

Time: 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY  
SUPPLY - GOVERNMENT SERVICES

MR. CHAIRMAN, Morris McGregor (Virden): Call the committee to order. We're on 2.(c)(1). The Member for Kildonan.

MR. PETER FOX: Thanks Mr. Chairman. Just to follow up where we left off before Private Members' Hour, can the Minister indicate how often these sales take place and where they are advertised? And further, to indicate whether the furniture that is available and that I understand can be spoken for, is part and parcel of the sale, or are some of those things sold prior to the sale being announced, because otherwise, some of the public would not be aware that some of the stuff had already gone.

MR. CHAIRMAN: The Honourable Minister.

HON. HARRY J. ENNS (Lakeside): Mr. Chairman, I appreciate the Member for Kildonan's concern. I, like he, probably do not peruse the daily papers to the same extent that perhaps we ought to, but I am advised that there is always a public advertisement in the papers advertising these sales, it's a matter of long practice. The car sales take place at the new provincial garage once a year, although there is consideration now being given to doing that possibly twice a year. I don't want to open up a new area of debate unnecessarily, but having come to the conclusion of maintaining the present policy with respect to government vehicles, we have an accelerated program of bringing the vehicles to comply with the government regulations. As a result, we have had a number of vehicles, that in the interim have piled up a considerable amount of mileage and are aging and so we may well be facing the necessity of having a sale more often than once a year.

But to answer the member's question, the sales are at the garage; there is a public advertisement that is placed in the newspapers. Some of them are by auction; some of them are by tender. I'm advised that the last large sale was by auction. We tender out the auctioneering services. I can inform the honourable member that I think some - we heard of 10, 12 Manitoba auctioneers that bid on the privilege to hold the auction. I can indicate to the honourable member that an auctioneer by the name of Mr. Ray Eichler from the community of Teulon - when the proposal to auction - so we even tender out the tender on whose to be the auctioneer on these sales.

MR. FOX: So therefore, the advertisement would also include an opportunity for people to view the goods and the vehicles in advance. Is there also an appraisal for them and a reserve bid so the stuff doesn't go at below what's it's worth?

MR. ENNS: Mr. Chairman, subject to some advice from staff, but I would hold that once the decision is made that the goods are surplus to Crown needs, that they are then available either in the tendering system or on the auction system with no reserve bids. We obviously have made the decision that they are no longer of any requirement to government, and any moneys acquired as a result of the disposal we consider an asset.

MR. FOX: Thank you, Mr. Chairman. Just now, to switch to the other side of the buying. Can the Minister inform us the kind of tendering that is done, and is it done on trade names or just on specific goods, so that others who do not have a trade name would be able to bid in on the tenders, for furniture especially?

MR. ENNS: Mr. Chairman, I believe we're somewhat afield from the particular appropriation under the heading of Improvements to Building, Grounds, Alterations, Furniture, etc. This question - and I would be happy to address it - would more appropriately be discussed under the Purchasing Bureau. There are matters that I would like to discuss with members of the committee under that section. I don't wish to avoid the question, but Mr. Chairman, I think we do have under Supply and Services the whole area of procurement for the Central Vehicle Branch, how we buy cars, how we buy office equipment. The whole Purchasing Bureau is . . .

MR. FOX: I'll wait, Mr. Chairman.

MR. CHAIRMAN: The Member for Elmwood, I believe.

MR. RUSSELL DOERN: Mr. Chairman, just on the auctioneering part, I received a complaint back in August or September by a local auctioneer who was quite annoyed because he said the provincial government is using an auctioneer from Alberta. At that time I cut out what I believe was the correct advertisement, somebody named Nazby or Nazeby, bonded industrial auctioneers. There was an ad in one of the local papers; from the print, it looks like the Tribune, Saturday, September 1, 1979. They were selling stuff in Edmonton; crawler tractors, crawler loader, scrapers, etc. They had an auction at The Pas, Manitoba, October 15, selling Manitoba Forestry Resources and others; sawmill equipment, crawler tractors, skidders, feller bunchers, wheel loaders, trucks and much more. The question is this, Mr. Chairman, if this is a provincial government and there are dozens and dozens of auctioneers bonded in Manitoba, why do we have to go out of province to conduct an auction? Shouldn't we give preference or exclusive rights to Manitoba auctioneers?

MR. ENNS: Mr. Chairman, I can advise the honourable member that Government Services has not used out-of-province auctioneers; that we use in fact the provincial auctioneers that are available to us. I am trying to go by some recollection. There was a fairly substantial disposal of earth-moving and construction equipment, a consortium of contractors, that had been employed in the north on the Nelson River Projects, independently and privately arranged for a substantial sale of construction equipment. I'm not sure whether that was done under the aegis of the Manitoba Hydro, which may be, and the question might as well be directed to the responsible Minister. But my understanding is that this was essentially a group of contractors involved in the Hydro projects that were disposing of some equipment, and they as a group had hired this Alberta auctioneer. But I can indicate to you as far as these estimates are concerned, and as far as the practices of Government Services are concerned, that we find no reason for going out of province to hire auctioneers.

MR. DOERN: Mr. Chairman, I think the Minister is clearly guessing or improvising, and I think that what he should do is take the question as notice and perhaps give the committee the information tomorrow, because this is CFI equipment. We're not talking about Hydro, we're talking about CFI equipment - it's on behalf of Manitoba Forestry Resources. I assume that Government Services handles their auctioneering, and if not, they should indicate guidelines to the company. And I am just saying, he clearly doesn't know, and so I ask him therefore not to guess, but to give us the information when he acquires it.

MR. ENNS: Mr. Chairman, to the honourable member, I do know and I'm not guessing. In the year 1979-80 we sold by tender five electric cars for \$9,160.00. We sold for the Churchill Prefab Company by tender, \$5,000 worth of equipment; by auction, another \$5,000 worth of equipment. We sold 95 buses for the Department of Education by four tenders for the purchase price of \$58,000.00. We sold furniture in the Department of Government Services by auction at Brandon to the tune of \$7,300.00. We sold 70 vehicles to the Department of Government Services Central Vehicles Branch, by auction in Winnipeg, for \$81,000.00. We sold a further supply of furniture by Department of Government Services, by tender out of Winnipeg, by \$7,500.00. We sold office machinery by the Department of Government Services, by tender out of Winnipeg, for \$12,050.00. We sold sheet piling

for the Department of Highways at the Manitoba Hydro location for \$45,000.00. We sold further miscellaneous materials by the Department of Highways for the Department of Highways, by tender out of Winnipeg, for \$10,000.00. We sold further miscellaneous materials by the Department of Government Services, several tenders by Manitoba and auction, for the tune of \$80,000, the total amount being \$320,000 00. That is the full amount of Crown assets disposed by Government Services. That is not a guess, that is not an estimate, those are factual figures, Mr. Chairman.

MR. DOERN: The Minister still didn't answer my question. My question was: Were you the agency through which the Manitoba Forestry Resources Limited material was sold?

MR. ENNS: Mr. Chairman, I must assume, inasmuch as some items by the agency were listed for sale, although there is a possibility that Crown agencies, established as they are with their own board of directors, from time to time dispose of certain assets within their own jurisdiction, but the question put to me was the amount of Crown assets disposed by this department, which I have just listed for the honourable member.

MR. DOERN: Mr. Chairman, I think the Minister is still not answering the question. Does the Manitoba Forestry Resources sell their own material without reference to the government? Is that what he is telling me?

MR. ENNS: Mr. Chairman, they are a Crown corporation with full authority to do so.

MR. DOERN: Then wouldn't it make sense to suggest or discuss with these Crown corporations that they should either exclusively, or almost without exception, employ Manitoba auctioneers. I assume that we have people who can do this job and I don't see why we have to bring in people from other provinces. I mean, if you want to extend it, you could bring in people from the United States. I don't see why Crown corporations don't do this. I don't know, maybe the Forestry Resources is totally autonomous but I'm just saying that my recommendation would be that if Government Services isn't handling it, then perhaps the Minister who is in charge of purchasing and has other responsibilities, that I think would not be inconsistent with him discussing this matter with Crown corporations and, if not telling them, at least suggesting to them that they should use local people.

MR. ENNS: Mr. Chairman, I agree with the member's suggestion.

MR. DOERN: Another area, Mr. Chairman, that I would like to ask a few questions on is whether the Minister could give us a breakdown - now, I don't know whether this is the right place - I wanted to ask some questions about the restaurant in the Woodsworth Building - I don't know if this is the area, or where it would logically fall. Okay, it's as good as any?

Mr. Chairman, the Minister in his wisdom, or lack of it, judging from public reaction, decided - I have known Harry a long time, don't forget - decided that he would take the highly successful operation at the Woodsworth Building, run by John Jaschinski and his wife, which was kind of a family restaurant and was so popular that people were coming from all over Winnipeg. It was so popular that it was clogging up the building; it was leading to long lines; there were pensioners coming here from all over; there were people from the suburbs riding by bus; it was an incredible success story. These were people who had operated a series of restaurants, they were small operators with a big following; they were a little different than a large catering firm and they had a contract and they were immensely successful.

Now we tried to operate on a policy of competition, namely that we would try to have different caterers in the downtown area for different buildings so that if somebody was a little better then it might cause some traffic from one building to another. When you put the same caterer in a whole series of buildings the food tends to be the same, and therefore, there can't be any competition, so we are almost arguing each other's positions here - normal philosophical positions.

So I say to the Minister that he had an operation there that was immensely successful. He then decided, because of a slight difference in tenders, to bust out the Jaschinski family. There was quite a hue and cry on the part of the public. I don't believe that the present operation in the Woodsworth Building is as good as the one that was replaced. I think that from the number of people that go there, if that can be a guide, I think that business has fallen off considerably. I know that in this building, in terms of the MLA's dining room, that the prices have gone up considerably. I don't know the exact ratio, whether it's 50 percent or what, but there have been quite a few price increases in the last few months, in the sense that since the new caterer took over - and there's also been a reduction in the hours and in the services available. So as before, although we were open at night and people could go and have a dinner between 5:30 and 8:00, that is now changed; the prices are up; certainly no improvement in the food, no improvement at all. In the case of the Woodsworth Building I think that the food isn't as good and certainly the numbers are less than they were before.

So I say to the Minister that this decision that he took apparently was done on the basis of dollars alone and I ask him whether given these people, I think, do, I don't know if they do the Northway Building, the Woodsworth Building and this building, or whether they do three buildings, I believe, I'm not sure. It's the Woodsworth Building, the Legislative Building and what is the third one? Is it the Northway Building or the Archives Building? At any rate, the Minister has broken out a small operator, a family firm, and replaced it with a large operator, allowed the prices to rise and to a certain extent - particularly in the case of one building, I believe the quality is not as good - so has it proved worthwhile? I don't think so and I just wondered if the Minister had some observations. Given all these restaurants and the total volume of rent, maybe he could give us the rental differences, because he did throw out a figure, I think, of \$14,000 or \$15,000, but I would like to know what the bids were in each particular place.

MR. ENNS: Mr. Chairman, let me at the outset state that while in the Honourable Member from Elmwood's perception this was a small, family business concern, but it happened to involve over half-a-million dollars worth of gross sales per annum. Secondly, the caterer, as much as certainly I, who have enjoyed the food there at the time that the former caterer was there, would have preferred, or indeed would have been happy, I shouldn't say preferred but would have been quite happy to have seen the same service continue, and indeed I exercised what The Public Works Act allows me to exercise, that is an extension of the contract for an additional year, but then felt that it was for that amount of business appropriate to go to tender. Thirdly, it wasn't a matter of just being out by a small little bit. Of the nine tenders received Mr. John Jaschinski placed sixth in that category of tenderers. So what the honourable member is really asking me to do is to very seriously ignore the tendering system, and leave myself open, by the way, to very legitimate charges of collusion or even worse, some other kind of charges that I would expect from an active opposition to charge a government minister when he blatantly ignores the tendering system.

In terms of the general service, I will defer, as I always do when I am pushed in the corner, I rely on prominent members of the media as my support and allow me to read him this passage from a well-known media person in this city. "Got to give credit where credit is due. Late last year after the provincial government announced that the Woodsworth Building cafeteria operation was to be taken over by Ritz Foods Ltd. I made the statement, I am betting right now that the new caterers can't meet the taste-buds standards established by the former proprietors. The indication from the people who are dining in the cafeteria is that I lost that bet. I'm informed by some of those who were concerned that the services, the price and the food would be down-graded with a change, that their fears had been alleviated by terrific food, comparable prices and service that makes the diners feel that the proprietors want them to come back. A full-course dinner can be had for \$1.25 and that's a good deal". The Winnipeg news media.

MR. DOERN: Who wrote that? I would like to know who the Minister is quoting.

MR. ENNS: Well the Honourable Member for Elmwood obviously always reads his paper.. Yes, it was Mr. Vic Grant, who is known to be sharp of tongue from time to time and somewhat abrasive from time to time. The honourable member raises a point and staff supports that, the fact of the matter is that we have not received any complaints, the prices have remained very stable, and I would have been in serious difficulty had I rejected the tendering system in this instance.

MR. DOERN: I have to remind the Minister that he did in fact reject the tendering system when he extended the contract, so he did in fact do that once. The gross sales are, I don't know if that is any concern of the government, I suppose in a way it is, because don't forget when the place was first leased out there was no estimate of what the success of the operation would be and I suppose it was sort of based on a square foot rental. So the gross sales of Jaschinski may not be equalled by the present owner; we don't know that.

I still ask the Minister, what was the third building? He still didn't answer me there. What is the third building in the package: The Woodsworth Building, the Legislative Building, and what's the third one, or are there four?

MR. ENNS: This is a list of the following contractors providing catering services in government buildings. In the Archives Building, it is Ritz Foods; in the Legislative Building, it is Ritz Foods; in the Norquay Building, it is Ritz Foods; in the Woodsworth Building, it is Ritz Foods; in the Robert Fletcher Building, it is F.S.M. Food Systems Management; in the Highway Services Building, it is F.S.M. Food Systems Management; at 270 Osborne Street, it is Ritz Foods; at 693 Taylor, it is Sylvia Danyleyko; at the Provincial Offices Building at Portage la Prairie, it is Tasty Bakery Limited; at Provincial Offices Building at Dauphin, it is Larry DeVries; at Assiniboine Community College, it is Beaver Foods; at Provincial Offices Building, Brandon, it is Beaver Foods; at Provincial Offices Building, Beausejour, it is Stella Martin; at Provincial Offices Building, Thompson, it is Gordon E. McEachern Services; at Fort Osborne Complex, it is Continental; at 1700 Portage Avenue, Winnipeg, it is Cater Plan; at Dublin Square, it is Ritz Foods; at Century Plaza, it is Continental. That is the list.

MR. DOERN: Mr. Chairman, then the package was the Woodsworth Building, the Legislative Building, the Norquay Building, and the Archives Building. So you have all the major buildings under one caterer; therefore, there can't be any competition in terms of food quality or, I suppose, menu.

My other question was: How much did Ritz bid in each instance, and then let's look at the bid in the Woodsworth Building between Ritz and Jaschinski.

MR. ENNS: Mr. Chairman, honourable members will appreciate that the bidding on an item like food services, the department requires that the interested companies submit tenders on a specified menu, on that basis, or else there would be no way of evaluating comparable tenders unless all companies were in fact bidding on a prescribed menu. It is on that basis that the rating follows.

I can indicate to the honourable members, it is a difficult area and it is a complicated formula that the department has worked out, but I can assure the honourable members that it is a formula that is understood by the catering business. We have had different individual caterers come in and express concern about how we arrive at this formula. I am assured that in all instances, the catering businesses felt that this was a reasonable and a fair way of evaluating the tenders. It involves that all concessions should be, and this is a specific request by the people in the tendering business, that all concessions should be subject to public tender, that the notice of tenders be advertised in both Winnipeg newspapers for Winnipeg locations, and in the local newspapers for rural locations. They further requested that the duration of the contract period is for three years, after which they will be re-tendered. This has been a recent change, from two to three years. The format of the tender is planned so as to enable each tenderer to bid on an equal basis, i.e., the same menu selection, quality standards, product specifications, and minimum serving portions. Tenderers are required to indicate selling price, proposed staffing with hours worked, own menu suggestions with selling price, and reimbursement to province, when required,

particularly in such locations as the Norquay Building and the Woodsworth Building, where very prime and valuable space is being offered to the tenderer. So included with the menu bid, the tenderer is being asked to put in a price for the floor space occupied.

There is an analysis that then takes place. Each tenderer is considered with respect to (a) the average price of each menu selection; (b) the average price of comparison combinations from menu selections; (c) estimated annual sales from the comparison combinations; (d) the volume of sales based upon the total building population; (e) average percentage of population indicated for each building partaking in lunch, also breakfast, if applicable; (f) no visitors included in calculations; (g) 249 working days equals one work year; (h) in addition to lunchtime patronage, beverage breaks at the rate of two per day included in final calculations; (i) the total number of servings for comparison combinations is estimated based upon the building's population for a work year.

You get into staffing, the number of personnel and hours worked taken direct from tenders; hourly rates obtained from Stats Canada information; average ascertained for all classifications of staff listed. While it is readily acknowledged that the rate may not be quite exact, the fact of uniformity applying the same to each tenderer, results in a fair analysis.

