritage Foundation in fact in being. I don't think that the Minister can take much pride in the fact though, that the legislation has been on the books for close to two years and that the sum total of achievement has been holding two meetings. I would suggest that in the meantime that the City of Winnipeg, the Province of Manitoba generally, have lost probably hundreds of very valuable, important historical buildings and sites along the way. I can think of one building that was demolished stone by stone. Hundreds, literally hundreds, have disappeared in the meantime. One was demolished stone by stone and transported to Calgary where it has now been recreated — I guess one of the historical buildings. The City of Winnipeg has a list of three or four hundred building sites for which they are listed as historical sites, and many of them have been demolished, boarded up or have been ruined.

Mr. Chairman, this Minister obviously doesn't know what he is doing in this field, because the fact of the matter is that no one knows how many have been extinguished. — (Interjection) — Yes, yes. That happens to be the case, Mr. Chairman. I happen to know that there are a number of areas and sites in the City which have been ignored and neglected even though we have had a Heritage Foundation presumably in existence to, in fact, deal with that kind of item. It would just seem to me that one of the reasons why the Foundation itself has been so slow off the mark to the point where it has not accomplished anything is that there has not been, or still is not, any specific policy or direction from the government as to what it should be doing. Obviously it has not set any budget for it, it hasn't established any terms of reference, it hasn't established its priorities, has taken no role or responsibility in some of the areas where restoration attempts have been tried. As I understand it the Province is playing no role in the Albert Street area of restoration; certainly it absolves itself of any responsibility with the Empire Hotel, has taken no interest in many of the other kinds of historical site preservation issues that have arisen in the City.

So I think, Mr. Chairman, we can very honestly say that the reason why the area of historic preservation has not succeeded and the Foundation has been pretty much a cipher is that again there has been really a lack of policy as to what the government has intended to do or provide any kind of direction or instruction to the Foundation as to what its objectives should be. So I would say that we would be asking the Minister, if nothing else, what he believes should be the role it should be playing. What terms of reference is he going to set for this Foundation? What kind of level of funding is he prepared to provide as a bare minimum so that there can be some major work done in this question of historical site and historical area preservation? I can think, Mr. Chairman, that in some other jurisdictions and other cities in this country where in large parts of older areas, whole neighbourhoods are in fact established as historical preservation areas, and then as a result the funds go forward to help in their preservation generally. So it is just not a site by site, it's not like saving the Hugh J. Macdonald house, but to do other kinds of things along the way to provide for a much more comprehensive kind of designation of areas for full-scale preservation. I would suggest that there are some very critical areas in the City which are in danger of just simply being destroyed or eroded or disappear, which we can never recapture. That's one thing you can't do, you can't recreate the past, you have to try to hold on to it as much as you can. We have already seen very significant areas of that disappear and I would simply ask the Minister why it is that we can only rely at this stage upon the Federal Government assistance for this kind of restoration?

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** I rise to support everything that the Member from Fort Rouge has said and even add my own feeling of one of this particular department has not. . . Well this department has not moved ahead, if you examine, the salaries have gone up from \$87,300 to \$197,900 in looking back at last year's Estimates, yet this year there is a decrease in this section, plus they get a \$50,000 grant from the Federal Government. So I would suggest that not only is this Minister not giving this area any consideration at all, if any, he is in fact going backwards on us. He is not even keeping the Budget at a particular level of consistency. The pleadings that I gave the former Minister when I talked about the old Dunlop Museum, which was used by the riverboats in many of the senior citizen tours. . . I suggest to the Minister he even can go with the Art will point Gallery on a tour of the City which out many of the historical sites. The Minister of Mines and myself have them come by our particular doors as they drive through where we live, and I am sure in many areas of the downtown there is quite a bit of history to these older homes. This seems to be ignored by the Minister.

I remember the former Minister when they were asking \$150,000 and would have taken possibly \$125,000 for the Museum and the contents, and some evaluator that they hired, and I don't know where they got him from, said the stuff was all junk and of questionable value — (Interjection) — Well, the Minister of Public Works says true, he may have been the evaluator, but I spent many an interesting Sunday afternoon there and I thought the place had a lot of history and a lot of Canadiana. And, of course, it was proved because I believe the auction sale, I stand to be corrected, certainly brought over \$100,000, so they would have got the building for nothing. But a member in the former Minister's department did seek information and it was established that this was a particular historical site. Apparently there was a man named Schultz had slept there during the Riel Rebellion and things



like that —(Interjection)— Yes, there was a Schultz and no relation to the First Minister. — (Interjection)— Well, the thing was, you know, it's fine to look back but what a loss. What a loss to the province. They really had a money-making project there and they literally —(Interjection)— Well, the loss was you would have invested \$125,000 and the auctioneer sold the stuff for the trust company, for a California relative or someone, for well over \$110,000 or whatever. You could have got the whole thing for \$125,000 and it would be very interesting to know what the Federal Government or your government paid for the building after it was stripped. I understood that the Spaghetti Factory paid over \$5,000 alone for the stained glass windows. So that's the kind of value that was there, that somebody in your department said was worthless.

So those are the kind of things that annoy me when I see that and in a smaller vein, I see over on Edmonton Street, Mrs. Lemon's house, which was from the Victorian era, was definitely pointed out that it was part of our Manitoba heritage and not only it should have been preserved, but it seems that all of these buildings are being torn down in the name of MHRC. It just seems that the government just doesn't want to look at any type of history that is related. The indications are here in the decreasing budget thing and the only thing that seems to go up is the salaries. I am very disappointed at this Minister's seemingly lack of emphasis in this area, his lack of participation, whether it's in the Empire Hotel or whether it's in some of the houses that, if the zoning changes in my own area, which will come down under the wrecker's hammer. I see on Balmoral Place that Great West Life has torn down most of those houses without a murmur and these are the kind of things that I think that are — (Interjection)— Well, the point is that they are all going down under the wrecker's hammer — (Interjection)— Well, it's got nothing to do with that.

The point is you have a particular Heritage Foundation. You have a particular Section under this Minister's Estimates. I pointed out to the last Minister that he had a bargain, a chance to create a place of interest within 18 miles, a nice Sunday drive. That was ignored. It turned out that it was a money-making situation for the estate and this particular man in California would have sold it to the government at a bargain basement price and they could have made excellent revenue from it. Instead it has now been taken over by the Federal Government after all the Canadianna treasures in it were sold off at auction to Americans and people from Alberta and Ontario. Very little of it stayed in Manitoba because at the auction sale were many agents who . . . it's a known fact they can get 25 percent more for antiques in Alberta than what they sell for in Winnipeg.

I would like one final question if the Minister could indicate. Does the Historical Sites Advisory Board still exist with its fourteen members and what type of field projects has he had this year under archaeology?

**MR. HANUSCHAK:** Well, Mr. Chairman, to listen to the Honourable Member for Fort Rouge one would think that buildings of historic interest and significance are just being demolished, you know, by the dozens day after day when he speaks of hundreds being demolished. I don't know where those hundreds of buildings, where they existed, that have been demolished. I suppose it's his way of exaggerating a point for dramatic effect or for whatever reason. I guess that's his privilege to speak in that fashion.

But the fact of the matter is that an orderly systematic approach to the preservation of Heritage properties has to be made. There is a type of relationship even though it's shown as a separate appropriation, the Canadian Register of Heritage Property. So there is a relationship in the activities between the two, an inter-dependency, and the Board has enjoyed a certain measure of autonomy. If the Honourable Member for Fort Rouge had read the legislation in which it is established, the first section indicates that it has corporate status and as such it has certain powers and responsibilities. The objects of the Foundation are set out in there. The powers of the Foundation are set out in there. And I don't think, Mr. Chairman, that the time of this Committee ought to be taken reading Sections from the Act, which any member of the House can do for himself on his own time.