The food cost is estimated at 40 percent of annual sales in this formula. Profit and capital costs is the surplus remaining from the estimated annual sales after the deduction of estimated food and labour costs.

MR. DOERN: Could the Minister give us the figures?

MR. ENNS: Mr. Chairman, I am indicating to the honourable member that this is the formula that is applied, with fairness, to all tenders received and it is under this formula that the selection came down, as I indicated earlier, with Ritz Foods combined achieving rating No. 1; Integ Food Services, who was the former caterer in the Legislative Building, rating No. 2; CNIB, having tendered separately for the Legislative Building, rated No. 2 as well in the Legislative Building; Integ Foods and Integ Food Services combined rated No. 3, that is, a combination of the Legislative Building and the Woodsworth Building; Continental Caterers and CNIB, separately - Continental for the Woodsworth Building, CNIB for the Legislative Building - rated No. 4; Continental Caterers, both the Woodsworth Building and the Legislative Building combined, rated No. 5; Mr. John Jaschinski, who tendered only on the Woodsworth Building, and CNIB, separately, on the Legislative Building, rated No. 6; then followed by S.F.M., Beaver Foods, and CNIB for both facilities.

MR. DOERN: Mr. Chairman, I detect some reluctance on the part of the Minister to answer the question. First of all, I realize that this has to be one of the most complicated areas of all because I have seen this computer printouts, or whatever they are. I mean, it is just ridiculous. It must be comparable to the information on the fighter plane decision that was just made the other day by the Trudeau government. There are more formulas and figures than one could possibly imagine. But when all is said and done, there is some sort of a rating system, and the Minister said at the time of the change that there was more money in this for the government.

I am asking him, how much money did each of these people bid for the Woodsworth Building space? Can he give us the dollar figures, which are over a period of three years; can he give us those top six figures? I note, Mr. Chairman, that of the top six figures, two of the firms are named twice. Integ Foods is named twice and Continental is named twice, so in a sense, John Jaschinski and his wife came, I guess depending on how you want to figure it out, either fourth or sixth - but at any rate, could he give us the dollar figures of revenue to Government Services from these firms based on a three-year bid?

MR. ENNS: Mr. Chairman, if I can have the acceptance of committee members, obviously the former Minister of Public Works has some appreciation inasmuch that he was part of developing this formula that accepts the formula as being a reasonable one, but perhaps on the one item such as the honourable member requests on the offer to pay for the space, say at the Woodsworth Building, Mr. John

Jaschinski offered the provincial government \$25,000 per annum for the space as compared to Ritz figure of \$38,000 for the same space. I ask the honourable members of the committee, as a public servant, how do I deny \$38,000 money coming to the public purse as against \$25,000 with all other things being equal, without seriously inviting some charge that could legitimately be put against this Minister of Government Services or this department?

MR. DOERN: Could the Minister give us the other bids? And again, he's now calling these for one year; this is a one-year payment, not a three-year payment.

MR. ENNS: It's a one-year period, and it's a three-year contract, so the difference between the interested parties is, Mr. John Jaschinski bidding some \$25,000 for the space or \$75,000 over a three-year period, as compared to Ritz at \$38,000 times three, then the figures start to mount up.

MR. DOERN: So what are the other figures for Integ, CNIB, and Continental?

MR. ENNS: Mr. Chairman, I am advised that they will be made available to the committee. I just have the winning contractor figures in front of me as well as the last caterer who held the concession.

MR. CHAIRMAN: 2.(c)(1) - the Member for St. Vital.

MR. D. JAMES WALDING: Mr. Chairman, I wanted to make a few remarks about accommodation in the building for members. I assume that I would be in order in making those comments under this particular heading. I wanted to tell a little story, Mr. Chairman, for the benefit of members of the committee, a little occurrence that happened a few months ago. I'd just go back a few years and remind members that the previous government had made office space available to members, on a rather limited basis, I must admit. Following the last election, this government had made even more space available to members, space that was available to members of the opposition, that was considerably larger than before. When that space was allocated to us, the Honourable Minister sent us a diagram of the space available, with the partitions drawn in, and sent it to our caucus room for the benefit of members of the opposition to allocate amongst themselves the office space that was provided. I mention that because I have cause to come back a little bit later on that, Mr. Chairman. Through discussions between members of the opposition, the offices and the space available was allocated to members. Where the offices were small there was generally one member; where the offices were larger there were generally two members to an office.

Following the by-elections last year, Mr. Chairman, there was a letter sent to the Leader of the Opposition indicating to him that because of Cabinet appointments, reassignments, and by-elections, that space is becoming increasingly scarce and that there will have to be some rearrangement of offices. It was indicated that the Member for Flin Flon and myself were to be evicted from the office that we occupied in the basement and that the newly elected Member for Fort Rouge would be taking over that space. It was further indicated that we were to be allocated office space sharing with other members and that at a short time later when there was other office space, we would be moved a second time into new office space. Now the letter was sent, not to me as an individual, and to Mr. Barrow as an individual, nor to the chairman of our caucus, as would be expected when the Minister was dealing with members of the Legislature and their caucus, their office space, but to the Leader of the Opposition. The only way I found out about this threatened eviction was through receiving a copy of the letter from Mr. Pawley.

Now I'm not sure quite what the Minister was getting at with this, and I am sure that it would have appealed to his whimsical sense of humour to have the newly elected independent member fighting with the members of the official opposition. But be that as it may, Mr. Chairman, I wrote a letter back to the Minister explaining my dismay at this threatened eviction and protesting in the strongest possible terms the fact that the Minister had not even bothered to speak to me or to the Member for Flin Flon about his wish to move us from the office. I further objected to the fact that he was moving two long established and long-elected members out of a two-member office and replacing them with a single member in a

two-member office. I would not wish to deny the newly elected member office space, but I did point out to two colleagues that her predecessor from Fort Rouge had also occupied office space and that there was no mention made of this office space. Not only that, two members of the government side had recently been promoted to the Cabinet and presumably the office space that they had occupied had become available; no mention.

Anyway, I heard nothing from it, Mr. Chairman, and I had assumed that this foolishness was finished and that the matter had been put on one side and dealt with - until December 18th, Mr. Chairman.

MR. ENNS: A day to remember.

MR. WALDING: And that indeed was . . . Again, Mr. Chairman, the Honourable Minister had again written to the Leader of the Opposition on the same topic of dispossessing two members of the Legislature from their office space. Again not even the common courtesy to contact those members directly. The letter was dated December 18th; I didn't see a copy of it until an afternoon, either the next day or the following day when I was informed that my telephone and Mr. Barrow's telephone had been disconnected and removed from the office; and that even then employees of the department were in the office packing up the files and books in preparation to moving them out. That was the first word that I received, Mr. Chairman, that the Minister was carrying through his threat to dispossess us. No copy of a letter, no phone call from the Minister, just his bailiff's squad in there removing our possessions. --(Interjection)-- No, I had mentioned earlier that they were employees of the department.

It so happened that on indicating to the office that by special messenger a copy of this letter was brought down to our caucus room so that I could be informed that due notice had been given. This was about 3:30 in the afternoon, Mr. Chairman, it was indicated to me that the office had to be cleared by 8:00 a.m. the next morning so that some new tenant could move into the office. I did notice that this time there was a slight change in the format of the letter, that it did indicate at the bottom, "Blind copy to T. Barrow and J. Walding." So we made progress, Mr. Chairman, that we are mentioned on a letter to someone else even though we do not receive the letter.

As a result of a number of phone calls the Minister took no action, and I have to tell him, Mr. Chairman, that it was only because of the common sense - I have to put it as plainly as that - of the Deputy Minister who looked at the situation and saw the ridiculousness of moving two members from that office into another one; then to be moving them into a further office when the simple sane easy solution would be simply to move the newly elected member into one of the newly vacated offices, as a matter of fact, immediately adjacent to the office that Mr. Barrow and I presently and still occupy. Mr. Chairman, here is another matter that the Minister himself has bungled in a most incompetent manner and the situation was saved for him as I mentioned before by the plain common sense of the Deputy Minister for which I do comment him and congratulate him on that sanity of thought.

MR. ENNS: Mr. Chairman, it's one of my problems, I give zee orders and nobody obez em.

MR. CHAIRMAN: 2.(c)(1)--pass; 2.(c)(2)--pass; 2.(c)(3)--pass; 2.(c)(4)--pass; 2.(5)--pass; 2.(d)(1)--pass. The Member for Elmwood.

MR. DOERN: Mr. Chairman, there's a couple of interesting questions here. One is, again, I believe last year if my memory serves me correctly there was some 230,000 square feet of vacant space throughout the government which would be, I think, roughly equivalent to the space in the Woodsworth Building. I wonder if the Minister could tell us, at this point in time, how many square feet there are that is vacant in government office buildings throughout the province and in the city of Winnipeg, in particular; and if he could also give us the SMY comparisons for last year and this year so we can see whether any of the space has been taken up, whether it's related to the number of civil servants and so on.



MR. ENNS: Mr. Chairman, in the previous year, '79, total government space was some 7,137,180 square feet; compares to March, '80, in this estimates of 7,072,471 square feet or a reduction of some 64,709 feet. The present vacant space is some 3.3 percent. Now, that further has to be defined as to vacant space that is available, as compared to assignable space and we find that we have some 180,296 square feet that is non-assignable. Actual space, vacant space available for utilization is some 55,301 square feet which brings down the vacant utilizable space represents less than 1 percent as a percentage of a total leased and owned space.

Mr. Chairman, I should indicate to you that since those estimates were prepared, there have been some substantial increases to space requirements that the members would be aware of, principally, the 46,000 square feet of space, new space, leased for the Department of Highways; the additional space, in fact, that we talked about this afternoon for the Department of Energy and Mines which has received Treasury Board approval of some 10,000 square feet; Labour and Manpower for their Career Resource Centre has asked for an additional 1,100 feet . . .

MR. DOERN: I'm sorry, how many feet was that?

MR. ENNS: 1,100 feet and Municipal Affairs for space requirements in the community of Morden and Portage la Prairie, 1,500 feet in both locations for an additional 3,000 feet, for a total addition of 60,100 square feet. That brings the revised space requirements for the year '80 to 7,132,571 square feet of space for a net reduction - if the honourable member refers back to last year's total space - of some 4,609 square feet. We have a vacant, in percentage terms of available utilizable space of something in the order of .8 percent.

MR. DOERN: Mr. Chairman, I'm not sure I'm following the Minister here. He said at the beginning there were 55,000 square feet of usable office space, I believe, that was vacant.

MR. ENNS: Correct.

MR. DOERN: And now just recently - I guess a few weeks ago or whatever - they've moved the Motor Vehicle Branch people and other people and, surely, this must add to the amount of vacant space rather than subtract from it. Is that right or not? If you had 55,000 before and you're now moving people into leased space, it seems to me that you now have additional vacant space that you didn't have before.

MR. ENNS: Mr. Chairman, first of all, the move - if we want to discuss the Motor Vehicle Branch, the Department of Highways - in the interchange of space there, the Member for Elmwood is well aware of the problems of space that operation has been facing over a goodly number of years. Indeed, the former administration's response to that space problem was to plan for an Autopac building to, I believe, house the major portions, or all of the Motor Vehicle Branch in concert with that building. I point that out solely to indicate that this administration, like the previous administration, recognizes the very real need for space by the Department of Highways and Transportation and the Motor Vehicle Branch.

Furthermore, within the coming year, with the space being made available, the retention of space now available to the Motor Vehicle Branch at 1075 Portage, that consolidation of some of the related services to the Motor Vehicle Branch, such as the Highway Traffic Board, the Motor Transport Board, Licence Suspension Appeal Board, and other services that make imminent good common sense, can now be and will be housed at 1075 Portage Avenue, where they are in close relationship to the central records and services provided by the Motor Vehicle Branch in carrying out their functions.

MR. DOERN: Mr. Chairman, I am simply saying to the Minister that if he had 55,000 square feet vacant before and he is leasing space outside the system, he now has more than 55,000 square feet of office space vacant. Is that not so?

MR. ENNS: No, Mr. Chairman, that is not so. The 55,000 square feet is made up of a number of small facilities scattered throughout the province. I suppose the point at issue is that the additional 46,000 square feet, for instance, that is being leased for the Department of Highways, by all measurements, by all yardsticks of space requirement, does not free up any additional space, but does not add to that 55,000 square feet that the honourable member refers to. It does in a temporary way but we have already served notice on several instances. I am thinking particularly of the premises that the Highway Traffic Boards occupy - the leases are not being renewed, they are terminating half-way through this year, in June or July, and these functions will be transferred over to space that is now available for them in the Motor Vehicle Branch. We don't gain, we simply recognize a long overdue needed expansion of space for the Department of Highways and Transportation in that major acquisition of new space.

I appreciate what the Honourable Member for Elmwood is saying. He is saying that if I had 55,000 empty square feet of space now and I am indicating to him that I am leasing 46,000 new space at the Central Credit Plaza Building, that obviously I am adding to my empty space, but it doesn't work out that way, Mr. Chairman.

MR. DOERN: Mr. Chairman, there are some very sizeable blocks of space that are being leased by the government at what probably are pretty high prices: 46,000 square feet at the Central Credit for the Motor Vehicle Branch; MPIC from - is it the Royal Bank, or which bank is it?

MR. ENNS: The Bank of Montreal.

MR. DOERN: Is that 50,000 square feet, or how many thousand square feet is that that they are leasing from the bank?

MR. ENNS: Mr. Chairman, Government Services, the member will appreciate, does not lease that space for MPIC; MPIC does its own leasing. I believe the member is correct, it is in the neighbourhood of 51,000 square feet.

MR. DOERN: Could the Minister indicate what the square foot rental cost is at Central Credit and what the total annual cost is of that space?

MR. ENNS: I believe the Honourable the Minister of Highways, who was with us for a moment, had that item in his estimates. It is of the order of half a million dollars, \$540,000, I believe. I am seeking some guidance from staff at this moment. The rental space at Central Plaza came in at something like \$7.25, \$7.15 per square foot. I can indicate to the honourable member that there was a very active bidding for that space with Manual Life just across the street here and Eaton Place actively bidding for the tenancy of the Department of Highways. The total amount just hovers around the half-million dollar mark. The base price of the lease was in the neighbourhood of \$7.25 per square foot.

MR. DOERN: That was \$7.25 for Central Credit?

MR. ENNS: Yes.

MR. DOERN: For 46,000 square feet, is that right?

MR. ENNS: That's correct.

MR. DOERN: Well, that doesn't come out to half a million a year; that comes out to 300,000-something per year.

MR. ENNS: Pardon me, I used the base price. The accumulative price of parking, utilities, etc., raises that to close to \$11.00, \$10.80, in that area.

MR. DOERN: So we are now talking about \$10.80 a square foot, and that's some \$540,000 a year?

MR. ENNS: Yes.

MR. DOERN: That's on the Central Credit, which is a co-op, is it?

MR. ENNS: Owned by the credit unions of Manitoba, yes.

MR. DOERN: Right. In the case of the bank, I gather you said that - I don't know, I wrote down a figure of \$540,000 there as well. Maybe it's not precisely that. I don't know if the Highways Minister - I don't know if that's Vic Grant down there or whether that's the Highways Minister; I can't tell from this distance, they both have mustaches. It strikes me that must be of the order of \$10.00 a square foot too.

MR. ENNS: Mr. Chairman, that's the kind of information that we can ask of Mr. Dutton when MPIC is before the Public Utilities Committee. But I wouldn't be surprised if that wouldn't be of the same order in terms of both being relatively new and modern office space in downtown Winnipeg.

MR. DOERN: I wonder, Mr. Chairman, whether the Minister could indicate the length of both leases as to what they are; when do they expire?

MR. ENNS: Mr. Chairman, I don't want to be called to order but I don't think it is germane to be talking about Autopac's lease. I don't mind talking about it. It's lease expires relatively soon. In fact, we are in the market for finding a home for Autopac at this time; it has been indicated to us by the Bank of Montreal that they require their space. The member may recall that a one-year extension of their lease was made some year ago, I believe, or two years ago by the then Minister responsible for MPIC, the Honourable Mr. McGill, so that the MPIC leasing arrangements are running out. I believe they run to November of 1982, if I'm not mistaken; the lease for the Highways' facilities in the Central Credit Plaza Building is for a duration of five years.

MR. DOERN: 1985. Mr. Chairman, my point is this: Here we have the two department, they are renting almost 100,000 square feet. They are spending a million dollars a year for rent. I ask the Minister, in view of the interaction between the two departments, and I think he would appreciate this as somebody who, I guess, who has been involved in Highways for a period of years and also is responsible for Autopac, that there is an interrelationship between the two departments, the Motor Vehicle Branch and MPIC. There are 100,000 square feet for starters; you are paying prime rates downtown of the order of almost \$11.00 a square foot. You are paying over a million dollars a year for rental. Has the Minister given any serious thought to constructing a building? Our administration planned a building and was going to proceed; we acquired the land; knocked down the old Brunswick, which I think was an achievement in itself; and I asked him . . .

MR. ENNS: The Historical Society might have something else to say about that.

MR. DOERN: Yes, they might. The people who walked the streets had a different opinion, however. As a matter of fact, Mr. Chairman, I believe the Historical Society was sounded out, or at least gave their judgement that it was not particularly a building that was worth preserving. The only time I ever ventured into the Brunswick was when I was assured repeatedly that it was empty and that it was safe to walk inside that historic structure.

I am saying, given the amount of space, the amount of rent, the relationship between the two departments which are, you know, blocks apart, which is not an efficient form of operation, the fact that you are going to be sent out, ordered out of the Bank of Montreal Building within a year or two, wouldn't it make sense to build the government requirement in that place, with that design, or if you want to scrap plans, get your own architect and do it all over again from the beginning. But doesn't it make good sense to build government requirements when they are going to be over a long period of time, when it's obvious that there are certain advantages in construction as opposed to leasing?

MR. ENNS: Mr. Chairman, no, it doesn't make particularly good sense when we have a market situation of commercially available lease space in the city and when, I can indicate to the honourable members - I am not prepared to indicate the different proposals now before the Board of MPIC for new space facilities - there is a very good likelihood that any proposal accepted will, in effect, produce the same construction, and in that I share the honourable member's concern for activity in the construction field. To develop this space I know of a proposal that currently the board of directors of Autopac have before them and are considering for their judgement that would involve the construction of a new building, indeed, it would give them the title to the building as such, in terms that it would be the Autopac Building; or within current development schemes within the city - I need not mention them but the member can use his imagination - there are several there that are very obviously vying for a major tenant such as Autopac, who have indicated that tenancy by a major government client such as Autopac would spur virtually immediately further multimillions of dollars of development in their particular developments.

What I can tell the honourable member, and this is why I say it doesn't make good sense, I know there is the understandable acceptance of fact that owning the building, for some reason or other, should be cheaper than leasing a building, but the truth of the matter is that if we take the costs that were estimated at the time that the honourable member was involved in government amortized over a 40-year period, as compared to the space that we have now just acquired for the Highways Branch in the new and modern Central Credit Plaza Building, the 40-year per annum costs of owning that building, which was estimated to come in at some \$16 million, would have been \$14.26 per square foot as compared to the \$11 per square foot that we are paying to the Central Credit Union movement for the next 40 years, so that there is not indeed that savings that you would think naturally accrues and indeed it can be said that we are contributing to and helping a most worthwhile organization in meeting their costs and providing the necessary spur to commercial development in downtown Winnipeg.

MR. DOERN: Mr. Chairman, I don't accept what the Minister has said. If you build your own building you also have an equity in that building which you don't have if you rent and you also are talking about a present market condition. If you are going to be paying rent and your lease is up in a few years you may be paying a lot more if the rents rise. It's true that at the moment there is over-building in Winnipeg but you put that over a 40-year period you're not talking about the same rent. If that slack is taken up you may get a massive increase in the price that you are paying.

I simply say to the Minister that, first of all, he's not measuring the inefficiencies of the two operations in different locations. He's not putting a price tag on that and, secondly, you have to compare apples and apples. I remind him that a private developer has to have a profit figured in; he has to have a profit contained in his lease, so that if you are leasing from somebody, in there, somewhere is a figure for a return on his investment. Some advantage that we have that he doesn't have is that we don't have to pay the federal sales tax on building materials. You can use the same contractors that he does, you can use the same architects that he does, and if you use the same materials, because sometimes, you know, you can build a cheap building with high maintenance versus a building that's more expensive to build on a square foot basis, but then you have lower maintenance over a period of time and it's well worth the original investment.

I am simply saying to the Minister that I think, in general, where you take a specific instance where you have a relationship between two agencies of government - and he should know this better than anybody - Autopac and MPIC, there must be some economies of scale if they were in the same building and if they could inter-relate and access some of the same facilities.

I would also ask the Minister if he could give us, if not today, maybe tomorrow, some figures on the total cost of government leasing this year, or let's say last year versus this year; if he has those handy, if he could give us the dollar values.

MR. ENNS: Mr. Chairman, the honourable member and I will simply have to agree to disagree on that subject. I appreciate the honourable member's point of view but that is a matter of fundamental difference between the honourable member and myself. He chooses not to believe these cost figures that the department has indeed worked out. He indicates that may be the case today because of a current market situation in commercial space. I have to remind the honourable member when costs rise, as they inevitably do in today's age, that they also rise for the operation and maintenance of government buildings, and by any scale of measurement, whether it is a building owned by government or a building owned by somebody in the private sector, the costs of the maintenance and operation of a multi-storied, large commercial office building are there. They are there in field costs; they are there in labour costs and they are there in costs that both the private sector and the public sector has to meet in adhering to any changes in building code regulations, in fire code regulations, etc., etc.

MR. DOERN: Mr. Chairman, I would ask the Minister since he appears not to intend to proceed with the development of the land beside the Centennial Concert Hall and the Museum of Man and Nature in particular, again I remind him that it was in conjunction with the City of Winnipeg that we decided to build at that site. There was an option I think, to build that building almost anywhere, bearing in mind that when you are talking about the MPIC building you would want one in the Motor Vehicle Branch where the public could easily access it with buses, etc. My leader is coming in and he's the former Autopac Minister as well. He will recall the discussion for a new Autopac Motor Vehicle Branch building beside the Museum of Man and Nature.

If the Minister is not going to proceed for a variety of reasons and also not respond to the city's request and earlier agreements between the city and province to build a number of buildings in the core area, what does he intend to do with the land? There was an acquisition of land there, there was an acquisition of land being made beside the City Hall, so there's two prime parcels of land, and as he once said in the press some months ago "When you acquire land you can't miss because the value is bound to increase". So it has to be a profitable enterprise. But there are two large packages of land. Is he going to hold on to them for future potential provincial needs; is he going to sell them; is he going to use them for parking? Can he indicate what their future disposition will be?

MR. ENNS: Mr. Chairman, to answer an earlier question I direct the honourable member's attention to Item (d)(2) which I'm advised is in fact the total lease costs of the space in question, the total lease requirements of the government. You will note a raise from last year's printed estimates of \$5.5 million to \$5.8 million. I believe the honourable member asked for the total lease costs. I am advised that is, in essence, the total lease cost.

The honourable member's questions with respect to the land assembled previously in the downtown area, I can indicate to the honourable member and I don't wish to overstate this at this time but very preliminary discussions with representatives of the city are that they have expressed an interest in this land. The city is looking at some requirements for expansion of their own administrative offices and buildings, adjacent to and within the City Hall, and certainly the government would be disposed to look favourably at allowing or providing the city with the opportunity of acquiring this land for such purposes. Discussions are of a very preliminary nature. The city has not put forward specific proposals at this time.

I should also indicate that the province's interests in this land have not by any means been exhausted, we simply have made the decision not to use the land for which it was originally purchased. But that does not exclude future provincial plans that may well take place either as a province or in concert with the city, subject to future negotiations with the city as to what might be built or developed on these lands. As the member indicates, the land is not depreciating in value and some of the buildings that occupy some of that land have been made available again to charitable, volunteer organizations for use so that even in their vacancy it is providing some service to different groups and citizens of Manitoba for the various programs that they are undertaking.

MR. DOERN: Mr. Chairman, I would also ask the Minister if he can indicate at this time . . . This could be asked under a number of places, but again he seemed to indicate in his announcement the other day about the court building that there was a likelihood that the old garage would tend to be demolished and that there would be a possible holding facility built there and therefore a move into the new provincial garage, which has been partly used. Does he have any target dates for accessing the new provincial garage?

MR. ENNS: Mr. Chairman, inherent with the decision to proceed with the major development of the judicial system in this area and recognizing that the future requirements, even though those plans aren't that detailed, will be calling for a remand facility in that area, a decision has been made to move into the new garage at Logan and Henry sometime this fall, thus freeing up immediately some 150 spaces of parking within the compound that's adjacent to the garage, as well as, for the time being, the garage itself will provide some indoor parking for justices and other members that require parking in that area.

Mr. Chairman, the question about the new garage, although details aren't complete, we look forward to entering into a longer term arrangement, supported by the Department of Education and Ottawa, that will involve the utilization of some 25 percent of the present space of the new provincial garage, for ongoing space requirements by Red River Community College in their Automotive Division. The members will be aware that, at present, Red River Community College occupies some 14,853 square feet of that space; Manitoba Telephone System occupies a further 4,000 square feet of that space and again we've had organizations such as Skills Unlimited, which because of an unfortunate fire was in emergency need of space, as well as such other functions like the Christmas Cheer Board that were merrily packaging Christmas parcels at the Yuletide season in that facility.

But the long-term projects are that the Department of Education has requested from us to provide for them, for at least in the next three years, 25 percent of that space for a continuation of the automotive courses offered by Red River Community College and with very minor alterations, virtually just a wall that would separate that portion that would be used by the students of Red River Community College. We would then be in a position to utilize the remaining portion of the garage for the purpose for which it was originally intended.

MR. DOERN: Mr. Chairman, I'll resist the opportunity of launching into an attack at this point and say that I note what the Minister has just said. I would ask him also, the Public Safety Building, the province spent I think about \$300,000 if I can recall the figure, renovating that facility putting in some - I'm not sure of the exact amount, I guess it was not that high - but whatever the amount was the facility was upgraded, there were a little bit of recreation facilities put in, a few TV sets, etc. to do something in that regard to improve the facility. It's now administered by Corrections staff as opposed to . . . the Minister is telling me no; that . . .

MR. ENNS: The Public Safety Building is not under our jurisdiction.

MR. DOERN: Well, it's not my recollection. My recollection - I don't know if the former Attorney-General is listening - but the Public Safety Building I believe, was taken over in the sense of the provincial government put money into it and replaced City of Winnipeg Police with Corrections personnel, and therefore, we had an investment in that facility. So I am relating it to this point, if the Minister proceeds as he indicated that when he talks about a new court building, renovations to the law courts, etc., and he talks about a new court building as an extension of the law courts building, one of the purposes for the site of the old garage would be a holding facility. I believe that's what he indicated the other day. That would not be necessary if the court building were built where we intended to build, which was by the City Hall; so if there is a new holding facility, does that mean that the Public Safety Building facility will be wound down or phased out in view of new construction with a similar requirement in the downtown vicinity.

MR. ENNS: Mr. Chairman, I can only indicate to the honourable member, I have said this before, that both the Corrections people and the Court people have indicated that the Remand Centre would best be, it would be desirable that it be located quite apart and distinct from what I refer as to the Law Enforcement Building, the City Police Safety Building. And again, this is a decision that we have every reason to believe is very enthusiastically supported by both the Corrections and the Judicial community of the city of Winnipeg, and again I am informed that the city of Winnipeg is not at all displeased with this decision. They have indeed every opportunity and plans for any available space that is freed up as a result of any future move of the Remand Centre out of the Public Safety Building.

Mr. Chairman, I want to again for the record, make it very clear that we are not talking about a Remand Centre next year or the year thereafter. The Remand Centre is some considerable distance down the tube; I don't know the precise sequence of planning but I would suggest we're talking five or six years. It is a major facility, it's estimated that it could come in anywhere from \$5 million to \$15 million depending on the scale of operations that is being contemplated by the client department. The Department of Government Services is not now engaging or thinking of engaging architects or consultants for the plan and design of that facility. We have our hands full in meeting the first three or four phases of the redevelopment of the judicial complex which involves the building of the Provincial Judges Building, the total renovations of the old Law Courts Building, the renovation of the Lands Titles Building; all this adding up to a package of some \$16 million inclusive of the \$2 million spent at 373 Broadway. I don't mind speaking about the Remand Centre but I do not wish to mislead members of the committee into believing that the Remand Centre is part and parcel of these current plans of the judicial complex; nor would I want to mislead people within the correctional system, or otherwise, that the Remand Centre is just around the corner. We have room, we see the common sense of freeing up the provincial garage site, the old provincial garage site, for badly needed parking and perhaps some minimal maintenance service, but in essence it now makes sense that we make the move to the new provincial garage.

MR. DOERN: Mr. Chairman, I'm happy to see that the Minister and the government have made sense and come to their senses in that regard. I would ask him as well, given a move to the new provincial garage in the fall of this year, since all major repairs will be done on Logan Avenue - is he going to retain only the gas pumps for a matter of convenience so that people in the core area will be able to gas their vehicles; and is he then also going to knock down the old garage and use that for surface parking?

MR. ENNS: Mr. Chairman, consideration is being given to the continued use of facilities like the gasoline pumps and perhaps some other minor service to facilitate the vehicles that are being serviced out of the central core area. The question of the building itself is still very much a matter of open debate. There is some concern, of course, that the building itself is a pretty fine building and I think that there will be a great deal of justification that will have to be made that will rationalize the demolition of that building. There has been some suggestion made that at the time the building was built it was built to provide for additions, stories to be added to it. Preliminary studies have indicated that is not the case. But we will undertake to examine all options open to us with efficiency.

MR. DOERN: Yes, efficiency sooner or later. Mr. Chairman, the other question I wanted to ask the Minister was: in my part of the city is a building that contains the Purchasing Bureau and some related supply and services departments, office repair, etc. Now a lease was signed there, I guess five years ago or so, I don't know exactly the date, perhaps up to a seven-year lease, five years with some renewals, etc., rumour has it that the government intends to pull out of that building and move the civil servants into the St. James area. Now I simply say to the Minister that what used to be called the Snowdon's Building on Henderson Highway was rented at a very low rate, at a warehouse rate of - I can't remember the figures, \$1.50 a square foot or whatever - and then renovations were

put into it which again have to be amortized over the period of the lease. My impression was that the people in the department were satisfied with the location, that they enjoyed their new premises, that everybody else got used to it and instead of people coming here to throw their tenders into the Legislative Building and add to increased traffic, that they could go to another place which was less trafficked and submit tenders. I know that employees of the government in a number of instances, moved into the area, bought houses and rented apartments, and the general impression was I think that building could be rented at a reasonable rate or a low rate and that the operation should be continued. So I ask the Minister, does he intend to now terminate the lease and move to another part of town which is being rumoured?

MR. ENNS: Yes, Mr. Chairman, the answer to the honourable member's question is that we do intend to terminate the lease and move into a consolidation of space that is currently available on Century Avenue where we have, as a result of some of the movements of space from the Department of Mines and Natural Resources; pardon me, this is new space.

MR. CHAIRMAN: 2.(b) - the Member for Elmwood.

MR. DOERN: Mr. Chairman, can the Minister provide the original figures, the original rental rates of that building and the amortized rates - as I say I don't know what the figures are, they were \$1.50 and then I guess amortized, I don't know they might have been \$4.00, \$5.00, or \$6.00 a square foot - can he give us those two figures and then can he provide us with the new figures of the new rental space?

MR. ENNS: Mr. Chairman, in the building referred to by the Member for Elmwood, the annual rental rate ran at some \$85,000 to which you have to add some \$268,000 worth of improvements for an amortized cost, annual cost of \$126,000; \$650,200 to the government.

MR. DOERN: How many square feet?

MR. ENNS: The square footage involved? In the neighbourhood of 19,000 or 20,000 square feet.

MR. DOERN: So that's about \$6.00 a square foot.

MR. ENNS: We have it in meters, Mr. Chairman.

MR. DOERN: Do you have it in French?

MR. ENNS: The space that is being acquired is of similar cost, similar square footage, a somewhat less square footage for a cost of \$125,777. The advantages accruing here are badly needed parking facilities which the honourable member will be well aware of is becoming a cost factor in all such buildings. Parking was virtually not available at the Snowdon Building and we have indications from our staff that they are more than happy with the planned move.

MR. DOERN: Could the Minister give me the precise number of square feet that he is renting there?

MR. ENNS: The Snowdon Building involved a total of 1,928 square meters.

MR. DOERN: I'd like it in feet, if possible.

MR. ENNS: I'm sorry, I haven't got it; we're in the metric age now, Mr. Chairman.

MR. DOERN: Well, how many meters?

MR. ENNS: I'm unlike Frank Johnston; I don't balk at modernization.



MR. DOERN: Divide by ten; 20,000 square feet.

MR. ENNS: Multiply it by ten.

MR. DOERN: All right, fine.

MR. ENNS: And the space that we're moving into is 1,393.54 square meters.

MR. DOERN: Could I have the second figure again?

MR. ENNS: 1,393 square meters. I should also indicate to the honourable member that the rent that I quoted of \$85,000 per annum was the rent that has been in effect for the last five years and we have been given every reason to believe that rent would have been considerably increased for the coming period of time or extension or any extension thereof.

MR. DOERN: Mr. Chairman, I convert to square feet with the assistance of the Member for River Heights who's an engineer, whereas I'm an arts man and I'm not referring to the Minister of Highways. I won't describe him, other than to say he's from the south, from the deep south. Mr. Chairman, my figures, my calculations, are that you are paying about \$6 a square foot. You can translate that into meters to understand that; and in the case of the new space, you're talking about roughly 14,000 square feet compared to roughly 20,000 square feet. You're getting about a-third less space, so my impression is that whereas you're paying about \$6 a square foot at Snowdon's, you're paying \$9 a square foot in the new space. Now the Minister says they were going to raise the rent but they would have to raise the rent, I believe, on the base rate which wasn't \$6 - the base rate was \$1.50 or \$2.00. I'm simply saying to the Minister that he's paying a lot more money for the new rental, the approximate difference between \$6 and \$9.00. Even if the rent went up it couldn't have gone up more than 50 cents or \$1 or so a square foot. It couldn't possibly have gone up \$3, because we're talking an amortized rate. I assume that most of the rugs and most of the investment would still hold in that particular building.