Now, the Honourable Member for Wolseley on the other hand, in his attempt to identify properties of historic significance, I guess he would be guided by the classified ads. If he would see an older home where the asking price is quite high, he would buy it, because it is old, it's expensive, so it must be of some historic value. He would also read the ads advertising auction sales and if he would see a parade of buyers going down to an auction sale he'll hop in his car and he'll attempt to beat them to the auction sale and buy out all the goods that are being sold there because obviously it must be of historic value, because everybody is buying the stuff. And then somehow he relates historic sites and articles of historic value to money making. He uses Dunlop Museum as an example, that there was a money-making operation that we could have acquired. But I suppose that is the way the honourable member would establish museums, would establish historic sites. You know there are probably old pool rooms that are also money makers and perhaps better money makers than Dunlop's Museum was. . . And I suppose he would establish them as historic sites. —(Interjection)— And old telephone booths, right. In relation to the capital investment there are many old telephone booths that I'm sure are excellent moneymakers. Perhaps he would have them established as historic sites.

Insofar as the contents of a Dunlop Museum are concerned, despite the fact that they may have

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been of value to certain individuals, to those who bought the contents, but that in itself doesn't make it of historic value to us because it really is not part of the history of the Province of Manitoba.

If the honourable member would identify those items which we lost, which are part of our history, then I'd be happy to hear that because over 90 percent of the contents were not Canadian. Mr. Dunlop was quite a collector of antiques, works of art from all over the world and in fact most of the artifacts in his home, which became his museum, were of oriental origin. They were not Canadian. Of course oriental works of art, be it ceramics, pottery, china, whatever, it has a certain value to it and if it's old it probably has an enhanced value and to collectors of items such as that, they were prepared to pay the price that they did, and they paid it. I really don't know whether the contents were sold at that handsome a price or not. I'm not an expert in the acquisition of antiques. I'm not an expert in the evaluation of antiques. But even if they were sold at a handsome price, so to those who appreciated, had a love for the collection of items of the kind that he had within his home, those items are probably worth the money that they paid for them. But if one looked at the contents of his museum from a point of view of preserving something which is symbolic of, typical of, illustrative of Manitoba's history, then the contents of his home were not that. That is the reason why we did not have any interest in acquiring it.

The rectory was of historic significance and that was acquired by Parks Canada and it is being protected by Parks Canada. —(Interjection)— For the information of the honourable member. He wants to know what the selling price of the rectory was, well I understand Parks Canada paid \$75,000 for it.

Now at the present time, rather than do as the Honourable Member for Fort Rouge would have us do — go up and down every street and declare every home — and yes, the Honourable Member for Wolseley did indicate that he concurs with the Member for Fort Rouge — declare every building over a certain age, I would take it, as a historic site. Before we do that — even in those jurisdictions where there may have been a similar program in effect for quite some time and which perhaps are far more advanced than we are by reason of having taken the initiative much before we had, well, much before we had in one sense but perhaps much later than we are in another sense when one takes into account that many of these cities are several hundreds years of age and it was probably only within the last few decades that a real aggressive attempt was made to preserve the historic sites and I'm thinking primarily of some of the European cities. But in order to do that one does not go indiscriminately from home to home, building to building and determine its age and determine that that's going to be a historic site, that that will not be destroyed, that that will not be altered in any way without somebody's permission and so forth. Firstly what we have to do is, well a couple of things: 1) And this is what we're doing at the present time. We have to prepare an inventory of buildings and other properties and we are working on that with the Canadian government and the City administration to establish a list from which an action program can be based. There is a tremendous amount of study that is necessary to determine the historical significance of the buildings, etc. in the province. Just age itself does not make a building of historic significance. There ought to be something about its architectural design, something unique to a certain period in history or some historic event that occurred on or near that area, or some person of outstanding historic note lived there or worked there or whatever, and not just any building at all because it happens to be 60, 70 or 80 years of age.

Now the Canadian Register of Heritage Properties, which we'll come to in a moment when we can get that far in the Estimates, will also assist both the Heritage Foundation and the Department in preparing an orderly and systematic program and when that is done then we could address ourselves to determining the level of support, financial support that the government should be prepared to give for this type of activity, but let first things be done first.

The archaeological activity is as follows: Complete excavation and survey around Lake Wanipigow 20,000; continue excavations at Duck Bay 20,000; the stop site on Trans Canada Highway 20,000; continue excavation at Oscar Point 5,000; and a variety of history research projects, \$11,400.00.

**MR. CHAIRMAN:** Resolution 107(c)(1). The Honourable Member for Wolseley.

**MR. WILSON:** Yes, just for the record. At the time I had pleaded with the government even if there was only 3 percent Canadiana in there to save this site because it also involved itself. It is one of the few occasions when Parks and Tourism fitted well together because that site was a stopping off point, not only of some of the river boats but it also was very close to the City of Winnipeg.

We have a number of people including the Mayor of this City that have cupboards full of Canadiana picture, whether it's the Foote pictures and all those type of history of our city that could be stored at that particular rectory and home for very little money. I think it was a tragic thing that the thing was disposed of in the manner in which it was. The fact that the Federal Government paid \$75,000 for the rectory alone and they sold the items in there for well in excess of \$110 or \$120 thousand shows that it was a profit in itself right from that point of view, from the Minister's point of

view, if it had been purchased by the government. So it was a loss in the tourism aspect. It was a loss to the citizens of Winnipeg and certainly to the area of St. Andrews. It would have been an excellent memory for the gentleman, Mr. Dunlop, who spent all those years compiling those treasures. Thank you.

**MR. CHAIRMAN:** The Minister of Public Works.

**MR. DOERN:** I just wanted to make a short comment in line with what my colleague had said. I suppose unless one is an expert on antiques or historic sites it is sometimes very difficult to assess their value and I would, by way of illustration, explain what was once said to me by Dr. Eckhardt, the former head of the Winnipeg Art Gallery — I think that my total collection of antiques is two, one a sword I bought for \$50.00 in the Clear Lake region of Manitoba and two a so-called Persian Shield I bought in New Orleans five years ago, supposedly 200 years old — and I asked an opinion. I was arming myself for the '73 election. I asked Dr. Eckhardt to give me an opinion on these objects of art and he simply gave me this dictum, which I think is a useful one. He said, just because its old, it doesn't mean it's good and that applies to the value of old objects. He said that there are literally millions and millions and millions of old things around, namely objects, etc. I think that as the Minister pointed out, you need a list of priorities and you also have to have pretty full information. Just because there's an old building about to go under the wrecker's hammer it doesn't necessarily mean that the government should step in and expropriate it and then maintain it at great expense.

We all know that MacDonal House, which we supported, I think is one of the finest examples of a restoration, but it cost an arm and a leg. If I recall the original estimation, it was something like a \$150,000 or so, but it came out at \$500,000.00. Once they got into renovating and the tremendous costs of restoration and labour, it just skyrocketed. So this government I know has done a lot in terms of historic site preservation and will do mor, but you must have a sense of priorities and you must not also be misled by the fact that it might be something old and therefore should automatically be retained.

**MR. CHAIRMAN:** Resolution 107. The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Well, Mr. Chairman, the dictum that the Honourable Minister of Public Works has just related is that not everything that is old is good, but one should have the ability to determine what is good and bad amongst those, and the fact of the matter is that nothing is being done now by the provincial government in this area in terms of the kind of requirements that are expressed on it.

Let me give the Honourable Minister of Tourism and Recreation some indication of the numbers he is dealing with. He doesn't seem to treat them very seriously. The 20,000 units of housing in the City of Winnipeg are presently over 55 years old, and the rate of demolition that takes place annually is between 1,000 to 1,500 per year. That rate will increase because of the introduction of much more stringent city by-laws related to fire codes and related to building codes, many of them which put requirements for a more up-to-date servicing and safety equipment within them, for which there again is no means of support or assistance to introduce or implement.