I also ask the Minister again how many years they've been in the Snowdon's Building and whether there wasn't a possible two-year extension available to the government?

MR. ENNS: Mr. Chairman, we've occupied the Snowdon Building since '74. The question of whether or not an extension was available or not available is not in question. We desired to move from that location for several reasons. There were I'm advised fully a thousand feet plus of space that we couldn't utilize in the Snowdon Building. It was an old facility, we only had three parking places available to us for employees; whereas the site on Empress Street is a new facility with unlimited or ample parking for full staff requirements. It is more central to the operations that the Government Services operates from their building on 1700 Portage which lease we extended, that is, the Federated Co-op Building. It was the judgement of the department that this facility was a needed improvement to the leasing accommodation and provision of space for the department.

MR. CHAIRMAN: 2.(d)(1)--pass; 2.(d)(2)--pass; 2.(e)(1)--pass; 2.(e)(2)--pass; 2.(f)(1)--pass. The Member for Elmwood.

MR. DOERN: Mr. Chairman, on the Security Services, I wonder if the Minister has any information for the committee in terms of any increases in the security complement of the government in terms of our security forces, the number of SMYs last year and this and, also, if he can explain some of those dollar figures of what we're accessing from private security companies. Then if he might give us some breakdown of the various organizations that we're using.

MR. ENNS: Well, Mr. Chairman, in the first instance, we've increased the SMYs in this appropriation from 36 SMYs to 40. The increase involves 4 additional members resulting essentially for the opening of the new Provincial Judges Court.

It is planned that the staff will be utilized to improve the security for the whole Law Courts, Woodsworth Building and Provincial Judges Court Building complex.

Mr. Chairman, I can also provide some additional information to member of the committee giving you some idea of the various costs involved in terms of a contract or in-house provision of security as compared to outside contracted security services. The ratio, in the first instance, has remained relatively constant. In 1977-78, for instance, the ratio between in-house and contract was 53 percent in-house as compared to 46 percent contracted out; in 1978-79, it remains the same, 53 percent in-house, 47 percent contracted out; in 1979-80, the year just passed, it was somewhat below that, 49 percent in-house as compared to 51 percent contracted out; in the estimates before you, we have reversed that somewhat again, 53.3 percent in-house as compared to 46.7 percent contracted out. That gives the honourable members some indication that there has been little change in the contracting out versus in-house security in this instance.

MR. DOERN: Can the Minister give us some indication of which firms, which private firms, have the bulk of the business or how many there are and if he has any percentages or dollar figures on the various firms which I assume tend to be Winnipeg based?

MR. ENNS: Mr. Chairman, I can indicate to the honourable member and members of the committee that we have just awarded new tenders, new contracts for further security services for the coming period of time. If the member is interested I can list them for the members of the committee. At the Fort Osborne complex, the present contractor was Barnes Security, the new contractor will be Can-West Security; at the Manitoba Archives Building, the present contractor was Metropolitan, the new contractor will be Can-West Security; at Assiniboine Community College, the present contractor is Metropolitan, the new contractor will be Metropolitan; at the Provincial Office Building in Brandon, the present contractor is Metropolitan, and the new contractor continues to be Metropolitan; at Westro Industrial Mall, the present contractor is Metropolitan, the new contractor will continue to be Metropolitan; at the Highway Services' Building, the past contractor was Metropolitan, the new contractor will be Can-West Security; at the Robert Fletcher Building, the present contractor was Barnes Security, the new contractor will be Metropolitan; at the Century Plaza site, the present or former contractor was Barnes Security, the new contractor will be Metropolitan; at the Provincial Office Building, Portage la Prairie, the present or past contractor was Metropolitan, the new contractor will be Can-west Security; at the Provincial Office Building in Thompson, no change, Metropolitan continues the contract.

MR. CHAIRMAN: 2.(f). The Member for Portage la Prairie.

MR. LLOYD G. HYDE: I wonder if you could indicate as to how long that contract with Can-west is for.

MR. ENNS: Mr. Chairman, the contracts are let for two years with a provision for a one-year extension if it's deemed desirable to some extent.

MR. HYDE: And when is that contract out?

MR. ENNS: These contracts that I just read off came into effect April 1st of this year.

MR. HYDE: Of this year. I'm wondering, Mr. Minister, if you would consider the possibility of local security for our Portage Provincial Building.

MR. ENNS: Mr. Chairman, in answer to the Honourable Member for Portage la Prairie that the contracts are open to tender to all who are capable of providing the service. I must indicate to the honourable member that in the area of care-taking and janitorial cleaning work, the local entrepreneur seems to be more successful in acquiring these contracts. The business of providing security seems to have specialized to the degree of half a dozen firms that have developed a degree of expertise in this field and that seem to have the market more or less

available to them. But there is nothing preventing any local contractor from meeting the requirements and then bidding on them.

MR. HYDE: Thank you.

MR. CHAIRMAN: The Member for Elmwood.

MR. DOERN: Mr. Chairman, does the department utilize the Corps of Commissioners?

MR. ENNS: Mr. Chairman, that question allows me to also answer a question for the Honourable Member for Portage la Prairie. We do use the Corps of Commissioners, the Legislative Building and the Law Courts at Edmonton and York, at 1075 Portage and at Red River Community College.

MR. DOERN: Mr. Chairman, I just wanted to make a general remark to the Minister. We're now getting to finish this section. I think there a number of questions on the Gimli Industrial Park and my colleague for Churchill may have some comments there. I just want to suggest to the Minister that if we finish this section I would prefer to adjourn at 10:00 and it would be my intention to attempt to finish the department tomorrow. I just mention that in passing; that there will obviously be some debate tomorrow and there will obviously be some sections where there'll be heavy debate like, maybe, on EMO. So I'm just saying to the Minister he can maybe think about that but that would be my recommendation to him that we finish 71 and then adjourn and see whether we can clean this up tomorrow. That's all the questions I have on (f), Mr. Chairman.

MR. CHAIRMAN: 2.(f)(1)--pass; 2.(f)(2)--pass; 2.(g)(1). The Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Chairperson. What I would like to do first is ask the Minister if this would be the appropriate area to discuss the storage of hazardous products at Gimli, if that comes under his department? I'm not certain that it does, so I'd ask him if this would be the appropriate area in which to discuss that?

MR. ENNS: Mr. Chairman, I'm advised by my Deputy Minister that while we supply the physical facility and it's on our site that the Department of Government of Services is responsible for it but we have no authority or say-so in the management of the site, nor in the rules or regulations prescribing to how that material is stored there.

MR. COWAN: I would ask the Minister then, Mr. Chairperson, if he can indicate who does have authority in that regard as to how the materials are stored?

MR. ENNS: The Environmental Management Branch, the Department of Corporate and Consumer Affairs. Normally, it was with the Department of Mines and Natural Resources, but with the transfer it has been moved that way.

MR. COWAN: Thank you. Could the Minister then indicate if the Department of the Environment is responsible also for examination of the physical storage containers and bunkers, whatever, at the Gimli site?

MR. ENNS: Completely, Mr. Chairman.

MR. CHAIRMAN: 2.(g)(1)--pass. The Member for Elmwood.

MR. DOERN: Mr. Chairman, I wonder if the Minister could give us - I've looked at the Annual Report. I wonder if he could give us some general idea of which businesses or operations at the industrial park have closed over the past year - or pulled out perhaps would be a better word - and which new businesses or operations have gone into the park.

MR. ENNS: Mr. Chairman, I will ask my staff to look that up.

MR. DOERN: While that is being looked up, I want to admonish the Minister for one thing that he didn't do in the past year or two. I am not sure of the exact date because I see something about 1978, but my impression is that last year at the Gimli Industrial Park, there was a major opening and event, namely that the CNR, which I believe is the anchor of that whole industrial park and the success story of that industrial park, had a major opening. I don't know if this was the completion of their major building in which they have those simulators. I think all of us are happy with the developments there. It started as a small undertaking with some buildings being utilized by the CNR and it has now developed into a major centre for the training of engineers and maybe firemen, and expenditures of millions of dollars.

Some time in the past year, there was an official opening and much to the dismay, I think, of CNR officials and the people in Gimli, the Minister of Government Services did not attend, nor did the MLA for Gimli, who is the Minister of Education. So I ask him why he didn't appear at this important event to show the appreciation of the citizens of Manitoba for the expenditure of the CNR and their location in this facility?

MR. ENNS: Mr. Chairman, I don't like to place the responsibility and name particularly members of staff that from time to time are derelict in their duties, but my executive assistant, Mr. James McEachern, who normally keeps good track of me, simply didn't see that I got to that important affair on this occasion. I take that admonishment seriously and I will have a chat with Mr. McEachern.

MR. DOERN: You are admonishing him; I am admonishing you and you are admonishing him. Does that mean that I am admonishing him?

MR. ENNS: Just by way of general interest, though, the question that the honourable member asked earlier, I am advised that there has only been really the one firm that has ceased operation at Gimli, that is, the Modular Home pre-fab group that was there. Pretty well all the other operations are carrying on.

We are looking forward, of course, with the active support of the Department of Economic Development, to expand the industrial activity at Gimli. We have, in total, some 263 people in private employment. As well, we have some 68 government staff people involved there. We have continued space available for future industrial expansion. I don't know whether any firm will have the determination to build airplanes or helicopters there once again, but it seems that that site attracts those kinds of ventures and this government, not unlike the past government, is prepared to examine any and everything that flies.

MR. DOERN: Mr. Chairman, the Minister will recall that last year I was admonishing him in his role in the flood fighting and that I mentioned that he had been taking so many helicopters, become so attached to helicopters that I could almost visualize a two-propellered beanie spinning on his head, and similarly the First Minister. Now, after that, after loving those instruments of flight, and I can tell you that I personally detest helicopters. I took one helicopter ride in my life --(Interjection)-- I'm sure he didn't. The mere thought of that ride makes him throw up.

Mr. Chairman, I missed a first chance to fly in a helicopter in 1953 in Toronto and I regretted it, and I had my first flight in Manitoba, I guess, about four or five years ago and I regretted taking it. I went down the Red River in an army helicopter, couldn't hear a thing, a deafening roar, uncomfortable trip. You couldn't hear the person beside you if they were shouting in your ear at the top of their voice. So I don't ever intend again to fly in a helicopter if I can help it.

I just mention in passing that the government is talking about bringing in a German firm to build helicopters in Manitoba. I have an ominous and uneasy feeling here, similar to the Saunders operation, that given the terms, as I read them in the paper, and I only know what I read in the paper, that it sounds like another Saunders development, namely that they will come in providing the government puts in some money and then puts in some more money and then puts in some more money.

I just wondered whether the Minister, given his responsibility for the industrial park and assuming that his government undertakes this enterprise, which I encourage them to do so that it may hasten their downfall, I ask him whether he has a building or buildings that are being considered in the event that this deal goes through?

MR. ENNS: Mr. Chairman, there is vacant space available for precisely that kind of an enterprise. I suppose, to some extent, that that's what attracts the enquiries from time to time from firms such as the one the honourable member describes.

Let me assure the honourable member that the Department of Government Services is primarily concerned with recovering adequate revenues to offset our costs. As the landlords of the site, I indicate to the members of the committee that modest increase of rents is due and will be taking effect this year, not of the nature that would cause, we believe, any difficulties for the firms operating out of the site, but will come more closely to reflecting the costs that the taxpayers of Manitoba generally pay for the maintenance and the operation of the site through the Department of Government Services.

Mr. Chairman, I can't help but pass, as a matter of historic note, to inform the honourable members of the committee that sometime early this morning, the crest of the Red River passed through the City of Winnipeg. It is well on its way to Selkirk. So I can assure the Honourable Member for Elmwood that there will be no helicopter rides in the near future to view the rivers and streams of the province of Manitoba this year.

MR. CHAIRMAN: The Member for Churchill.

MR. COWAN: Thank you, Mr. Chairperson. Well, my leader is probably one of the more enthusiastic about that last announcement, having lived through the experience and the terror last year.

I would just ask the Minister one last question, or I believe it will be one last question, in regard to the storage of hazardous chemicals, and that would be to ask him who is responsible for the upkeep of the storage facilities themselves? In other words, the actual physical upkeep, is that done by his department or is that also done by the Department of the Environment?

MR. ENNS: Mr. Chairman, while the building remains technically under the control of the Department of Government Services, I am advised that the building itself, which consists of a storage tank, is under the complete control of the Department of the Environment.

MR. COWAN: Thank you, Mr. Chairperson. I just want to thank the Minister for that information. We will intend to pursue that debate under the appropriate department.

MR. CHAIRMAN: The Member for Logan.

MR WILLIAM JENKINS: Mr. Chairman, the Minister raised an interesting topic here. He said that they try to recover the costs. Is the department still leasing some of the agricultura lands in between the runways that were leased, I believe, to local farmers?

MR. ENNS: Yes, Mr. Chairman, that practice is still continuing. We have just renewed the leases of that land. I can, for the information of the honourable members, indicate to them who the successful tenderers were. On an annual cash payment basis, the following tenders were accepted: Mr. Joe Cherniak of Gimli for some \$12,600; McConnell Seed Farm of Petersfield, who was the unsuccessful bidder of \$12,070.00. So there was active bidding. Five persons bid for the land in question. A Mr. Cherniak, a great agriculturalist of this province, is farming that land.

MR. JENKINS: I thank the Minister for that information. I understand from his answer that there is only the one successful tenderer?

MR. ENNS: Yes, it's the one parcel.

MR. JENKINS: One parcel of land. When the Member for River Heights, not the present member but the former member, the former leader of the opposition, was Minister of Government Services, I believe in the early part of the Progressive Conservative government, I asked him a question at one time with regard to the runways because there were some rumours that were circulating around the area that the present government was anticipating tearing up some of the runways that are there at the facility. I just want reassurance that that has not come up for reconsideration at this time.

MR. ENNS: Mr. Chairman, that is not under consideration.

MR. JENKINS: Another thing, Mr. Chairman. I have been out to the industrial park on several occasions and I realize that there are private enterprises in the facility, renting from the government, but at the gate, when you go in there and if you want some information, there is usually no one around there that you can get information from. So you wind up driving around the industrial site looking for the facility that you want to do business with. Are there no people there to give information at the facility, because I know there is a gatehouse there, or what I guess used to be the guardhouse. I know I have been there on various occasions and I see someone there but I don't know they are and they tell me to go to such and such a place and I find out that I'm in the wrong place altogether.

There seems to be no concrete information when you make an enquiry where you want to make a contact with somebody out there. Is there any staff, or is that not a function of the department, to provide sort of an information service where people . . .?

MR. ENNS: Mr. Chairman, the staff has heard the problem that the Honourable Member for Logan describes and it could well be that we should address ourselves to some better signing. I am advised there is, among the first buildings as you come in the gate, a Government Services building there where Government Services staff who are operating the complex are housed, and who do give direction. Perhaps it is a question of some appropriate signing that more easily directs visitors or people visiting the site to that building.

The site is no longer an air base as such and requires that kind of 24-hour or even daytime service that one is accustomed to when one comes onto, say a military complex. The department has sufficient problems in trying to maintain the buildings at reasonable costs so that attractive rents can be made available to encourage industrial location at that site. I don't think, I don't read into the member's questioning that he is necessarily suggesting that a duty officer or somebody has to be on staff there on a permanent basis, but I accept the good advice that perhaps a little bit of attention to some information signing which directs visitors to the appropriate office or the appropriate building that this information would be available, or perhaps even an informational board that would indicate the location of the different businesses on site. I accept that as constructive criticism from the Honourable Member for Logan and, Mr. Chairman, I will ask staff to take that into consideration.

MR. JENKINS: Well, that's fine, that's primarily what I was suggesting to the Minister, that a large bulletin or a large placard or something go up there, so you go down such and such a road to such and such a building, because otherwise you can drive around that site; I mean, I wound up out on the airstrip one time looking for something. And then, lo and behold, somebody was coming down with a small airplane and that's not a very pleasant feeling either, I can assure the Minister. --(Interjection)-- No, I wasn't playing chicken with him but that was just the information that I had received from I don't know who. --(Interjection)-- Maybe somebody was out to get me; I don't know.

MR. CHAIRMAN: 2.(g)(1)--pass; 2.(g)(2)--pass.

Be it resolved that there be granted to Her Majesty a sum not exceeding \$25,528,100 for Government Services, Field Services--pass.

The Member for Elmwood.

MR. DOERN: Mr. Chairman, I think in view of the progress that we've made, I wonder if the Minister would agree that we could have the committee rise and continue our deliberations tomorrow.

MR. ENNS: Mr. Chairman, I'm more than prepared to accept that recommendation.

MR. CHAIRMAN: Committee rise. All in favour? Committee rise.

SUPPLY - NATURAL RESOURCES

DEPUTY CHAIRMAN, Mr. Robert Anderson (Springfield): The committee will come to order. I would call member's attention to Resolution 108 Wildlife (b)(1) Salaries, (1)--pass - the Member for Rupertsland.