What it means is that along the way everything gets wiped out. Whole areas get knocked down and get replaced either by open spaces, parking lots or in some instances where the land value justify it or the market takes it, highrise buildings.

So it's not a question of having the Heritage Foundation or the department in conjunction with the City doing some fairly careful site-by-site selections or even going into certain districts or areas of the city which have historical significance, certain river areas, certain older areas, that none of that has been done. There is no such thing as a preservation program going on in the City of Winnipeg at the present time.

If the Minister would care to examine the mandate which I believe he has under this area and look at what has happened in other cities where they designate very large areas of the cities which have, as an are, some historical significance. Not every building in it has to be maintained or has to be made into a historical curio shop, but the mere existence of those buildings and the ambients and environment that they create are in themselves valuable. Even to have this Heritage Foundation providing some degree of support so that original assessment and evaluation could take place would be a major first step. But that isn't even being done. So as a result we are simply having many areas destroyed because of speculative market value considerations with no other alternative being provided.

In all the areas where there is some attempt at individual preservation, it is made much more difficult because there seems to be no inclination or intervention on the part of different levels of government to support it. The only area where there has been any degree of response has been in the Albert Street area where the City of Winnipeg and the Government of Canada have taken some degree of involvement and are prepared to put some money into it, and that's the only area so far in which there has been any effort.

I'm not speaking in this case of just the historical building where some former Premier happened to lay his head or whatever they laid in those days, — pardon the expression. The fact is that there are many areas of the city which in themselves should have a preservation angle brought to it and may

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not even relate to the individual building. It may be restoration of the services in the area, certain kinds of artifacts that give that area some degree of character and vitality to it, whether it's ornamental lighting — There was a time I remember that I can recall with some nostalgia, I guess, in the North end of the city where I grew up when they tore down all the old water basins for horses that used to be there — the old wrought iron horse . . . No one would pretend that that had any economic usefulness, but they did provide a certain degree of character to the city, which is no longer with us. There are still many cities like that, but I'm trying to tell the Minister one simple fact of life, is that we are passing a threshold in this town, a historical threshold in terms of the age of the city and that what may have been satisfactory before in terms of relatively limited effort is no longer suffice and that simply because we're passing through that threshold, it puts a much different onus upon this Heritage Foundation.

When he says, "Well you know, this is an autonomous corporation." I beg to differ, Mr. Chairman. We know how much autonomous corporations are treated or tolerated in that fashion by this government. When we get the opportunity to talk about the Arts Council we'll have plenty of discussion as to how autonomous that particular body is. So we know that in fact, because it is autonomous, and most of these are not autonomous. Any agency or organization that's set up by the government in these areas must have some sense of direction, some policy outline, some degree of commitment as to how much is prepared to be expended so that the priorities can be set within that. Otherwise they are simply fumbling in the dark and that's been the problem, Mr. Chairman. There is no policy or program or term of reference or anything else.

The former Minister will recall that that was the focus of the debate two years ago when the Bill passed, which I did read very carefully because I am concerned about it. We asked the question of the Minister at that time, when was the policy going to come forward. He said, "Let's get the Bill passed and then we'll develop the policy." Well, the Bill's now been passed for close to two years. The policy is still non-existent, and the Minister can no longer get by with simply making excuses, because as a result we are going to be losing many of the — not only the valuable sites themselves, but in fact whole districts and neighbourhoods will simply have their basic character destroyed.

**MR. HANUSCHAK:** Mr. Chairman, the policy guidelines will be developed. The board has been established; it has met twice; it will hold a number of other meetings, and it will be reported back to me. And it will proceed to formulate its own operations and the policy guidelines will come into being, and the honourable member and the rest of the people of Manitoba will hear what they are.

**MR. CHAIRMAN:** Resolution 107(c)(1) Salaries \$107,900—pass? The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** On this area, where obviously, as they have so often in the past, we won't get anywhere with the Minister on this approach, I wonder if we could raise some other questions with him concerning the archeological program of the government and I assume again this is the proper area in which to bring it up. I stand to be corrected, but is this the area of Estimates where this particular program . . . ?

Well, to begin with, Mr. Chairman, it was indicated again last year in the Estimates debate that there were going to be some major amendments brought into the archeological legislation in the province to provide for changes in terms of the role that the government would play in it, and again the kind of expenditures, and the rights that would be involved and I wonder if the Minister can inform us whether that legislation is going to be introduced at this session or whether they are still working on it or what he intends to do in this field?

**MR. HANUSCHAK:** I am still working on it, Mr. Chairman. That legislation will not come forth during this session.

**MR. AXWORTHY:** Mr. Chairman, if we are not going to receive any new legislation, as had been promised last year, I wonder if the Minister would mind telling us then what the present program would be in the way of the question of archeological sites, and what kind of program the government intends to undertake to at least begin cataloguing in some way the many finds that came out of the Hydro digs. It is my understanding that what simply has happened is the Manitoba Archeological Institute Centre has been closed down for lack of support. The province and Hydro indicated they are not prepared to support it any longer. As a result all the artifacts that were recovered from those digs are simply being stored somewhere in a basement or in crates somewhere and, as much as I understand their field, they are not much use to anyone until the kind of research that goes on to find out what should be done about them and what use they are. And I wonder again if the Minister has any position or statement in this area.

**MR. HANUSCHAK:** I gather the honourable member wants a list of all the archeological programs that we are funding?

**MR. AXWORTHY:** Mr. Chairman, what I am interested in again is that there was a major archeological effort undertaken as a result of the flooding in the north by Hydro. The government supported, and Manitoba Hydro paid, for a period of years for a series of digs in these areas. A number — was it \$400,000? — whatever the sum was, a number of artifacts were recovered from these

digs. I now understand that the program has been completed in terms of the digging itself, that they no longer support any of these projects. But what has happened is that all of the artifacts that were recovered have not been catalogued, have not been designated, have not —(Interjection)— well, they are all storing it. It will probably await, Mr. Chairman, for some archeological group several hundred years hence, digging in the ruins of a basement in what used to be downtown Winnipeg, to dig up the bones that were dug up previously from the Manitoba Hydro sites, which may be a wonderful form of make-work employment for a thousand years hence, but I would like to know if there is any intention of doing anything with those particular findings at the present moment.

**MR. HANUSCHAK:** I don't want to interrupt the honourable member. The material which was obtained from the South Indian Lake area is now in the hands of a museum for cataloguing and classification and interpretation. So the cost of doing that is picked up by the museum via the grant that we give it.

**MR. AXWORTHY:** Mr. Chairman, aside from the findings in South Indian Lake, there were many other kinds of archeological digs that were going on at the same time and these are also being stored in someone's basement somewhere and we would like to know what is happening to them. And I think, Mr. Chairman, that beyond that the archeological activity in the province has pretty much ground to a halt, other than whatever private individual efforts are being undertaken, in that in this fairly important area in terms of the recovery of many of the artifacts of Manitoba's history, really that whole activity is now in a situation of limbo, no one knows really what the position of the government is any longer. Since they have closed down the archeological centre, there seems to have been nothing to take its place and there seems to be no direction. I am wondering if the Minister has some proposals in mind, some direction that he intends to elaborate so that this work can once again be undertaken.

**MR. HANUSCHAK:** In the forthcoming year we will be working on the most likely endangered areas which I listed just a few minutes ago to the honourable member —(Interjection)— I'm sorry? In response to the question what archeological excavation is taking place in Manitoba? Yes, I have done that. I remember that very distinctly. And in fact I also gave the breakdown of the exact amount that is spent, of \$76,400. I did that about ten or fifteen minutes ago. Perhaps the honourable member was out of the House, or else his attention may have been directed to something else at that time. Whatever archeological findings we have accumulated, they have all been turned over to the museum. The museum is doing the classification and cataloguing of them.

Now I had mentioned just a moment ago that we were concentrating for the forthcoming year only on the areas that may be endangered within the next fiscal year.