MR. HARVEY BOSTROM: Mr. Chairman, I believe there were some issues being raised by my colleague the Member for St. George, who is just arriving, and perhaps he could follow up on those before we pass this item.

DEPUTY CHAIRMAN: The Member for St. George.

MR. BILLIE URUSKI: Thank you, Mr. Chairman. When we broke for Private Members Hour I had asked the Minister what the breakdown was of the amount of funds between the 100 percent compensation that was paid to farmers for losses as a result of waterfowl damage in the Oak Hammock and the area around Lake Winnipeg, the Lake Frances area. He came over to this side after we broke and indicated that the amount of compensation, \$285,000, included that amount. I'd like the Minister to give us that breakdown, and I also asked him whether or not Ottawa was contributing to that full amount up to their share of the standard formula of, I think \$50 an acres, that is presently being paid.

DEPUTY CHAIRMAN: The Honourable Minister.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Chairman, the compensation payments - there were four claims at Marshy Point for \$5,672 and the amount cost-sharable was \$3,168.00 At Oak Hammock there were 17 claims, an amount of \$17,117, cost-sharable on \$12,621.00. In the remainder of the province there were 256 claims, an amount of \$238,924, and cost-sharable, of course, the entire \$238,924.00. The difference, I believe, Mr. Chairman, in the figure I gave earlier, was for damage, for prevention . . .

MR. URUSKI: Mr. Chairman, just as a matter of interest, could the Minister indicate whether he has a regional breakdown of those claims of where the major portion of the damages do occur in the province? Is there a regional breakdown as to does one region fare far worse than other regions of the province in terms of waterfowl damage of that claim? We know that both the Oak Hammock and Marshy Point are within the Interlake, but their total is not that great a portion of the total amount that is paid. Or is it fairly well spread out throughout the entire province?

MR. RANSOM: It can vary a lot, Mr. Chairman, with the season, of course, but one of the major areas, I understand, was the area at The Pas.

MR. URUSKI: Thank you, Mr. Chairman. Mr. Chairman, I would like to, on another matter, raise and enquire of the Minister: There was a moose hunting season allowed on Hecla Island Provincial Park, and there were concerns raised with me by numerous residents of the village of Riverton concerning the hunt on Hecla. There were statements made and concerns raised that it might be possible to, rather than hunt the moose on the park, to have them removed by chasing or by some means, rather than hunt them in the provincial park.

Mr. Chairman, what I would like to know is whether or not the population is still increasing; whether there are intentions of another hunt; whether there is a

count of how many animals were taken, and what has been the experience of the department with respect to this hunt? There were local concerns raised about the moose; it has taken years to build up the herd and if there were problems of too many on the island, that maybe some alternate means could have been used to move them away from the park.

MR. RANSOM: Mr. Chairman, I don't have the figures in front of me in terms of the populations, but the season that has been held there has, I believe, been considered as quite satisfactory. The only comments that have come to my office have been congratulatory types of comments from the hunter saying what a good experience they had, and such.

There may be those who object to the concept of hunting in a park, as I mentioned previously, especially those who tend to associate a provincial park with a federal park. Our policy is not to treat the park that way. As long as we can meet the other requirements of the park, then the hunt can proceed. If we found that there were some other recreational uses that could not be met because hunting was taking place, then I think there would be some greater reason to look for other means of trying to control it. But at the moment, this seems to me to be the best of the alternatives. It certainly is the least costly method to the province. It provides extensive recreation and, to my knowledge, it has not conflicted substantially with other uses of the park.

MR. URUSKI: Mr. Chairman, there is no doubt the time of the year normally would not conflict with people's use of the park. However, I would like to know whether there is an intention, and how does the determination made to hold another hunt; whether or not a determination is being made to hold another hunt on Hecla; whether it will be, for example, through firearms or whether it will be as it is in some other areas a bow hunt, an archery hunt; or what criteria is the department using in terms of ascertaining whether or not a hunt should be held. Is it strictly the numbers of the animals, and whether or not they may be causing havoc to the habitat and over-population, making it a problem for those animals to survive because of over-abundance of animals. What are the criteria that they are using? Was there an over-abundance of animals on Hecla at the time that the season was called for? What this the prime reason for having that?

MR. RANSOM: I think it is a question of attempting to balance the population with the habitat that is available. There is a certain amount of judgement, of course, involved in saying at what point it is balanced or what point it is threatening to be out of balance. I think that when the season was first held that there was concern that the population was becoming excessive and that it would begin to suffer, so a season was implemented.

I haven't had a firm recommendation come forward yet, but it is my understanding that there will be a recommendation for a further season, probably of a similar nature that we have had before. I think there were 150 firearm licences last year and they took 36 moose and there were 150 archery licences and they took 3, so there were 39 moose taken out of that area. As I say I don't have the actual figures on what the estimated population is to be, but they have done some aerial surveys there and will do some examination of the range and make a recommendation that they think will keep them in balance with that and still have a pretty high population in terms of the tourist to have a good chance to see a moose when they are in the park.

MR. URUSKI: Mr. Chairman, the Minister indicated that there 150 each of both firearm and archery licences issued. Will that limit, and I gather that must have been the limit set by the department, in terms of not having too many hunters at any one time, will that kind of a limit be one of the guiding factors for the future, and will there be possibly the season split into two parts so that there are not too many hunters on that island at any one time. Is that part of the considerations that will be undertaken?

MR. RANSOM: Yes, there are likely to be limitations to try and keep down the density of hunters, partly for safety reasons and partly for the quality of the recreational experience that the hunters get. I think that the levels that



we've had there in the past have been satisfactory and we don't see any reason to move too far from that kind of procedure.

MR. DEPUTY CHAIRMAN: (1)--pass; (2)--pass; (3)--pass; (b)--pass. (c) Planning and Allocation, (1) Salaries--pass; (2)--pass; (c)--pass. (d) Habitat Management, (1) Salaries - the Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. Could the Minister indicate whether in this portion of the estimates there is going to be any further work done in the wildlife management areas in terms of increasing the habitat for primarily, I'm sure, for either elk or deer throughout the management areas? Specifically I am referring to those within the Interlake area, of which there are a number. Is there a program of works with respect to the habitat management, or what is entailed in this area?

MR. RANSOM: I am advised, Mr. Chairman, that there is a very modest program of habitat improvement. These areas are quite large, as the honourable member is aware, and management programs to improve the quality of that habitat are likely to be fairly expensive if they are going to have a significant impact over a large area. Often just the fact of securing the land and the cover that is there already and preserving it, that is the major action, really, in most of our wildlife management areas. They will be there in the future if the time comes when more intensive management efforts are necessary and the funds are available for those kinds of efforts.

MR. URUSKI: Mr. Chairman, that brings up my further comments that I wish to make. We know that from time to time there seems to be, at least, opposing views between the agriculture sector and the resources sector with respect to land utilization and how land can best be utilized to service both requirements, those of the farming community and that of the wildlife population, namely deer or elk.

There seems to be continually, especially in some areas, a conflict between the resource management people of indicating, well, we have this land in a wildlife management area and that is strictly for the use as habitat for the deer, and we have the contention of the farming population, who indicate that, look the deer like and prefer the same kind of food as our animals do, they like the alfalfa, they like timothy hay and all these kind of grasses, can there not be a compatible use for both, and continually pressuring the department to release some of these lands.

I believe that the government should from time to time consider at least a use, on a limited basis. For example, I know where the department has, through various programs, purchased farmland which was marginal land and have maintained the fields that were in hay for pasture for the deer populations and the elk populations. I see no reason that the government could not allow certain areas of the province where there may be just strictly natural habitat, bush cover, that strip clearing could be undertaken, grass seeded to it, and the farmers be allowed, not to graze that land, although of course there are pressures to move into those areas for grazing purposes, but to allow the farming community to develop in a managed way, in consultation and direction with the government, to develop these lands and allow the farmers to utilize these lands for the making of hay, for increasing hay production, which of course would give wildlife the benefit of having the grasses that the farmers would put in, for better utilization of the forests that are there. We know that some of the marginal areas, or the areas that are covered fairly densely in bush, while they may be a good refuge for animals in terms of inclement weather, their carrying capacity may not be that great.

I wonder whether this kind of co-operation is not feasible. I know there probably are differing views between biologists and the people from agriculture as to whether or not this can be done, but certainly I would hope that even some pilot projects could be undertaken and have the farmers undertake the development, under the direction of either your department or the Department of Agriculture, and see how it works out.

I know that there has been great reticence by the department to allow any move in this area. At least that has been my impression. If I am not right, I would

like the Minister to indicate that, "No, we have been trying this," and let us know how they have made out, what the success has been, or lack of it.

MR. RANSOM: It has been to some extent tried, Mr. Chairman, and is being tried. There is a considerable amount of haying takes place in wildlife management areas. I think what has to be kept in mind, that the primary purpose that the wildlife management areas will be put to is the production of wildlife. That doesn't mean that there can't be room for some other uses as well, but the fear often is on the part of the managers that once a given type of use is permitted, that there is then pressure for expansion of it and that it may well erode the primary purpose that the wildlife management area has established. I know that is the fear that the managers have. As the member for St. George points out, grazing, of course, does tend to be in most cases rather detrimental to wildlife production.

In principal, without making reference to any given wildlife management area, I think that is the sort of management effort that has to be examined, each case on its own merits.

MR. URUSKI: I would like to suggest to the Minister and to his officials that from time to time, I know I have had requests and primarily, I think, the management area as the area primarily east and north of the community of Ashern, and there have been from time to time requests. It is a fairly extensive area that is a wildlife management area, and some experimentation, I think, should be allowed. There is no doubt that possibly it may arise - there have been conflicts - from personalities involved on both sides of the issue, from the farming community and from the department, but I think that the Minister should have his staff undertake, and at least discuss with the farming community in there, some alternatives to at least try out some of the areas, in the management area that I am speaking about. Certainly, as I've mentioned, there likely will be continued pressure and there will always be pressure from one side or another, but I believe that experimentation should continually take place in this vein while not allowing, as the Minister has mentioned and I've mentioned, grazing to take place but good hay production undertaken which, of course, can only encourage better habitat for the deer population of that portion of the Interlake.

DEPUTY CHAIRMAN: (1)--pass - the Member for Ste. Rose.

MR. A. R. (Pete) ADAM: I wonder if the Minister could tell us, as a point of clarification if habitat management includes other wildlife, other than big game. Does this apply to muskrats and . . .?

MR. RANSOM: It would apply to other game as well.

MR. ADAM: I'm just wondering if the Minister has any more information at the present time than he had some time ago, when I believe we asked him about a Grass River development, and I am wondering if he could tell us what plans are in the offing for whatever is to be done in Grassy Marsh.

Also while I am standing, there's no use me sitting down and standing up, other areas that I want to talk about is that I talked to a number of trappers in my area and they're quite concerned. Well of course, the Grassy Marsh, I understand, there's hardly any muskrats left in that area, if any at all. I'm told that it's pretty well cleaned out. We'd like to know just what the intentions are there.

I know that I've received a lot of complaints from trappers in my area that trapping regulations are leading to depletion or over-trapping of the fur resource and I know that some of my lands in the Turtle River area, Turtle River Marsh, where it was a very prolific area for muskrats, there's hardly any muskrats left there. I know that I have four quarters where there are usually a number of muskrats in the area and I allow some trappers to go in; I allow people to go in who I hope, and of course, I expect them to manage the area in a responsible way so as not to deplete the resource for future years. So I restrict the number of people who go in there to trap. However, it is very difficult to patrol and see who goes in there. There's other people who probably go in without permission, it's pretty

hard to keep people out. I usually allow one trapper to go in because he's a responsible person and he makes sure that he doesn't trap out all the muskrats that are there. But, unfortunately, there are others come and they open up the houses and the houses freeze over, and the rest of them die. They freeze in or something.

So I'm just wondering, in fact, I have received a number of letters and I think I could probably, if I wanted to, get a petition from most of the trappers in regard to this problem. I know that in my area a few years ago they thought that there was sufficient water and that they should be trapped out in the fall, in the winter, because they thought they would be freezing out. Well, they did allow that and I was opposed to it, because I didn't think it was the proper way to handle it. But it went ahead anyway and they just about cleaned everything out. We didn't see any more muskrats after that for a number of years. They did come back, I believe last year there was a number coming back but it's now going down again, so I don't know what the reason is for it. I wonder, maybe, if the Minister can enlighten us on two points: the Grassy Marsh, what's happening there, because I understand there is no muskrats left there at all and, also, what other management is being undertaken to see if we can't improve the muskrat population?

Incidentally, a good pelt is about \$8 this year I understand. So there's an awful lot of trappers going out; everybody's trapping them now because they are a high price. I'm not sure whether that's a good thing or whether there should be some restrictions there or not, I don't know.

MR. RANSOM: We had a fairly complete discussion on the Big Grass and Whitemud River earlier in the estimates review and I really have nothing further to report. There is no recommendation or set of recommendations yet agreed to for the management of that area. I think that the honourable member probably raises the most significant factor when he talks about prices. It certainly generates the demand and it puts some pressure on and may, in fact, result in depletion of populations for a time. But it's hard to judge whether that's bad or not because historically the prices have not held up for long periods of time and efforts that have been made to try and conserve the resource have, in fact, simply led to wastage of the resource. Muskrats are extremely prolific in terms of increasing their numbers when the conditions are right.

We're not unmindful of the problems that he points out. We undertook to establish a special trapping area this year at the Oak and Plum Lakes area where there's been a rather excessive pressure and competition among individuals who are trapping that area and so we set up a special kind of management scheme there that provided for a little more control over it, a little more order among those who are undertaking the trapping. But other than that I don't think it's fair to say have undertaken any management of muskrats. The honourable member may have been here earlier when I referred to the agreement that we are in the process of signing the Ducks Unlimited in the Summerberry. That's a further example of a rather extensive project there that's been undertaken.

MR. DEPUTY CHAIRMAN: The Member for St. George.

MR. URUSKI: Mr. Chairman, I wanted to raise another aspect of Habitat and Management and that deals with fishing habitat. I want to indicate to the Minister I've been approached by the Chief and Band Council at the Little Saskatchewan Indian Reserve which is near the community of Gypsumville concerning whether or not a permit could be issued to the band or members of the band to take out rough fish, namely mullets and possibly some jackfish during the spring run in the Basket Creek area. I think the river is called the Proulx River, P-r-o-u-l-x I believe, I think the river is called. They indicate that is a good run for the spring mullets. They have not been able to fish that in the past, whether in terms of taking out some of this fish might not improve the habitat area for the commercial species that would be bounding in the Lake Manitoba area; whether or not these kinds of permits have been issued from time-to-time and whether the Minister would give consideration to such requests. Has he had such requests in the past, or his department, from individuals and/or reserve councils and whether or not this kind of request would be considered by the department?

MR. RANSOM: That not being an item that really falls under Wildlife Habitat Management, Mr. Chairman. I'm just answering on the basis of the knowledge I have myself of the matter. It hasn't been brought to my attention in the application of that nature but, certainly, if there is an application made to our Fisheries Branch, then we will have a careful look at it and try and judge it on its merits.

MR. DEPUTY CHAIRMAN: (1)--pass; (2)--pass; (d)--pass; (e) Biological Services: (1) Salaries--pass; (2)--pass; (3)--pass; (e)--pass; (f) Regional Management: (1) Salaries--pass; (2)--pass; (f)--pass; (g) Canada-Manitoba Northlands Agreement - Community Wildlife Management: (1) Salaries--pass.  
The Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. Could the Minister indicate the extent of this program, what area it involves and whether there are any changes in the program, what is the extent of that agreement on Community Wildlife Management, what area of the province does it encompass?

MR. RANSOM: This is primarily the item that I have referred to earlier on the kaminuriak caribou herd but some of this money likely goes into the management of the Churchill wildlife management area that we were referring to previously, a bit of work with Woodland caribou and some of the guide training falls in this area and some of the polar bear damage control, but the kaminuriak caribou herd is the major item.

MR. DEPUTY CHAIRMAN: (1)--pass; (2)--pass; (3)--pass; (g)--pass; (h) Wild Fur Agreement: (1) Salaries. The Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, it seems like there's a fairly substantial change in this program from last year. I wonder if the Minister could indicate what change he's proposing in the new fiscal year.

MR. RANSOM: This program was nearing the end of the period that was originally planned for and I believe that it was extended for one year beyond that time. So there is some evaluation taking place, of course, but also some cutback in the amount of money that's been involved because the major factor that has come into play over the past few years is the tremendous increase in price. So that many of the impediments to a greater fur harvest that this agreement was originally intended to deal with have been, not eliminated, but certainly their significance greatly lessened by the increase in fur prices that have been experienced.

We are expecting this year, for instance, that there will be a record \$10 million worth of wild fur harvested this year in the province and that would be over \$2 million more than was harvested last year and it would be four times as much as was taken in 1974-75. So one can readily see that the impacted prices have gone beyond anything I would believe that the agreement would have brought about. Just a bit of information on prices, for instance, this was some information as of February where the beaver prices, the average prices in February was \$48, that's up 40 percent over last year; and the average price for mink was \$58, that's up 130 percent over last year. The muskrat prices were holding about steady. The longer fur, the fox fur, was down about 30 percent but it was still, cross fox was \$90; silver fox was \$115; squirrels were even bringing \$2.80, which is up 20 percent over last year; and lynx were down 20 percent but still were bringing \$285 on the average. So that's the biggest item in terms of impact in terms of fur harvesting.

MR. BOSTROM: Mr. Chairman, the Minister reminds me of the market news that's on CBC. If he ever loses his position as Minister, he'll have a ready occupation there for himself. The increase in prices of fur has certainly been welcome to the trappers in Manitoba. I wonder if the Minister could indicate for the information of the committee what, if any, increase the department has found statistically in the number of trappers since the onset of this particular agreement. Have the numbers of trappers increased over that period?

MR. RANSOM: I can give a bit of information, Mr. Chairman. In 1978-79, there were 13,000 licences issued; 3,000 of these were on registered trap lines and 10,000 were in the - what's called the open area, mainly the southern part of the province. Now I believe that in the past year that we're still dealing with approximately 13,000 trappers. I don't think that the numbers of trappers have increased very much but the production, particularly in the north, has increased substantially. Traditionally the open area has out-produced the registered trap line area by about a margin of 3 to 2 and in the past couple of years this has been reversed and again, some of that certainly could be attributable to the Wild Fur Agreement but again, I would guess that price is the major factor. But it is encouraging to see that the production in the north has risen substantially.

MR. BOSTROM: To follow up that line of questioning, Mr. Chairman, I would like to ask the Minister if he has changed the policy respecting the licensing of trappers or just to refresh our memory, could he perhaps outline what the existing policy is and how it has changed, if any, from the previous policy, and if he is contemplating or proposing any changes to the licensing policy regarding trappers.

MR. RANSOM: There have been no changes made, Mr. Chairman, in the method of issuing or allocating trapping licences. We had been examining some alternatives, but with this increase in prices that's taken place in the last couple of years it has brought about most of the things that fur managers wanted to see happen - increased production in the north - and I would guess that as long as prices are high and things are going smoothly, that it would be unlikely that we would be making any major changes, but we'll be examining that as we go along.

MR. BOSTROM: Mr. Chairman, I assume that the existing system that was in effect when we were in government then is continuing, and I believe that according to that system if a trapper did, or a person did apply for a registered trap line in a particular district, he would be panelled by a local fur council before receiving a licence. That is, if there was one opening and several applications that the applications would be panelled by a local fur council and that is how the decision would be made, or at least how the recommendation would be made to the government, who would then make the decision. I wonder if the Minister could indicate if that is still the policy.

MR. RANSOM: That's still the policy, Mr. Chairman, and it is important to note that it's a recommendation that's made to the government, that the decision is ultimately made by government.

MR. BOSTROM: Just getting back to the program, Mr. Chairman, given that the prices have possibly been one of the biggest generators of the increase in fur production, I wonder if the Minister could indicate if there are aspects of the Wild Fur Agreement however, that the department considers successful in terms of their impact on perhaps habitat, development, or trapper accessibility to trap lines, transportation and communication, parts of the program that were pushed by this particular Wild Fur Agreement. Could he indicate the success or relative degree of success of the various factors of the program, if he's had any analysis to date to indicate the effectiveness of the program and if not, when he feels that he will have this analysis provided to the government.

MR. RANSOM: I expect that we will have that during the course of this year, that we'll have the evaluations done and a decision will have to be made in what direction to go at that time. One of the more successful aspects of it is probably the trapper education portion. There have been, of course, some development projects as well, but I don't believe that there are any development projects as such that are included in the funding for the upcoming year. But some of these others parts, such as the trapper education portion, will proceed. Some of that funding, of course, is for the trap line officers that are in place in some of the communities in the north.

MR. BOSTROM: Can the Minister indicate if there continues a line of funding or grant assistance to the Manitoba Registered Trappers Association?

MR. RANSOM: Yes, that is available through the Northern Affairs Department.

MR. BOSTROM: Can the Minister indicate if this program is one which - perhaps the question is hypothetical - but one which he feels the department and the government should be continuing? If so, does he have his staff in the government negotiating with their counterparts at the federal level to assess the possibility of continuing the program in some form?

MR. RANSOM: We will have to examine it, Mr. Chairman, of course, to see how successful it has been. I would think, in the contacts that I have had, that people have generally not supported the concept of the grant so much as they have of making money available for people to be able to borrow and purchase equipment. It seems to generate a greater sense of personal accomplishment and some pride of ownership in it. That seems to be the general kind of comment that comes to me. Certainly it is necessary that trappers have some access to either credit or grants to be able to provide them with the equipment that they need. But once again, you have to recognize that when those programs were brought in, the economic conditions associated with trapping were much different than now. As I pointed out earlier, the value of the fur this past year was probably four times what it was in 1974-75.

MR. DEPUTY CHAIRMAN: The Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. The numbers of trappers that the Minister indicated to us - he gave us the number of some 13,000, I believe the figure is, of 3,000 registered traplines and 10,000 individual trappers - makes me think and realize that the bulk of the trapping, and I'm sure in southern Manitoba, primarily the springtime trapping of muskrat, the rat trapping season, by individuals who would trap on being just a seasonal income-producing time. The department, in handling the program of assistance, how was the determination made as to who would have been eligible for assistance under the program, and whether or not this will be continuing? As the number of trappers were so large, certainly not everyone would have qualified for assistance under the program.

MR. RANSOM: Is the honourable member referring to the ARDA Program? Well, I'm not that familiar with the ARDA Program and it is not administered by my department; it is administered by Northern Affairs. I could get the information for the honourable member.

MR. URUSKI: Mr. Chairman, just to go along that line, it appears that, of course, incomes of the trappers, at least in the areas where they are dealing with muskrats, the incomes of trappers would be quite marginal in terms of on an average, although the total income has risen substantially, it seems if you take an average amount, it would break down to somewhere in the neighbourhood, I would think, of somewhere less than \$1,000 per trapper, I believe, or . . . My calculation is wrong, but I think it is in that neighbourhood.

That being the case, does the department keep a record of long-time trappers who are continually repeating, or have there been, in the last two or three years when prices have gone up, an influx of some very new and younger trappers in the field, has there been a real push on by a new group of trappers?

MR. RANSOM: We don't have any records, Mr. Chairman, of the open area, and of course that's the bulk of the licences. It's some 10,000 licences and that used to be where the bulk of the fur was taken as well.

MR. URUSKI: I'm sorry, I didn't get the Minister's answer. That was where the bulk of the fur was taken as well, with the 10,000 licences; is that what he is saying?

MR. RANSOM: Until the past, perhaps, two years.

MR. DEPUTY CHAIRMAN: The Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, I want to touch on one issue which is related to this, which has caused some concern, and that is the government's reluctance to assist the trappers in Manitoba in their efforts to set themselves up in the business of marketing their own furs. We noted that the Manitoba Registered Trappers Association contacted the government a couple of years ago, before this Minister was the Minister for the department, and had requested government assistance, at least co-operation and approval in principle, to their application to Special ARDA to raise funds to purchase the existing Dominion-Soudack Fur Auction in the city of Winnipeg. That is one of the largest fur auctions in Western Canada.

However, in the interim, following the government's refusal to assist the trappers in that effort, the Dominion-Soudack Fur Auction was purchased by the Hudson's Bay Company. We all know, Mr. Chairman, the Hudson's Bay Company is one of the largest, if not the largest, company operating in the wild fur business in the world, and controls a large portion of the market for wild furs.

I believe it is not a good thing for a concentration of economic power in that area to be in the hands of one company. I think it would have been of some assistance to the trappers to have had at least one outlet for their furs which would not have been in the control of the Hudson's Bay Company.

Since many of the trappers in Manitoba are located in northern Manitoba where they are already under the umbrella of the operations of the Hudson's Bay Company through the Northern Stores that the Hudson's Bay Company operates in many of the northern communities, and traditionally the trappers have sold their furs to The Bay for goods that they purchased through trading in the early days, and in more recent years for cash and/or groceries from the Stores, the value paid to the trappers by the Hudson's Bay Company has never been known to be a high value. The Bay has historically been known to make huge profits on the efforts and work of the trappers in Manitoba and in fact in all of Canada. It's disappointing that the government did not see fit to assist the trappers in their efforts to purchase the Dominion-Soudack Fur Auction and to allow that company to fall into the hands of the largest monopoly operation in the fur business. Given that is the present case, however, can the Minister indicate if through this program or other programs in his department, the government is attempting to assist the trappers to achieve the highest possible for their efforts in trapping fur. Can the Minister indicate if there are people working through this program or other programs in his department to assist trappers in that regard?

MR. RANSOM: Mr. Chairman, the sequence of events that the honourable member outlines in timing is perhaps not that far out of line in terms of what happened, the company being purchased before the trappers were able to get their bid in place, but I would have to raise some question as to whether or not, had they been able to purchase the auction, whether in fact it would have worked in their interests to the extent that perhaps it is thought it might work in their interests. Trappers have always had the opportunity to send their fur to an auction market, and that's one of the best ways to get the best price for it, as far as I'm concerned. But the trappers have also been rather reluctant in many situations to send their fur to an auction. They often were content to get some money for it and have cash in hand. And this was just not a case of not wanting to deal with private companies and auction at a distance, the same kind of reluctance existed to deal with the government control system in Saskatchewan.

It has never been demonstrated to me, Mr. Chairman, that the trappers would be better served by an auction that was owned by them collectively or by their association, than if the auction was owned by Hudson Bay or Soudack or anyone else. Now there may be philosophical reasons for wanting to own it, but I don't think I have ever seen figures that would substantiate the position that the trappers would in fact be better off if they had owned the auction mart. They still have to auction to the same kind of markets as the private operators would have to.

MR. BOSTROM: Mr. Chairman, I do not agree with the Minister in his comments totally, and I recognize the fact that trappers have had the option of putting fur on the auction mart. But it has been an option that they have not always been able to exercise, since many of them have a very difficult cash-flow problem and when a trapper is in a situation of not having any food at home and he has fur

in his hand, the tendency is to sell it for whatever cash he can get at the moment and buy the food with that cash. The result has been that the trapper has been exploited by people who have been out for making a fast buck on buying fur and bringing it in themselves and turning a fast buck on the fur auction. That is the way the profits were made in the Hudson's Bay Company historically and the way that profits were made by many private fur buyers. It is a fact of life and one which one does not hold against those who made a profit on it.

It's simply the facts of life, and it's something that the government of the day, when the NDP were in government, were trying to reorganize so that the trapper could achieve the best possible price and still get around his problem of needing some immediate cash. We attempted to do that through the Wild Fur Program whereby fur depots would have been set up around the north. The Hudson's Bay Company, knowing that we were going to establish these fur depots saw this as a threat to their semi-monopoly of the fur business and came back with a counter offer, which was very attractive, I thought, to the trappers and one which we tried to make well known to the trappers, that is, that the trapper could take his fur to the Hudson's Bay Company store and on request he could ask that fur could be put on the auction sale in Montreal at the time. Now I suppose he could ask to have it on either the Winnipeg auction or the Montreal auction and at the time he could receive up to 50 percent of the estimated value of the fur as a cash advance. For that, Mr. Chairman, he would be paid the full amount of the auction price less the commission of the sale at the auction, which is about 7 percent, plus the freight of getting the fur down there.

The thing is that this proposal of The Hudson's Bay Company has not been widely known to the trappers, and the trappers have not to this date, I do not believe, taken full advantage of that opportunity, although I believe The Hudson's Bay Company is still committed to that proposal. I believe it is a proposal that came about as a result of our efforts through the Wild Fur agreement and through the proposal to establish fur depots throughout the north. I believe it is something that the trappers could take more full advantage of. My question to the Minister is, is the government doing anything to assist the trappers in this regard? I was hoping that he would indicate that the conservation officers that work for the department and others that are involved with the fur business in the department, would be continuing to advise trappers to use that method, because I think that's probably the best method logistically with a view to the trapper getting a better return for his fur.

My discussions with trappers throughout the north over the last couple of years would indicate to me that many of them were really not aware of this proposal by The Hudson's Bay Company, and logically it is not in the interests of The Bay to make it well known, because the alternative is for the trapper to come in and sell his fur outright at some final cash price right on the spot. That of course doesn't approximate much more probably than 50 percent of the value of the fur when it's sold on the auction. So I would hope that the Minister's staff are endeavouring to make the trappers of Manitoba aware of this system that's available to them, and they could do that probably through regular broadcasts to the north, over the broadcasts that go out over the radio stations in the north; some of that advertizing could be done free, I'm sure, if not a simple ad by the Department of Resources on the resources news to the north, would assist the trappers in this regard. The conservation officers and fur managers in their meeting with trappers could make them aware that this program is available and thereby assist them in getting a better price for their fur, and I would just like to ask the Minister if his department is making an effort to do this, or if they are planning to make an effort to do it.

DEPUTY CHAIRMAN: (1)-- pass; (2)--pass; (3)--pass; (h)--pass.

Resolved that there be granted to Her Majesty a sum not exceeding \$2,204,300 for Natural Resources - Wildlife--pass.

Resolution 109, Surveys and Mapping, \$2,054,200.00. (a) Administration, (1) Salaries - the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, since you are a new chairman in the position, I will just indicate that what we have normally been doing is asking all of the general questions under the Administration section of each of these breakdowns and



reserving our right, however, to ask specific questions on the individual items as we come to them. It has also been normal for the Minister to indicate at the outset what the general purpose of the section is and also what changes in SMYs are in the sections under review before we pass the items.

MR. DEPUTY CHAIRMAN: The Honourable Minister.

MR. RANSOM: Mr. Chairman, I can go through all the items and provide that information. I think the Surveys and Mapping Branch is one that has had a fairly consistent kind of mandate over the years. I don't believe that it has changed substantially.

In the Administration item, there are six staff man years this year and six last year.

In Legal Surveys, there were 20 staff man years last year and 20 this year. This is one area where we will be spending an amount of money on contract work to try to catch up on a backlog of work that has been outstanding for some period of time. I think there is an amount of \$200,000 which is available for the contracting of legal surveys. This is, as I say, to catch up on a backlog and this seems to be the most appropriate way to do it, rather than to build up the staff to catch up on work that is outstanding.

On the Controlled Surveys and Mapping, there were 28 staff man years last year and there are 28 staff man years in the estimates before us. Geographic Mapping, there were 14 last year and there are 14 before us. In Map Distribution and Remote Sensing, there were 10 last year and 10 in the estimates before us. Under the Northlands Agreement, there were 3.26 staff man years last year and 3.26 in the year before us.

MR. BOSTROM: One question I have with respect to this section, Mr. Chairman, is one regarding the surveys for hydro development in northern Manitoba. There was a commitment in the Northern Flood Agreement, I believe, to outline the severance lines throughout the reserve lands affected by Hydro activities. I wonder if the Minister could indicate the status of that survey work.

MR. RANSOM: Those severance lines, Mr. Chairman, are done under the Water Resources Branch in the department, and not under the Surveys and Mapping.

MR. BOSTROM: Mr. Chairman, it may be done under their jurisdiction, but does this section not do the actual legal survey, that is, to do the recording for the other department. Would this not be one of the calls on this section, one of the client groups of this section?

MR. RANSOM: This branch is responsible for legal surveys, yes, and my understanding is under the Northern Flood Agreement, that the work is contracted out, that it's not done by the staff of the Surveys and Mapping Branch.

MR. BOSTROM: Could the Minister be more specific as to what the backlog is of survey and mapping work which is required, and particularly in those sections where the department is proposing major increases, in the Legal Survey Section, for example, a 70 percent increase; in the Controlled Surveys and Mapping, a 30 percent increase; and in the Map Distribution and Remote Sensing, a 20 percent increase. Could the Minister indicate what the specific areas of concern here are and what the department is proposing to do and what backlog is there that requires this massive increase?

MR. RANSOM: Yes, Mr. Chairman, there is work in the area of water control and there is work in the area of northern subdivisions, some parklands and Crown land where summer home lots are being made available, and also some work on the maintenance of the provincial land survey system. There are just a great many requests for legal surveys that have been building up and they haven't been kept pace with, and it's having a detrimental effect on other branches attempting to deliver the services that they are supposed to deliver. So it was necessary to provide some additional funds to try to bring us up to date.

MR. BOSTROM: I am wondering, Mr. Chairman, if this is simply sort of forest fire fighting in a sense that this is crisis work that must be done, and how would this relate to the necessary work that I understand is required from time to time on the resurvey of the major surveyed area of Manitoba, that is, the township and ranges in Manitoba, the tie-ins that must be made, as I understand, occasionally when land is transferred or sold. Could the Minister indicate if the work he is proposing here is simply crisis-oriented, or if any of the backlog is related to the resurvey work that must be done?

MR. RANSOM: Well, I am advised that it is simply current work that has to be done and it's outstanding. Whether one terms it as crisis work or not, I'm not sure that I agree with that. I think it indicates that the other branches have had programs that required legal survey work to be done and the regular staff and the regular funds that have been made available in Surveys and Mapping have not been able to keep up with the demands from other departments. So in the estimates before us, we are making an effort to get back and get the situation in hand where our staff are better able to handle these requests than they are now.

MR. BOSTROM: Mr. Chairman, is there some connection between this 70 per cent increase in legal survey work and the government's restraint program over the last couple of years? Have they created their own problem here by holding back and keeping the expenditures down in this section and not responding, not being able to respond, to the demands by other government departments for the necessary work that the Minister is outlining, or can the Minister explain in some other terms what is the reason for this apparent big backlog of work that is before him now?