**MR. CHAIRMAN:** Resolution 107(c)(2) Other Expenditures \$157,000—pass. (3) Grant Assistance \$122,500. The Honourable Member for La Verendrye.

**MR. BANMAN:** Thank you, Mr. Chairman, I understand this is the section which deals with grants to museums in the province. I would like to make several comments at this time with regard to the funding and assistance that is being provided to the smaller museums in Manitoba.

First of all I think it would be important if the Minister could tell me if the government is involved in establishing a comprehensive program or a policy for small museums, a guide to outline the help that is available to museums, a guide for the support of these small museums? At present I think the museums — what should happen is there should be different classifications. You've got your basic \$2,000 grant to qualifying museums, but then you've got different sizes of museums and I think that it would be important to sit down and develop a policy whereby we could maybe categorize the different museums in the province and give them support along the lines of the amount of people that they are attracting, the amount of staffing that they are doing. I know the particular museum in my area, the Manitoba Mennonite Museum, has embarked upon fairly large capital construction projects where, for instance, in the Windmill, the government has given them capital money. However when you are dealing with providing somebody for a full-time curator, you are dealing with people who have to come in and conduct tours in the summer, it becomes a fairly large operation and the \$2,000 qualifying grant does not go very far in an instance like that.

The small museums possibly could receive some more help as far as the student summer employment programs are concerned. Maybe the Minister could develop a program whereby summer students could help, possibly cataloguing, guiding tours, and helping generally in the administration of museums in the Province of Manitoba. Here is maybe a positive step forward. We are looking at a development of a comprehensive make-work project this summer and some of those moneys could possibly be funneled in this type of direction. It not only does create temporary employment for summer students because that is the duration of time that we are talking about. For instance the Manitoba Mennonite Museum opened on May 2 officially and runs till the latter part of September, which means that that is the time that these students could be employed. They do need a lot of maintenance and support staff during that time. This I think would be a positive step forward if the museums knew where they were at so that they could develop their policies during the winter

months.

I think the museum awareness in Manitoba is growing quite substantially and the number of tourists that are traveling along our highways and byways that want to take in these types of cultural affairs and museums is also growing in fairly large proportion.

Another area of possible betterment as far as the government is concerned, I think if they would develop a program of proper signing of museums. For instance, I notice that again the local museum has gone ahead and rented a fairly large sign from a company and are going to be advertising the museum that way. And I think all of us, when we are traveling through the States, we have noticed, usually on the roadside, signs, fairly large ones before you come to such things as Carlsbad Caverns or something like that. Already 100 miles ahead they are advertising this particular tourist attraction or facility, and I think this is where we are lacking because we aren't giving the traveling public—for instance along the No. 1 Highway, enough signs to tell them where our facilities are. I think this would be another area where we could possibly better our program as far as helping and facilitating the use of our museums in the province.

Also something else that the Minister should have a look at probably, the museums are developing in a way that they are helping school groups, they are aiding different school groups to come out and in a way enlarge their education as far as facilities and as far as historical values are concerned, and this is an avenue that I think could be further explored by the Minister.

Those are a few basic comments. Just to recap I think the grant structure should be based on the size of the museum. I don't think there is too much difficulty in the Minister identifying which ones are a little larger or which ones are doing a little more. There should be some support salary grant maybe, starting with a certain category of museum for them to hire a trained curator to make sure that everything is catalogued properly and that the restoration and that is going in a manner that it should. And thirdly to provide some incentive or some assistance for student employment in the summer months which these museums desperately need.

**MR. CHAIRMAN:** The Honourable Member for Virden.

**MR. MCGREGOR:** In that vein, I would like to bring to the attention, Mr. Chairman, of your Minister, to deal with the Elkhorn Automobile Museum. Now I visited that only on Saturday last, and Mr. Cliff Clarke, who is the curator, and his concern was the taxes on that building are some \$2,900, and the local municipality has always been kind to them and has waived the local taxes of approximately \$1,900, but the provincial taxes they have demanded to be paid. And his question was you know, really, these types of museums, it does a lot of good for our tourists and takes in a lot of money, is there not a way of waiving, on non-profit type of museums waiving this tax. If the local municipality can do it, surely the government is big enough. It wouldn't be a lot of money and it would encourage . . . that money would be staying there to upgrade that facility. So I just bring this to your attention.

**MR. HANUSCHAK:** The point raised by the Honourable Member for Virden is somewhat related to the first point raised by the Honourable Member for La Verendrye. We are developing a proposal for a new museum policy and under what is envisaged, what is anticipated is very much what the Honourable Member for La Verendrye is suggesting, that it will result in classification of museums, very much in line with the suggestion of the Honourable Member for La Verendrye.

But I would want to indicate to the honourable member at this time that when that policy is finalized, that I will have to be looking for a hell of a lot more money than we can afford to put up now for the support of the museums, because no doubt the level of support would be dependent upon a number of factors. One, it would depend on the size of the museum. Number Two, it would depend on the clientele that it serves—in other words, is it a local one, does it just serve the local community, or is it one of province-wide attraction and interest. It will depend upon the level of service that the museum provides, in terms of is it something that is only open weekends, is it open seven days a week, that sort of thing. And that is a level of service that can be justified for it to provide, because one couldn't very well devise a formula which would simply invite all museums to open their doors around the clock, as it were, in order to get maximum dollars.

Now insofar as technical assistance for museums is concerned, that is available through the extension services of The Museum of Man and Nature, which is a provincial museum serving the entire province in a variety of ways, both in terms of the exhibits that it has for the public visiting it, and also in terms of the professional-technical assistance which it, with its expertise and competence, is capable of providing to smaller museums around the province.

The honourable member's suggestion with respect to offering some type of assistance by way of picking up all or a portion of the tab for staff, that's a good one and I would think, I'm not the one responsible for the program and I really should not speak for it but one might want to look into the employment program that was announced for this summer and there might be something in it because I do distinctly remember that there was a program for assisting local organizations, community groups and so forth. I'm sure that that would not exclude museums, if museums would qualify for that type of assistance.

STEP, that has helped with student museum assistance in previous years; I will have to check to

see whether there is provision for it this year or not. I can't recall offhand whether there is anything in there or not. It seems to me that there is not but it's a good suggestion and between the two programs I would hope that something could be done.

Signing — well, that is a good suggestion that the honourable member made and perhaps something could be devised, some type of readily recognizable identifying sign could be devised that would alert the motorist to the fact that he is approaching a museum. We do have one common sign alerting the motorist to the presence of a site of historical interest but I'm not sure whether that includes museums or not. It probably does not; it may, I'm not sure.

But anyway, I just want to remind the honourable member that if museums want a standard sign, there are other groups in this province who also want standard signs. The operators of private campgrounds want some appropriate sign designed to alert the motorist of the presence of their campground. Their argument is that there are signs along the highway indicating or directing the motorist to the publicly operated campgrounds and they are also offering a service to the motorist so they feel that their presence should be made known to the motorist. And other groups.

So I'm just wondering — and I'm not disagreeing with the suggestion of the Honourable Member for La Verendrye — but I'm just wondering to what extent, you know, we could develop a range of signs because it would seem to me that if the range of signs becomes too broad then they become meaningless to the motorist. But that is something that we would want to look at and there's no doubt that schools are large users of museums and . . . Well, when I was Minister of Education for the past number of years and ever since we became government, one of the points that we stressed — I and my predecessor and it's still being stressed — joint arrangement for the delivery of programs, for the use of facilities between schools and other groups. I would hope that action in that direction would continue in order to minimize the operating costs of all the facilities that a school may use in any given community.

With reference to the point raised by the Honourable Member for Virden, well, rather than deal with it alone, I think that point could best be dealt with in consideration and the preparation of policy guidelines for the grant structure for museums. In other words, when we are looking at the various types of museums, classifying them and reviewing their operating costs, we would be mindful of all their expenses and amongst them, taxes.