MR. RANSOM: I think, Mr. Chairman, if we were to go back into the expenditure figures for the past few years that we would see that there has been an accumulation of work building up. It simply hasn't been given the priority to get cleared up, and in the estimates before us we've decided that it is necessary to make some funds available and to bring us up to date.

MR. BOSTROM: Mr. Chairman, can the Minister indicate if this work is a one-shot affair, is it something that just has to be done this year to catch up and he will not have to call on his section to do it again next year? Or is there some way of pacing this work so that he can gear up his department to be able to respond to the legitimate demands of other departments and the government's program over the years. I am wondering if we are not just going along for two years on a restraint program and then ending up in the third year of having a lot of work backlogged which has to be contracted out to private legal survey companies or whatever. I wonder if the Minister could not better arrange the services of his department, better gear up the services of his department so as to handle this work when it is required and not build up a backlog which has to be dealt with in the third year?

MR. RANSOM: It's not always possible to anticipate, Mr. Chairman, what the requirements will be from other departments and other sections of the department. I don't think that it's the appropriate way to go to have the entire capability within the government built up on permanent staff. I think that, within the branch, we need to have the capability of carrying on a more or less average program and the capability of supervising work that might be let out on a contract, and when there's an increase in the amount of work that's expected to be of a temporary nature then it's appropriate to let it out on contract. I expect that situation would continue over the years.

MR. BOSTROM: Mr. Chairman, can I ask the Minister if he can indicate to the committee what would be the comparative cost to the government of hiring people from the private survey profession, as compared to having this kind of capacity within the government ranks so that the work could be done on a regular basis. Could the Minister indicate that, and also what procedure his department uses in

contracting out this work? Is it done by a tender system or is there some list of Manitoba land surveyors that the Minister consults and rotates the list, or what procedure is followed?

MR. RANSOM: It's done on a tender basis, Mr. Chairman. In terms of cost, that's a difficult thing to provide definitive information. One has to know for what purpose you are going to be hiring the contractors. If one was going to hire contractors on a continuing year-round basis then I don't think it would make sense to do that. It would make sense to have them have the capability within the government. If the work is going to be of a short-term nature or if it requires even some kind of special expertise, then it makes sense to go outside and hire it for a short period of time, even though the hourly rates to do contract work may at first glance appear to be higher than they would for the government. But very often when we calculate our costs in government we are not calculating in the overhead that's involved, that is a very real expense and which enters, of course, into every contractor's calculation, but very often doesn't enter into the figures when costs are put together for government. So one has to be very careful in comparing the cost, to make certain that in fact all the costs are included.

DEPUTY CHAIRMAN: The Member for St. George.

MR. URUSKI: Mr. Chairman, I have just been listening to the Minister tell us how contracts are arrived at and how the costs are imputed into the cost of surveyors. And I also heard him say more recently that he really couldn't determine this kind of a need, or it's not always that he is able or a department is able to determine when this kind of a need arises. Well, Mr. Chairman, this Minister sits on Treasury Board - he is either the Chairman or the Vice-Chairman of Treasury - when these submissions come before him in terms of what the program outline will be for the whole year. He's been involved in government - this is the third year, this is the third or fourth set of estimates that he's been working on. Surely the director of that branch, in reporting to his Minister, will be able to outline to him what the demands or what the increase in work activity of the branch has been over historically, what demands they see in terms of programs, or whether the government will agree to carry on or expand some of the surveys, or whether they will hold them back. But the Minister can't get up here and tell us that he can't determine what the program might be in future years. That's why we're sort of now going to contract out and I would say to the Minister anybody who is doing any cost calculations in terms of what the costs of a surveyor are, whether it be in government or out of government, has to take into all the costs that he has mentioned. The Minister certainly doesn't want to leave the impression that government or the accountants in the Government Services do not take into account all the additional costs over and above the staff man year costs of a surveyor within the department.

The Minister surely should realize that when they do this, they will know whether it is on the long-term basis more profitable or at least less expensive for the government to hire, even on a contract basis for two or three years, as a staff man year, rather than tender out. I would ask the Minister whether or not that may have been a more preferable route that the department and the Minister should have taken in this case, because it appears from his statements that this work will not diminish; there will be an increasing amount of work carried on by the department. It appears one of the area, of course, that he mentioned, I believe the lots for tourists, tourist lots or cottage site lots that will be carried on besides the legal surveys. This increased amount of work will not, I don't believe, diminish unless I have misunderstood the Minister, but that the amount of work will increase. So therefore, Mr. Chairman, this is one way, I believe my comments are correct - and I will stand to be corrected, let the Minister correct me - but certainly leaves me with the impression that this is one way the government is able to keep down the statistics of staff man years within government. They are able to go out to the public and say, you know, we have cut the Civil Service by 4,000 people in the last three years. We haven't increased the cost of the Civil Service. And, Mr. Chairman, they have more increased the cost of the Civil Service by this move. By this tendering out process, if you allocate the cost on the staff man year of hiring that surveyor, that engineer, and putting

into all the cost that should be borne on the ongoing basis, they will be, Mr. Chairman, far less in costs in the long run to the public of Manitoba than it is by the tendering process that the government has employed in this instance.

But, Mr. Chairman, theirs is a far longer range of giving the impression to the public that they are very prudent managers, that they have been able to still provide the services and keep the Civil Service down. Well, Mr. Chairman, they found out that they can't do it. So not to make a sham out of the numbers game that they are trying to play, they are using subterfuge, they are using the mode of contracting out. We've seen it in the Minister of Finance with respect to the accounting firms of the Crown agencies, we've seen it in other areas, we now see it in the Department of Natural Resources in one small area.

I would like to know, Mr. Chairman, the staff should be able to provide for us, how many people would be required by the department to carry on this work if it had been staged and the department kept pace with the workload rather than accumulating this workload, how many staff would the department have to have on hand to be able to carry on this workload in a normal manner. Albeit, it may not be cut up in one year, but at least to be able to carry it on over the next number of years and cope with whatever increased workload they might have.

MR. RANSOM: I think the honourable member misinterpreted what I said about the future demands. I didn't say that the demands would be at the level that's before us. What I said as a matter of principle is that the regular ongoing average workload can well be carried by the branch. The requirements that go above that can be handled by a contracting out. Now I know that the honourable members opposite have some difficulty with that, that they don't like the concept of bringing in individual people or consulting companies from the outside to do that sort of work. They would prefer to build up the permanent Civil Service and thereby provide some impetus for the perpetuation of the staff that is then built up. So all I'm saying is that the ongoing program is carried out by the branch and that part of the workload that is perhaps unpredictable or of short term duration - and this branch doesn't control the workload that comes to it by any means - then that can be done by contracting it out.

MR. URUSKI: Mr. Chairman, I would like the Minister to tell us what areas of workload will the government not be continuing after the contracting period is over; what areas of surveying will no longer be required by the government after the contract period is out. And, Mr. Chairman, the Minister indicated that we had some aversion to contracting out. Mr. Chairman, his own members criticized us for that very thing, of contracting and hiring people on contract within the department. But, Mr. Chairman, the fact of the matter is I would like to know from the Minister - there must have been an analysis done within the department - what are the costs, what are the cost figures with respect to hiring the staff, putting in the office space, all the necessary amenities that go with hiring of the staff and contracting out. There must have been an analysis done as to which is least costly, Mr. Chairman, aside from the point of adding to the numbers of the Civil Service.

MR. RANSOM: The member is confusing the contracting of this nature with the hiring of contract personnel, Mr. Chairman, they are not the same thing at all. The hiring of contract personnel was a means of bringing people into what for all intents and purposes were ongoing government jobs, of bringing them in on a contract basis and circumventing some of the normal procedures for hiring. This is a tendered kind of contract work, Mr. Chairman, which is quite different. It is not necessarily a question of work that will not be work of a certain nature that will not be continued. It's a question of catching up with the work, the backlog, and then the ongoing work may well be able to be handled by the government. The honourable member says it's not a question of the ongoing staff costs that might be involved. Well I suggest, Mr. Chairman, that's part and parcel of the consideration, whether you go out and gear up and hire staff or not is in fact what's likely to happen in the long term. When there is work that needs to be done and technical people have to be acquired for that work, it's not always that simple simply to go out and hire them, either. Some of this work is done by rather specialized people that one simply doesn't go out and bring into their staff

with the prospects of being hired for six months. It's one thing to offer long-term employment, but it's another thing to offer short term employment.

MR. URUSKI: Mr. Chairman, the Minister confirmed for me here this evening that it still boils down to one thing; the hiring of people. He at least admitted for me that it really doesn't matter how you hire them, you in effect hire them whether it's by contract, whether you make a distinction, whether you want to make a distinction of whether you tender out and hire by contract in terms of a tender or whether you contract out individual people to do a certain job for you, whether it be for six months, a year, two years, three or four years, you are still adding to the payroll. But, Mr. Chairman, what the Minister is really trying to do is to leave the impression in the public's mind that we have been able to reduce the Civil Service by several thousand people and still provide that service - which isn't true, Mr. Chairman. The fact of the matter is they are increasing the staff within the Civil Service and still able to get up and say, see, we do not have these people, the numbers are still there. And, Mr. Chairman, if you add up the numbers of people that are involve in the firms that will be doing the work for the government, I venture to say that not only will the numbers of people be at least equivalent or even higher, but their costs will be far greater than they would have been had the people been hired even by contract for a year or two, or as full-time staff, Mr. Chairman.

It is a numbers game and this Minister is one of those who is certainly playing the numbers game and adding within this area, this small area, Mr. Chairman, of contracting out to the numbers game that the Conservatives have carried on for the last couple of years. The chickens that they said that they would be able to reduce the Civil Service and continue the services to the public just doesn't wash, isn't true, and here in his own department he is indicating that frankly we can't carry it on, we have the workload, but we've got to tender out. But yet we can hold our heads up high, Mr. Chairman, we can hold our heads up high and tell the public of Manitoba, yes, we were able to cut down the Civil Service by so many thousands of employees. But if you look at the total salary bill, whether the numbers are there or not, they have increased, Mr. Chairman. The numbers are there and it's strictly, as one would say, a shell game that the Conservatives are playing.

MR. RANSOM: I suppose it's a nice rhetorical argument that the member makes, Mr. Chairman, but if you examine, look at the magnitude of the reduction that's taken place, say in the number of contract employees and the amount of tendered work that is done, Mr. Chairman, you will find that the two simply don't balance out.

MR. URUSKI: Mr. Chairman, the Minister might want to say that with respect to one section of his department, then let's add up in the various departmental estimates of the Minister of Economic Development, the Minister responsible for Crown agencies; other departments, we even have the Minister of Agriculture hiring outside consultants to do work. When you start adding up, Mr. Chairman, all the outside contracts that are there, and you look at the amount of people that are involved in that amount, all you can do is indicate - and the Minister hasn't told us what the cost implications were, whether an analysis was done with respect to whether it would be less expensive to hire staff, whether it be on a contract for two years or a year, because I do believe that I venture to say that a contract - unless the work is cut back - a contract tendering process will be carried on next year and maybe the Minister can tell us whether this work that is tendered out this year is just for a one-year period at this time, and whether there will be tendering going on next year.

MR. RANSOM: If there is a demand for it, there will be, Mr. Chairman.

MR. DEPUTY CHAIRMAN: (1)--pass; (2)--pass. The Member for Rupertsland.

MR. URUSKI: Mr. Chairman, before we complete this section, I would like to ask the Minister what action his department is taking to do what I understand from staff a few years ago was important work in the area of re-surveying the township

and ranges, the re-survey of some of the old survey work that had been done at the time that Manitoba was originally surveyed by survey crews. I understand some of the markers are becoming difficult to find and that at some point in time it will become necessary to re-do this work. I wonder if the Minister is making any plans to do this work, if he is gearing up his department to do it on a regular basis, or is he simply attempting to do it as and if required for a particular purpose. I understand the latter process to be one which is more expensive in the long run than doing an overall remarking or re-surveying of the entire area that's required.

MR. RANSOM: There is some ongoing effort on this problem all the time, Mr. Chairman.

MR. URUSKI: Mr. Chairman, it's hardly an answer to my question. I know there is an ongoing effort, but then the question is what kind of effort is going on. Is it simply a reaction to crises situations where a survey is required so a survey crew goes out and marks off a particular area, or is the government taking the situation in hand and planning the proper attack on the project which would require, as I understand it, the overall re-survey of all of Manitoba, to do a proper job. And this way the original markers would be replaced wherever they are required and therefore wherever there is a tie-in required for a local survey, the overall main survey would be in place for people to tie into, and I'm not a technical person in this area so I maybe am not using the right terms when I'm speaking of it, but I think I have a general idea of what is required and a general understanding of the nature of the work required. Can the Minister indicate if he is planning, through this section, to do anything other than the crises-type of work that's done from time to time to deal with the problem.

MR. RANSOM: It's difficult to know exactly what's involved with reference to a crisis situation. There is, say, an amount of ongoing work with a survey crew working on this kind of work. I suppose it's probably closer to categorize it as dealing with problems than it is any major effort to undertake a re-survey.

MR. DEPUTY CHAIRMAN: (2)--pass; (a)--pass; (b) Legal Surveys: (1) Salaries--pass; (2). The Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, I understood the Minister to indicate there was no increase in the SMYs here, however there seems to be a fairly large increase in the Salary section, more than 10 percent. I'm wondering if he can indicate if this is through the hiring of high-priced staff or is there actually an increase in the SMYs?

MR. RANSOM: It's a question of the decreased recoveries that we would be getting from other departments, an estimated \$83,300 that would not be recovered from other departments that would have been anticipated last year.

MR. BOSTROM: Mr. Chairman, are we talking here about a net figure? Could the Minister indicate then, what is the total amount for Salaries before receiving income from other departments? Is \$330,100 simply the remainder that's left after payments are received from other departments? If so, how does that accounting show up in the estimates?

MR. RANSOM: Yes, I'm sorry, I thought we'd moved on, Mr. Chairman, to item (c). I see that the member now is back on (b). The principle is the same, but the amount of money is - the \$83,000 - is applied to the next item. In the past they have been budgeting, as I understand it, a net amount of money. In fact, we haven't been recovering as much money as we had anticipated and so we've adjusted our figures to a more realistic basis.

MR. DEPUTY CHAIRMAN: (1)--pass. The Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, I'm still confused by the Minister's comments. He still didn't answer the original question and that was, how many SMYs are involved here and what would be the total amount gross that the department would be

paying in this section for salaries if all they're doing is budgeting for the net amount here?

MR. RANSOM: I think I gave the honourable member the staff man years that were involved, Mr. Chairman. I can check and find out what the amount of recoveries have been. It's a way that the items have been budgeted for some time, so that the honourable member may have been aware of it when he was responsible for the department.

On item (b) on Salaries and the recoveries in that case are \$33,900, so that's an amount that would be expected to be expended but would be recovered from other client departments.

MR. DEPUTY CHAIRMAN: (1)--pass; (2)--pass; (b)--pass; (c) Control Surveys and Mapping: (1) Salaries. The Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, in this section, as well, there's a 30 percent increase in the overall expenditure which is an unusual contrast with other sections except for the previous one, of course. I wonder if the Minister could be more specific as to what exactly they are doing here with the extra funds.

MR. RANSOM: It's the same reasoning, Mr. Chairman. There's a drop in the expected recoveries from 133 last year down to 50 this year. So it simply reflects more accurately what has actually been taking place.

MR. DEPUTY CHAIRMAN: (1)--pass; (2). The Honourable Member for St. George.

MR. URUSKI: Mr. Chairman, could the Minister indicate the extent of work and what areas of the province will be surveyed in this area, what specifically are the surveys that are to be undertaken in this area?

MR. RANSOM: That's rather a difficult and detailed package of information to provide, Mr. Chairman, that the control surveys are undertaken in all areas of the province as are required for the various topographical mapping requirements, mapping needs. They are involved in the maintenance of the vertical and horizontal control survey systems for the province, and they provide the computations and mathematical adjustment services for all topographical and base mapping, again, in the province, and provision of control surveys information file, including co-ordinates for mapping control. They undertake the inspection of all mapping contract work and the compilation of aero-triangulation co-ordinates for contract and branch mapping projects. So it's not something that you can identify as saying, here's where 75 percent of the effort goes in any part of the province.

MR. DEPUTY CHAIRMAN: (2). The Member for St. Vital.

MR. D. JAMES WALDING (St. Vital): Mr. Chairman, I hope this is the right spot to ask a question about maps. I attended the Boat Show at the Convention Centre about a week or so ago and was interested to see just inside the entrance there that the department had a display of a number of different types of maps that were available through the department. I wanted to ask the Minister about the policy regarding such exhibitions, whether the department actively goes out looking for occasions where they might set up such an exhibition, or whether shows would approach the department asking the department to set up a display of this type.

Personally, I found the display most interesting. I wasn't aware of the range of different maps that were available through the department, and I presume the display was just as interesting to a lot of other people. The maps did indicate that they were for sale and at a range of differing prices. Perhaps the Minister can advise me whether the department, in fact, sells many maps at such exhibitions, and perhaps also give me an indication of what portion of this particular appropriation goes for such exhibitions or displays by the department, and whether this has changed at all over the last year or two.