When the member made reference to the municipality waiving \$1,900 — their portion of taxes being \$1,900 but then there's the provincial tax — I presume he meant the Foundation Levy, the School Tax, because I'm not aware of any other provincial tax. And even that is not a provincial, it depends on how one interprets provincial tax. What I am saying is, I'm not aware of any tax that a province levies directly on real properties but the Foundation Levy, that is set by the province so I presume that's the tax he is referring to.

But that would have to be dealt with and should be dealt with as part of our overall review of policy with respect to financial support for museums.

**MR. CHAIRMAN:** Resolution 107(c)(3) Grant Assistance \$122,500—pass; (4) Canadian Register of Historic Properties \$50,000—pass.

**MR. BLAKE:** The amount recoverable from the Federal Government, I notice — we don't contribute any of our own funds for this particular program?

**MR. HANUSCHAK:** . . . that is recoverable from the Federal Government.

**MR. CHAIRMAN:** 107(d) Tourist Branch.

**MR. BLAKE:** Do we spend the whole amount on that particular program?

**MR. HANUSCHAK:** It's a new program just starting this fiscal year.

**MR. CHAIRMAN:** 107(d) Tourist Branch (1) Salaries \$644,000.00. The Honourable Member for Assiniboia.

**MR. PATRICK:** Mr. Chairman, I believe I asked a whole series of questions a couple of days ago and the Minister at that time would not reply to any. He said he would under this Department, I believe, when there was some question in respect to how many tourist offices have we got located in Minneapolis and Chicago and what other places have we located and what kind of promotion does the Minister have going for the department at the present time. I hope he would have some of those answers.

**MR. HANUSCHAK:** Yes, Mr. Chairman, I wish to thank the honourable member for reminding me of the questions which he raised earlier in the debate of my Estimates. He had asked a number of questions, some of which related to the earlier resolution and some to Park Resources and so those I will not deal with because I am certain they have adequately been taken care of during our debate earlier today.

But, I'm just selecting the questions that relate to the Tourist Branch. The number of tourists that we attracted to the province during last year is 3,061,000. The honourable member wanted to know where the tourists are coming from; how were they coming? Are they coming by car, by plane, how long do they stay?

All right, where are they coming from: from the United States, and I'll try to give these figures as

concisely as I can. The vast majority, well over 80 percent, come by automobile. For example, of the 1,166,000 tourists who visited from the United States, 915,000 came by automobile. That number is increasing from 852,000 in 1974. In fact, it showed a continuous increase: 852,000, 891,000, to 915,000. Air accounts for about five percent, 57,900. Bus is declining. Air, by the way, it seems to be sort of levelled off at that point for the last three years: 53,000, 60,000, 57,000. Bus is gradually declining from 34,000 in 1974 down to 32,000, down to 27,000. Rail and other accounts for less than 3,000. That's from the south.

From the east and the western portions of the United States, there, too, the automobile is by far the greatest, 153,000, and air, bus, rail 9,000.

Other Canadian visitors: Those Canadians entering Manitoba from the south, that is, from their point of origin they travelled down to the United States and then came back into Manitoba — something in the order of 10 percent followed that route — 204,000 out of a total of 1.8 million. From the east and west, by automobile, 1.3 million; air, rail and bus, one-third of a million.

Foreign visitors: 23,000.

As far as the visitors' origins, of the American visitors, 59 percent are from two states, from the two nearest states, North Dakota and Minnesota; 35 percent from North Dakota and 24 percent from Minnesota. The remaining 41 percent are from the remaining states. Well, Illinois 4 percent; California 4 percent; Wisconsin 4; Michigan 3; Iowa 3; South Dakota 2; Nebraska 2; and 19 percent from the other U.S. states.

As far as the origin of Canadian visitors, in that case 70 percent are from Ontario and Saskatchewan; 44 percent from Ontario and 26 percent from Saskatchewan. Then Alberta is third at 13 percent; British Columbia fourth at 9; Quebec fifth at 3 percent; and other 5 percent.

Of the foreign visitors, from countries other than the United States, there were 23,000 of them and of the 23,000 a little better than a third, 35 percent were from Germany; 30 percent from the United Kingdom and the remaining third, 35 percent from all other countries.

The honourable member also asked a question as to the length of stay. I know I have that information — I don't know if I have it in my Estimates Book here, oh yes, here we are. The average length of stay of Canadians is 3.37 days; the average daily expenditure \$7.04. The average length of stay of the American is about the same, 3.38 days; average daily expenditure \$13.47. The overseas visitors, their average length of stay is 24.40 days and that's quite understandable because they fly on a chartered flight which usually means 21 days or a bit more. The average daily expenditure is \$10.78.

Just as an example of the average expenditure per German visitor, it was \$487.00. The average expenditure for a Japanese visitor, \$550.00. —(Interjection)— That's a statistical research problem that I'm not quite sure . . . The average expenditure per visitor — I have the 1974 and 1975 figures — of course it's increasing and I suppose with inflation it's increasing. . The resident Manitoban spends in the order of \$200.00 a year on vacations, travelling in Manitoba. The Canadian from out of province spends \$23.72 per day; \$45.53, the American; and the overseas, \$263.00.

**MR. PATRICK:** Mr. Chairman, the Minister also took my question as notice, I believe. At that time he said he'd answer later what places or what cities has he got tourist offices established: Minneapolis, Chicago?

**MR. HANUSCHAK:** Just Minneapolis, Mr. chairman. Insofar as the other cities are concerned, the other major centres of the United States, the Canadian Government Office of Tourism has offices there so rather than . . . From the figures that I have read, I have indicated that 60 percent of the American tourist traffic comes from North Dakota and Minnesota. The other 40 percent is spread around across the remaining states of the United States of America. Chicago, as large a city as it is, but we only attract 4 percent of the American tourist traffic from the State of Illinois. So in those centres and other larger centres in the United States, it is more economic and better for us to work via the Canadian Government Office of Tourism, in close liaison with it, and encourage it to give Manitoba as much prominence as possibly can be given to the presence of our province in the hope of attracting tourist traffic to us, rather than establishing an office of our own.

**MR. PATRICK:** Can the Minister indicate what kind of advertising promotion the department has? Does he promote, like some other provinces promote, for instance an Ontario Day in California. It could be a Manitoba Day in Los Angeles or California. When he says, Illinois, we only have a few people from Illinois, maybe it's because we haven't got the type of promotion in that state that we should be having. Certainly we've got a lot of amenities, a lot of lakes, a lot of actually good places that many tourists can come to and spend their time in the way of parks and so on.

**MR. CHAIRMAN:** The Honourable Minister of Tourism.

**MR. HANUSCHAK:** Well, perhaps from time to time, Mr. Chairman, there might be some justification in readjusting the allocation of publicity funds to various parts of the United States. But particularly as far as newspaper advertising is concerned and all of it is coded so when replies come in asking for information, prospective travellers to Manitoba, we know what particular publication that coupon was cut out from, and in fact we even know when that particular advertisement ran in that particular publication. In other words we do newspaper advertising in Minneapolis papers, in a paper



in Iowa, I believe, Nebraska. Yes, newspaper advertising is in Minnesota, Iowa and Nebraska, so we know which ad had the greatest appeal, which ad generated the greatest response.

The bulk of the advertising for 1977-78 in the United States, the breakdown would be something like this: 124,000 or just a bit less than 124,000 for newspaper advertising, about 48,500 for radio advertising, and about 32,000 for television advertising. The content of the ad, for example newspaper advertising, may run about three, four times in any given publication and the content would vary with the time of the year. In other words, the type of advertising which we did a matter of a couple of weeks ago, two or three weeks ago, well I guess practically a month ago now, latter part of March, beginning of April, was sort of a general awareness type of thing. In fact, rather than have me attempt to advertise the nature of the advertising we've done, if honourable members take the time, the samples of the ads that we ran in the American newspapers are on display outside the tourist information office by the main door of the building. But in brief I would say that it's designed in such a way that we hope would appeal to and attract those from the south central States, from the Minneapolis area and from North Dakota and acquainting them with what Manitoba has to offer in terms of outdoor recreation, cultural activities, rodeos, well the whole range of activities that we have in the summer time, ranging from Rainbow Stage in Winnipeg, Dauphin Ukrainian Festival, Icelandic Festival and other festivals around the countryside and rodeos and so forth as well as the fishing, camping, swimming, boating on our lakes in the Whiteshell, Lake Winnipeg and of the north.

**MR. PATRICK:** Mr. Chairman, what kind of communication has the department with foreign airlines that are coming into Canada, not only into Winnipeg. Is there any kind of material, information with respect to the flights that are presently coming into Canada? Also, with respect to charter flights, is there any kind of publicity or communication with the airline companies and has there been any difference since we have the Frontier coming into Winnipeg from Denver? For instance, I see that this year, the second year of operation, the first quarter, the revenue on the flight between Winnipeg and Denver is something like four or five times as much as it was the first year. I wonder if we are getting as many passengers coming this way, or is it mostly passengers from Winnipeg going to Denver and going south? Has that been assessed? I would be interested to know if there is any kind of material and communication with many airlines that are coming into Canada.

**MR. HANUSCHAK:** Mr. Chairman, there is close liaison not only with the airlines but with the tour wholesalers and we have made up tour packages and of course, to make up a tour package, we also have to work in close liaison with hotels and the lodge operators and so forth. There's a variety of tour packages made up of which the airlines are aware, of which the tour wholesalers are aware, for promotion and sale in the United States of America, in Germany, England, Japan and so forth. So there is that type of communication. — (Interjection) — . . . in the United States? Is the Denver traffic one way? I don't know if my department has an answer to that question at the moment or not. I'll try to find out. It's a good question.

**MR. CHAIRMAN:** Resolution 107(d)1. The Honourable Member for La Verendrye.

**MR. BANMAN:** Yes, first of all, I'd like to ask the Minister how many inquiries they have received last year with regard to Tourism in the Province of Manitoba. I would just ask the Minister not to include the tickets that were put into a barrel for a draw for a free weekend to Manitoba and the different promotions in Fargo and that. In other words how many sort of *bona fide* inquiries do we have other than the draw-type inquiries.

I would wonder if the Minister could tell me if the department, when it does travelling, if it books almost exclusively with Travel Unlimited, the travel company.

I would also ask the Minister if he could tell us whether they have developed any programs for overseas visitors or are they working through the Federal Government travel offices and the different air carriers throughout the world.

A final question, has there been an increase as far as the advertising and promotion funds for the expansion and assistance to the northern lodge operators and particularly to encourage the sports fishermen and the trophy angling in northern Manitoba and Manitoba in general.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. HANUSCHAK:** Yes, the number of enquiries which we have received was 65,000 plus personal letters which are written to our office and which were answered, 8,500.

Now insofar as the department's use of Travel Unlimited, I suppose that Travel Unlimited is used and also other branches, but I would suggest to the honourable member if he's interested in knowing which travel agency or agencies the department uses in the operation of its affairs that the time to have asked that would have been under general administration, because the honourable member is asking a question about the operations of the department and not about the promotion of tourism.

What are we doing by way of attracting overseas visitors? We're working with the Air Canada sales agents and with two German tour wholesalers. We're in close contact with them in Germany and in Japan.

For this year there is no increase in the marketing budget to promote the northern lodge operators

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but we do recognize the fact and in fact, insofar as our tourist promotion program overseas is concerned, it's geared up and designed in such a way as to promote and make the European people aware of the presence and of what northern Manitoba has to offer. And I know from my own experience in speaking to tour wholesalers from Germany, that what they find most appealing and attractive about Manitoba are the wilds of the north; to be able to go up north for a couple of weeks, hunt, fish, whatever, depending on the season of the year, something that there isn't the opportunity to do in Europe as the countries with wild and open spaces are becoming smaller and smaller. Canada and our province in particular is one of the few I suppose in the world that still enjoys the luxury of having the open spaces that we do in the northern two-thirds of the area of this province.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** Well, I'm glad we're talking about the Tourist Branch because the promotion and support of tourism is certainly shared by all members on this side and I'm glad to see in his last talks the Minister give some indication that he realizes not only the extreme benefits to this province but also the holding up of his program for members opposite to have a look at and to either agree or to disagree and to ask some questions. Of course my concern is with the Minneapolis office which used to be the forerunner for Tourism as a marketing tool in the States. I understand a lot of the inquirers have to send up to Winnipeg for their materials, and I wondered is there no way we could man that office together, co-ordinating with the Federal Government and have all the materials available for people in the particular area.

The former director, Ms. Friesen, was really interested in accelerating the Denver program and I wondered what success if any the Minister has had with it. Does that mean they are not going to open an office. I remember many visits down there. The Winnipeg market is a very lucrative one for Las Vegas and many people there asked why did the Manitoba Tourism Industry never ask any of us to come up north?

In the German program I wondered what the mark-up is on the packages that the German tour operators are selling, and is there any basis to the suggestion that the former director, Ms. Friesen, is now involved somehow or other in the wholesale business, having departed from the government, if that is true.

In talking about packaging, I'm glad the Minister has finally had a look or his staff has had a look and finally shaped up to the fact that most of these promotional things can be co-ordinated with the private sector and the cost of same can be borne by those that the government wants to get in touch with.

I wrote to the Minister, Don Jamieson trying to find out how much money this government was getting from the Federal Government, because I notice that PWA in Edmonton, many of their programs had been paid for by federal funds and it seemed to me that upon examining the many books — I won't go into it tonight — but the many books of which the government was putting up were paid for by the government and there didn't seem to be any indication that they had approached the Federal Government. I notice that the figure, this letter is dated March 19, 1976 from Mr. Jamieson to myself in which he quotes that you got \$12,000 to assist in your Manitours, whereas the Province of Alberta, even with all their oil wells got \$60,000 or \$70,000, so it seemed that in that area we were coming up a little short.

Most of the things have been gone over. I did want the Minister to indicate if he finally got around to supporting the tour that went out of here with all the leading members of our society that went down on a sales trip. I wonder if the Minister finally sent a staff person along. The indication also from a very beautiful picture book called Manitoba Moods is that it is really sort of a copy of the Beautiful B.C. magazine, but unlike it it doesn't really seem to be a sales book and there might be some suggestion that part of the costs are hidden.

A number of people in the industry have supported and expressed a number of concerns and, again, I'll wait until the Minister's salary to comment on his presentation when he first led off his Estimates in which he talked about many things that have been in the works for years. And he tried to take credit for a number of things which — (Interjection) — Well, I don't know if he's taking credit for Hecla Island but he tried to take credit for the Star System and of course that goes back into the early Fifties or maybe even as far as the Forties.

It seemed to me that we should under Tourism talk about the lodges because I think there is a great deal of problems which we couldn't talk about in one night pertaining to the lodges and the support of government. Some discussion has to take place with the federal people regarding the availability of guides. There's been a training program. Trophy fishing is a very valuable industry to bring up American visitors who do leave a lot of fresh dollars to the provincial economy behind and it seems that the Federal Government should be approached to start their make-work projects in maybe October or November rather than starting them in September. I think also that welfare should not be allowed for guides when there is certainly guides needed for the Tourism industry and that should be looked into.

Under the lodges, I asked the Minister a question one day about his involvement with Wrong Lake

and the amount of money the government has sunk into that situation. I've yet to get an answer on that. I also again pointed out that I was concerned about and never got answers to a problem that we had with the expenses of flying from Lac du Bonnet into certain lodges, bringing food and spirits for the Members of the Cabinet and not co-ordinating the information. I believe there were some problems with the Girl Guides or something pertaining to them canoeing up to one lodge and finding members/ /government of the there. I'm concerned about this because the true costs of that particular situation have never come to light and I would like to see the Minister go on record as saying that this service will no longer be available and if it is, it should be made available in a public way so that all members can be aware of what is available.

I have concerns here of course but I want to support tourism; I want the Minister to get on with his Estimates and support tourism. But the image of tourism in this province is seriously lacking and certainly the government could set a leading role by giving added support and giving money for — (Interjection)— The days of volunteers seem to be over because of the availability of grants and what have you, but I think that co-ordinators have got to go into the different districts, whether Eastman or Westman, and get the pot boiling and get the show on the road. The government started up this particular tourism association and should be funding it and seeing that it's doing its job.

Some of the concerns of course are well known to the Minister but it seems to me a lot of them are talking about the competition of government in the tourism industry and because these are all people in the private sector complaining, I'll just mail these concerns to the Minister for his comment. Basically, I do hope the Minister will get more involved in tourism and give it its just support that is really needed. So many of the small problems in such a large industry that brings about \$330 million into our province, you know, the overall umbrella, it seems to me that when the Minister juggles figures around, I get very annoyed because the Trans Canada Highway goes through Manitoba and I think rather than standing up and saying that 3,061,000 visitors visited the province, the Minister should be standing up and telling us what he's going to do to encourage those people to stop in Manitoba for a stay. The Trans Canada Highway is a main pipeline of which some encouragement, some advertising — the material should be available at the tourist booths and not arrive at the end of July and what have you. So that problem has to be solved, the distribution of materials.

Get the people to go to our festivals, whether it's Dauphin or whatever. Sidetrack — stop and stay in Manitoba and leave some of those dollars behind. We know, because it is the Trans Canada Highway, many of those people — the Minister said 80 percent of them come by auto — we don't want them going through here. We want them stopping here and seeing our beautiful province. I would like the Minister to have very interesting and factual information available to all these people so they will stay and see our province.

**MR. HANUSCHAK:** Mr. Chairman, with respect to what markup some of the private enterprises — the two are wholesalers — are charging, I really can't answer that. I think one ought to ask them that question because that's something that they negotiate and they would probably be in the best position to give that answer.

Have I participated in or have I sent anyone from my staff on a trip that was planned by the Mayor of the city, on a trip about which the Honourable Member for Wolseley felt very concerned about? In fact he used his privilege to speak on a grievance on going into Estimates in Supply some practically two months ago. No, I did not send anybody, nor did I go. Now, I've forgotten what the exact adjective was that the honourable member used — prominent or influential citizens, outstanding? I've forgotten how the honourable member described the citizens that were to accompany the mayor on that trip. —(Interjection)— Solid? No, that wasn't the . . . there was some other adjective that he used. No, I did not go nor did any of my staff go. One of the reasons why neither or us went was because the trip didn't materialize. The mayor postponed it until some time in the fall and in the meantime I will reconsider my position, reconsider the position of my department.

Now, the Honourable Member for Wolseley, having raised that matter, and I was absent from the House at the time that he did, at a time when he said that I was away from the House not attending to my duties as Minister responsible for Tourism — of course the honourable member probably knows, I'm sure that he does, that I also have another portfolio and in my other capacity as Minister of Continuing Education, I also have the responsibility — and I'm glad that I do, I think it's an honour to our province and to my government that I have the privilege of serving as Chairman of the Council of Ministers of Education of Canada for the year. I was asked to head a delegation to the Seventh Commonwealth Education Association that was held during the second and third weeks of March. Hence my absence and I was sort of looking forward to the honourable member filing an Order for Return because he also raised some questions about the cost of that trip, the cost to the taxpayers of Manitoba. Well, I would suspect that the cost of that trip to the taxpayers of Manitoba would be via the Federal Government, a very very small portion of it because I went at Federal Government expense and not at provincial government expense. This was a Canadian delegation.

But as I've said, insofar as the values, the merits of that type of a trip, a promotional tour to the United States is concerned, I will reconsider the Mayor's request but I still do feel and I don't mind

repeating this, I still feel very strongly about two points, two or three.

One, that I'm quite certain that whatever the Convention Centre must spend on promotion, on spending moneys to attract business, to attract conventions, that that, I'm certain, is within their budget, which we subsidize. So it must be in there. So really, it made me wonder, why should we be approached for assistance over and above what the Convention Centre already has in its budget?

The other point that I feel very strongly about — and I have made the contents of this letter public — the request that was made of me to offer financial assistance was to relieve the financial burden on the participants, and I repeat again that I would find it very difficult if one of my constituents were to ask me, were to say to me, "Hanuschak, why did you make a grant for this particular trip?" I would have had to say, "Well, the Mayor said to me that the reason why he wanted the money was to relieve the financial burden of the participants on this trip." And then if they were to ask me, "Who were the participants on this trip?", I would have to tell him, "CP Hotels, Holiday Inns, Best Western, the International, the Delta Hotels, the Marlborough Hotel, Northwest Airlines and the like." I should say, Mr. Chairman, that some of those invited to participate in this trip, they were embarrassed by the manner in which the request was made because they agreed with me 100 percent that even though there may have been merit to that type of a venture, but surely to make a request for financial assistance to relieve the financial burden of the CPR is not the way to make the request.

The honourable member asked about our office in Minneapolis which we call Manitoba House. We man the Manitoba House on a basis consistent with the traffic passing through the area where the office is located. I should also add that we also permit private hotel, lodge and other operators the use of the office for their independent promotion purposes when the lodge operators and so forth come down to Minneapolis from time to time. They have access to our office, with good results.

Insofar as working with private operators in co-operative advertising programs, this we have done and we've done that in the past. That has proven to be to our advantage.

Insofar as the suggestion of an office in Denver, Colorado, it was never intended to have an office in Denver. The intent was to work closely with Frontier Airlines and that we are doing.

I will tell the Honourable Member for Wolseley, give him the exact details of our involvement in the funding of the Wrong Lake Lodge and I'm sure that he would be very interested to get the details on that, having asked the question and wanting to know. Well, I would like to advise him that Wrong Lake was not funded by provincial sources, that it was supported by the Department of Indian Affairs.

The Tourism Association — yes, we are funding a Tourism Association but I must admit some disappointment because the sad fact is that some of the branches are not using all of the funds that are available to them for the purposes of their organization. The honourable member suggested the theme that in attracting tourists to Manitoba, our promotion program should be of such a nature and designed in such a manner so as to encourage tourists to stay a bit longer in our province, whether it be the tourists coming by automobile or by whatever other fashion. I'm happy to say, Mr. Chairman, that that is exactly what our promotional program is designed to do, to do that very thing, to encourage the visitor coming to our province not just to fill up his gas tank and continue on to the next province, whether it be from the west going to Ontario, or from Ontario going west to Saskatchewan, but to spend some time in our province and enjoy the richness of the beauty that we have to offer and in the process of doing so, spending a dollar or so.

**MR. WILSON:** Very quickly, the Minister gave a very desk-thumping type of speech about all the wonderful things in tourism and hasn't answered one of my questions about all the things that are wrong. The problem is that everyone knows there's a problem with the image and we need government support services and training in telling, whether it's a restaurant or barber or whatever it is, to have the same kind of enthusiasm that our friends south of the border have when visitors come here. And they're not going to have that type of enthusiasm when they seem to be lacking the type of guidance and support from the government.

I talked about some of the errors of the government, and as opposition that's what I'm supposed to do. I talked about how the government funded an organization called Thunderbird Travel and got all this work done and everything and paid something like, I believe, \$60,000 to \$80,000 for advice they could have probably got for nothing from CP Air or Air Canada. I talked about a Minister of the government going up and using the lodge facilities — (Interjection) —

**MR. CHAIRMAN:** The Honourable Minister.

**MR. HANUSCHAK:** The use of Government Air Services, of government aircraft. The Manitoba Government Air Services is not in my department.

**MR. WILSON:** No, but the point that I'm trying to get at is, where does it show up, the costs of the Minister of Tourism going up north and using one of the lodges and using government aircraft, where does it appear in the budget? Where would I find it? Do I have to file an Order for Return? I've never been able to read any of that information and that's a concern that I have because I want this Minister's assurance that it won't happen again.

**A MEMBER:** That what won't happen again?

**MR. WILSON:** That Ministers of your government cannot go up on free government air services and use the lodge facilities when they have already been promised to the Girl Guides, and then fly in supplies by an airplane from another department. These were the things that were brought up at the time that there's never been any answers.

**MR. HANUSCHAK:** Yes, I promise never to fly in a government aircraft on government business to any lodge which may have been committed to the Girl Guides. I give the honourable member that commitment.

**MR. CHAIRMAN:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Mr. Chairman, the question I have for the Minister is not related to the problem with the Girl Guides but one that he raised in his own comments about the role of the Convention Centre. It's my understanding that the United States is passing or has passed legislation taking away the tax advantages for American conventions to be held up here, in foreign countries, including our own. We invested \$25 million in a Convention Centre and we pay a subsidy of close to \$1 million a year, and it would appear to me that that particular legislation would strike a fairly significant blow into the convention business that we attract, particularly international business which usually includes both American and Canadian groups.

I just wondered if the Minister can report on any discussions that they have had in relation to the impact upon that legislation and if there are any remedial steps being planned to try to offset what would appear to be a major loss to the point where we may end up having to, I suppose, subsidize. To subsidize the Convention Centre will be even all that more serious next year if that particular convention business is taken away. I am wondering what the Tourist Branch is contemplating in light of that fairly major blow to the convention business that will be coming in to Winnipeg?

**MR. HANUSCHAK:** I cannot speak for the Convention Centre insofar as what effect, if any, that American Federal Legislation had upon the convention business in Winnipeg, not being responsible for the Convention Centre. But to the extent that my department is involved, all of us from across Canada collectively had expressed our concern to the Federal Minister responsible — and I think that we have his support — to attempt to persuade the American authorities to review their legislation to that effect, you know, in the mutual interest of the tourist interest and good-neighbourliness of the two countries.

To the best of my knowledge, not unless something has arisen very recently, but in response to a question that was asked in the House in Questions before Orders of the Day a few weeks ago, at that point in time I was not aware of any convention planned for Winnipeg being cancelled because of the federal legislation the Honourable Member for Fort Rouge made reference to. That could have happened, I do not know. As of that time, I made a check and I was not aware of any cancellation.

**MR. AXWORTHY:** Mr. Chairman, that raises the other question almost, why not? It would seem to me that the whole Convention Centre idea was sold on the basis that it would become a magnet for attracting all these North American type conventions which means that obviously we're not attracting them then, so that the Convention Centre is not fulfilling its purpose. — (Interjection) — Well, the point is that we would be interested in knowing if we are headed for a fairly major slump in the tourist industry and not just in relation to the Convention Centre but the hotel business and all the other services that rely upon convention business as a result of this legislation. I would like to know if the Tourist Branch has assessed what the impact of this change will be in relation to the kind of visitors who come here by way of North American or international conventions and how much percentage of the hotel business depends upon that kind of activity, what the impact would be upon restaurants and the other kinds of recreation and entertainment that relies upon convention services for a good part of their livelihood.

I recall reading in one of the Toronto papers where the Government of Ontario had undertaken some fairly serious studies about what the impact would be and had a meeting with the hotel operators and people in the entertainment business to try and find corrective devices. I wonder if the same kind of action has been taken here or whether you have met with the hotel, convention, entertainment, recreation people to discuss that particular problem and discern what the impact may be and see if there is any compensation or remedial steps that should be undertaken.

**MR. HANUSCHAK:** As far as the hotel industry in Manitoba at the present time, particularly in Winnipeg, is concerned, it is in quite a healthy condition so we don't really anticipate any slump in the hotel business.

Now I should also remind the Honourable Member for Fort Rouge with reference to the American legislation restricting out-of-country conventions, I understand that the American authorities are presently reviewing the restrictive features of that legislation and what the outcome of their review of their present deliberations will be, I cannot tell.

I made mention of the fact that the hotel business is in a healthy condition. In fact, tourist business has not slumped. As a matter of fact, hotel occupancy in Winnipeg is as good as that in most major cities in Canada, but not all that bad either and we are forecasting a 3 ½ percent growth.

**MR. CHAIRMAN:** The Honourable Member for La Verendrye.

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**MR. BANMAN:** Well, just on that same point, I asked the Minister several questions with regard to that several weeks ago, in the Orders of the Day with regard to what the impact would be with that new legislation. And having studied it a little further, I understand that possibly the reason for the United States starting to bring in this type of legislation is the fragmentation that is taking place with different Acts or legislations that we're passing and I am not . . . not on this Legislature but federally, and I would refer to the advertising ban that we placed on deductibility on American papers such as Time Magazine. I think what is happening here is that the United States had said, "Listen. If they want to go at that step, we are going to go another step." So I would suggest that the more restrictive type of legislation that the Federal Government decides to bring in as far as our neighbours to the south is concerned, it is going to affect us.

I think that one thing that we have to realize as Canadians is that the major market for whatever it is, tourism or whatever it is, is down south there, and if we are going to start alienating those people, even only in a small way, I think it is going to cost us money as Canadians because our economy is tied in very closely with what is happening down there. Maybe, what we should have is some kind of representation to Ottawa conveying that type of feeling to Ottawa with regard to the problem that we are facing with the exemption right now.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** I'd like to say, Mr. Chairman, let's get on a positive image because here is something. In 1976, there was 190 conventions with 67,036 delegates with a dollar value of \$12,066,480, an average of \$180 per delegate. Guess who's making all the money from all these fresh dollars coming into the province. The Provincial Government is making the biggest share of that particular dollar. Don't ever kid yourself that Convention Centre has been a catalyst and you just have to take a positive attitude and get on the bandwagon and it's going to do a lot more for this city than some of the other things they are proposing to spend all kinds of money on. I just think that we have to continue in a positive role, continue to support tourism, and I think that the Minister has indicated at least, whether he means or not, some general trend towards looking at some of these large lists of concerns. And one could talk for days and every one of these sections has been spelled out for me pertaining to what this government is doing to not encourage tourism and I think it's time they took a positive attitude.

**MR. CHAIRMAN:** Resolution 107(d)(1)— pass; (d)(2) — Other Expenditures - \$1,234,100—pass; (d)(3) — Grant Assistance — \$152,800.00. The Honourable Member for Virden.

**MR. MCGREGOR:** Mr. Chairman, I am not sure if this is the right bracket in putting the question but I've been looking ahead and back and it's to do with grants that will used to host the Canadian Senior Baseball Champions later this summer.

**MR. HANUSCHAK:** No, the next resolution if it's there. It's most likely the Sports Director from the Department of Health.

**MR. MCGREGOR:** (d) (3) then, what you're talking about.

**MR. CHAIRMAN:** (d) (3)—pass.

**A MEMBER:** Let's rise; let's get out of here.

**MR. CHAIRMAN:** Resolution 107: Resolved that there be granted to Her Majesty, a sum not exceeding \$15,415,900 for Tourism, Recreation and Cultural Affairs—pass.

Committee rise. Call in the Speaker.

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

### **IN SESSION**

**MR. SPEAKER:** The Honourable Member for Flin Flon.

**MR. BARROW:** I beg to move, seconded by the Member for Winnipeg Centre, that the Report of the Committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** The hour of adjournment having arrived, the House is adjourned and will stand adjourned until 2:30 tomorrow afternoon. (Tuesday)