MR. RANSOM: It would be a very small amount of money that would go to that, Mr. Chairman. I understand that it's actually a joint undertaking by the federal government and the province, and the federal government pays the rental and we provide the staff. We don't really sell maps at those exhibitions. We're simply making people aware of what is available and where they may be obtained. I think this is about the third year we've had that display at the Boat Show, but I can't tell you exactly how much money goes into it. I'm sure we could calculate that, but it's a very small amount of money compared to the overall effort of the branch.

MR. WALDING: Thank you, Mr. Chairman. I thank the Minister for the answer. I did ask also, what the department's policy was on such exhibitions and displays of maps? Does the department go out and actively seek opportunities to set up a display of maps, or is it more a matter of waiting for requests from different organizations to set up such a booth or display and if so, on what basis would the department agree to set up a display?

MR. RANSOM: This is the only one that we participate in, Mr. Chairman, and I believe that it came about as an approach to us to have a booth there and put the users of maps in contact with the kinds of maps that are available and where they might be obtained. I suppose there could conceivably be other situations arise that could be treated similarly, but this is at the moment the only one that's not - it's not something that we want to get into of having - at least we don't contemplate having a travelling road show sort of thing to every fair and exhibition.

MR. DEPUTY CHAIRMAN: (2)--pass; (c)--pass; (d) Geographic Mapping: (1) Salaries--pass; (2) Other Expenditures--pass; (d)--pass; (e) Map Distribution and Remote Sensing: (1) Salaries. The Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, perhaps the Minister could indicate here what areas of the province they're contemplating as the program for the remote sensing for the year under consideration.

MR. RANSOM: It's a matter of providing a service as it's required by another department. If there's a request for some kind of work in a specific area, then we would attempt to provide it. It's not really a question of going out and putting together a package of remote sensing information and saying, okay, here it is. It's available for public use, as we make topographic maps available, for instance.

MR. DEPUTY CHAIRMAN: (1)--pass; (2)--pass.

MR. BOSTROM: On (2), Mr. Chairman, there appears to be a fairly substantial increase there. I wonder if the Minister can explain what the nature of the increase is. Is there a particular program that the department is considering expanding, is there an area that is scheduled to be surveyed this year which is part of this program? It's a fairly substantial increase, and I would think the Minister must have some explanation for it.

MR. RANSOM: It's basically another of those situations where we always were anticipating a greater return from other departments in the provision of maps, etc., and that we didn't get that kind of recovery and so we've adjusted our estimates down to reflect what practice has been.

MR. DEPUTY CHAIRMAN: (2)--pass; (e)--pass; (f). The Member for St. George.

MR. URUSKI: Mr. Chairman, just to follow up on that. Can the Minister indicate whether there has been a sort of a general over-estimating on the recoveries that the branch made in its budget-setting over the years, or how has this change come about? Has this been an ongoing over-estimating in the various areas of recoveries?



MR. RANSOM: I'm sorry, Mr. Chairman, there's a different reason I'm advised behind this one, that it has to do with the - that the gross accounting system does not allow the department to recover funds from map sales from other than provincial government departments back to the appropriation. And so it didn't allow a netting out in this case.

In terms of the other question that relates back more to the other items above, I am not sure of all the reasons that were behind the fact that we weren't recovering the amounts of money we had anticipated, but because it was in fact taking place, it was necessary to adjust it to reflect the reality of the situation.

MR. DEPUTY CHAIRMAN: (2)--pass; (e)--pass; (f) Canada-Manitoba Northlands Agreement - Surveys and Mapping: (1) Salaries. The Member for Rupertsland.

MR. BOSTROM: Perhaps the Minister, Mr. Chairman, could outline the program that is scheduled for this year and how it compares with that which they had scheduled for last year. He must have a definite program here in mind since this is a cost-shared program.

MR. RANSOM: Mr. Chairman, this is the fifth and final year for the agreement, which will provide survey control, aerial photography, and aerial triangulation for the total project area, which I am advised is approximately 51 degrees north latitude to 57 degrees north latitude, with photo maps and line maps being provided in the vicinity of all designated northern settlements. The maps are to a scale of 1 to 120,000, or one inch to 1,667 feet, with 10-metre contours and 5-metre, approximate, contours.

MR. BOSTROM: Can the Ministers indicate which areas remain to be completed in this final year, what geographic or community areas will be done this year?

MR. RANSOM: I am advised again that the work is scattered here and there in some areas where they have had difficulty getting aerial photography work done previously, and that it is a question now of trying to fill in those gaps that weren't completed in the previous period of the agreement.

MR. DEPUTY CHAIRMAN: (2)--pass; (3)--pass; (f)--pass.

Resolution 109: Resolved that there be granted to Her Majesty a sum not exceeding \$2,054,200 for Natural Resources, Surveys and Mapping--pass.

Resolution 110: Engineering and Construction, (a) Administration - Salaries - the Member for St. George.

MR. BOSTROM: Thank you, Mr. Chairman. Could the Minister outline the program that is envisioned here? I didn't look at the report. I would like him to outline the number of conservation districts that are in place in the province, the extent of the funding, and if he could bring my knowledge up to date in terms of the cost sharing that is involved in the construction of projects in a conservation district, whether or not there are applications for new districts in other areas of the province, and what kind of work is going on in terms of promotion of the districts, or the concept and the like, whether the department sees a greater number of districts being formed within the province.

MR. RANSOM: Mr. Chairman, this area really doesn't have programs of its own. This is an engineering and construction service which implements programs from the other branches, programs that we have covered in the capital items, for instance. There is reference to conservation districts here because they do provide some of the engineering services. But if the member would refer back, I think, to Water Resources, he would see an item listed there, the amount of money that was budgeted for conservation districts. I think it is 900 and some thousand, if I recall correctly. Yes, it was \$929,900.00. I think there are five conservation districts that are now in operation.

MR. DEPUTY CHAIRMAN: The Member for St. George.

MR. URUSKI: This is primarily, if I can understand the Minister correctly, primarily the engineering services of the department to all areas of water resources within the province of Manitoba, the entire engineering staff, or what is involved in this \$4.5 million?

MR. RANSOM: This is the area that delivers the engineering and construction programs. They will deal with some of the parks engineering and construction as well as water resources engineering and construction.

They deliver the programs that we have already referred to under Water Resources and under Parks and under the Capital Program. This is a somewhat different structure that was reflected in the material that I handed out at the beginning of the estimates review.

MR. URUSKI: Could the Minister detail the numbers of staff and also indicate whether they are included in the transfers - I think he indicated earlier - from the Parks Branch to Mines and Resources, whether that is reflected in the numbers that he will be giving, and how many would have been transferred into the Engineering Section?

MR. RANSOM: I don't think I really have that information at hand, but it represents a consolidation of the people that were in the department but that were organized differently within the department.

There are 20 staff man years in the Administration item; that represents the same as last year. There are 29.25 in Design Services; that's the same as last year. There are 149 in Regional Engineering Services; there were 175 last year, so that's a decrease of 26 positions there; this is a result of reorganization. Some of these positions, I think, were permanent positions that had not been filled and some were term positions. It does in fact reflect that in the reorganization, we feel we are able to deliver our engineering services with some greater efficiencies than we were able to achieve before.

Under the Conservation Districts authority, there are two staff man years this year and two last year. That Authority provides for the accounting service, really, to the conservation districts.

MR. URUSKI: Mr. Chairman, in the Regional Engineering Services, there was a reduction of 26. Were any of those 26 positions filled at the time of reduction or were there staff in some of those positions?

MR. RANSOM: I don't believe there were any permanent staff in any of the 26 reductions. There were some terms that were coming to expiry, I believe, and there were some permanent positions that were vacant, but I don't believe there were any filled permanent positions.

MR. URUSKI: Could the Minister indicate for us whether the charges made for engineering services to, I believe, municipalities, local government districts and the like, in terms of Water Resources, whether they have changed the costs to the municipalities, and effective today, what are the costs?

MR. RANSOM: We haven't made any change in the costs. I believe it is a fairly nominal daily fee for putting a survey crew in the field. It strikes me at \$150.00 or \$175.00 a day to put a survey crew in the field. This is one area where we are contemplating, in providing that service to the municipalities, that we may phase it a little more than we have been and instead of jumping right in and giving a pretty sophisticated engineering opinion, that we react at a lesser level to give the municipality something to judge their requirement on before going ahead and providing more detailed engineering information, because in many cases, they may simply say, given the general perspective of it, that they don't want to proceed any further.

MR. URUSKI: Could the Minister indicate whether in any of this area there will be any contracting out of survey crews as well?

MR. RANSOM: I don't anticipate any at this time. There is contracting out of maintenance work, as has always been the case, but I don't anticipate engineering work at this point being contracted, but neither can I say that there might not be some.

MR. URUSKI: Mr. Chairman, I appreciate that. The maintenance work that the Minister talks about, I presume is the type of repairs to bridges and manpower work that may be contracted out to do the ongoing maintenance from time to time that comes up of a larger nature than can normally be handled by the crews that are in place right now. Is that the understanding that the Minister is giving me?

MR. RANSOM: General maintenance work that might be things like mowing the grass in ditches, cutting the cattails and the brush and that sort of thing.

MR. DEPUTY CHAIRMAN: (a)(1)--pass; (2)--pass; (a)--pass. (b) Design Services, (1) Salaries--pass; (2) Other Expenditures--pass; (b)--pass. (c) Regional Engineering Services, (1) Salaries--pass; (2) Other Expenditures--pass; (c)--pass. (d) Conservation District Authority - the Member for St. George.

MR. URUSKI: Thank you, Mr. Chairman. Could the Minister indicate whether there are any new Conservation Districts that are being formed, and what is, for my knowledge, the cost-sharing that is presently in place with respect to work that may be undertaken when a Conservation District is formed? As I understand, the cost-sharing that now is normally in place is that the drains that are designated first and second order are normally the responsibility of the municipal body and the third order and higher would be the responsibility of the province, under normal circumstances.

In a Conservation District, if I recall, there is cost-sharing on all the drainage sizes and orders; however, the cost-sharing varies according to the drain in question.

I would like, if he has that information available, to make us aware of it, please.

MR. RANSOM: I don't have the formula at hand, Mr. Chairman. I was just going to check and see if it happened to be in the Annual Report. I don't have it at hand but I can get it quite readily.

I think the most recent Conservation District is the Cook's Creek Conservation District. I don't believe we have any other applications pending at the moment. In addition to Cook's Creek, we have the Turtle Mountain District, the Whitemud District, and Turtle River.

We have been undertaking some discussion with the municipalities, as I have mentioned previously, on the possibility of changing the concept somewhat to that of a Water Management District, and so I think that because of that, there may be some waiting on behalf of municipalities to see what kind of that there may be some waiting on behalf of the municipalities to see what kind of form the new program might take.

MR. URUSKI: Mr. Chairman, could the Minister outline for my advice if there is a change in the program - and he gave us the change in name that might take place - what form might that new program take, or is there any indication that the government is moving along those lines? I would presume that there would be a change in the formula of funding the districts and how would it change from the present time, or at least what is envisioned, even if that move hasn't been made as yet?

MR. RANSOM: I really don't want to go into too much detail on that, Mr. Chairman, because I think I did at one stage during the review outline the concept that we had in mind, but just briefly, it would be somewhat of a perhaps of a more narrow reference that would relate more directly to the management of water as opposed to the present one that has a much broader area of concern, and that the funding arrangements of course have not been firmed up but that's one of the things that we intend to discuss with the municipalities as we go out to their

regional meetings that are upcoming. We'll be making some tentative proposals to them I guess at that time, and we'll be looking for some reaction. The other conservation district I was trying to think of was the Alonsa district.

MR. DEPUTY CHAIRMAN: (1)Salaries--pass; (2)Other Expenditures--pass; (d)--pass.

Resolution No. 110, Resolved that there be granted to Her Majesty a sum not exceeding \$4,577,700 for Natural Resources--pass.

Resolution No. 111, Regional Services, (a)Administration - the Honourable Minister.

MR. RANSOM: The Regional Services item here, Mr. Chairman, is the delivery of the resource programs other than those things which would fall under Engineering and Construction. It's the area where we have our conservation officers and the park rangers and all of the work that they normally carry out. Again, they don't really have programs of their own as such, but they deliver programs that the resource branches deem to be necessary. If I just go through the staffing levels again, in the Administration item there are seven staff man years, as there were last year. There are 27 staff man years in the northwest region, and that's the same level as last year. There are 28.08 staff man years in the northeast region as compared to 29.08 last year. In the interlake region, there were 43 staff man years last year and 43 before us. In the southwest there were 24 in both years. In the western region there were 38.4 last year; 37.4 this year. Southeast, 42.44 in both years; 22 in both years in the eastern region. Under Enforcement within Regional Services, this is of a specialty group within that; there were 11 staff man years last year, there are 9 this year. Forest Protection had 9 in both years.

MR. DEPUTY CHAIRMAN: The Member for Rupertsland.

MR. BOSTROM: Thank you, Mr. Chairman. I note from the Minister's news release regarding the appointment of new director of Regional Services, that the new director is an example of one who is bucking the trend that has been established in Manitoba, and that is that this individual comes from Alberta to Manitoba rather than the other way around, which has been the trend in Manitoba over the last couple of years.

I wonder if the Minister could indicate, with respect to the Regional Services section of his department, what reorganization has been necessitated as a result of the amalgamation of the two departments, well, two sections really, Parks and Resources. I note that there are many more regions now than there were outlined in the past year's annual report, and certainly many more than existed under the Resources Department. I wonder if the Minister could indicate the rationale for this multiplicity of regions and how he sees this working in practice. I would like him to indicate if he is in the process of looking at this Regional Services section of his department, if he's looked at reorganization of the department and if so, what kind of organizational structure is in place or is proposed to be in place. Perhaps he has some kind of a breakdown or a schematic diagram or map or something which he could give to the opposition group in order that we could better understand this structure that is before us in the estimates. He may not have that available tonight so I would ask him to take that as notice if he doesn't have it readily available and perhaps could supply it tomorrow before we complete his estimates.

MR. RANSOM: Mr. Chairman, I don't have that kind of outline available with me beyond what I made available at the beginning of the estimates review and I gather that must have just included the items without much detail of the actual regional breakdown. But in terms of the concept that's involved, there is an increase in the number of regions but there is not an increase in the number of staff that are involved. We have been able to amalgamate the structures or are in the process of amalgamating the structures that were there for the delivery basically of parks services and the services that were related to the other resource branches, and we have been able to utilize the people that were in both of those delivery services.

At the lower levels, I think I pointed out previously that the distinct identity of the park rangers and the conservation officers remains, but not at the higher administrative levels; but at the CO level and the park ranger level it does. But we are also able to utilize the manpower that's available to help out in some of the areas that they previously had not been working in. So generally I think it will be a more effective way of delivering the service, that we will be able to have better delivery of services to the people who are actually on the receiving end of them, and I think one example again that we used previously was that when there had been concern raised about enforcement of regulations during seasons, that we had been able to get more manpower into the field working on that subject during the last season than we had in previous ones. That's just a thumbnail sketch, Mr. Chairman. I will get the structure that's diagrammed out and make it available to the honourable member.

MR. BOSTROM: Mr. Chairman, I understand from information supplied to the opposition that there is a reaction or opposition within the conservation officer ranks to the re-organization of the Regional Services section of the department. And this issue came up earlier in that when we discussed the hiring of the regional supervisors, I believe it was, and the case that we discussed at that time is the recruitment and selection and appointment of four regional supervisors that was apparently appealed by five people who had applied for the positions. I wonder if the Minister could explain what the concerns are here, what concerns have been expressed to him regarding the proposed reorganization and the problems that have been brought to our attention in terms of potential morale problems in the department? Can the Minister perhaps enlighten us as to what the main concerns are and if his office as Minister and his staff, his senior staff in the department, are addressing themselves to these concerns and if so, what action they're taking to overcome what may develop into a serious morale problem within the department.

MR. RANSOM: Well certainly the problem is one that's recognized, Mr. Chairman, and I guess it wasn't unexpected that there would be some problems as we attempted to put into place a system that gave more central direction, perhaps, than was the case previously.

As an example, there was quite a bit of latitude exercised among the various regions in terms of enforcement, for instance, the manner in which regulations were enforced and policies were enforced, and I really don't think that is the sort of thing, the sort of decision that should be in the hands of the regional managers. It's the kind of direction that should come from the Minister's office - by that I mean the central office - and reflect government policy.

So there have been some problems in that area and we'll have to work to try and overcome them now that we have the structure in place and I think that a great many of the people in the department can now understand what advantages the structure has to offer. And I think that, by and large, the departmental staff will work hard to make that system work and to provide the services to the people that the people are deserving of and that the individual problems will simply have to be worked with as we go along and attempt to show that this, in fact, is a good and workable system, that's simply designed to apply the regulations and the policies of government in an even-handed fashion and to carry out the programs of government in an even-handed fashion. I haven't had the official word yet on the matter that the member referred to about the supervisors, but it's my understanding at least that the procedures that had been used by the department have been upheld in the appeals, but as I say I don't have the official report on that yet. So I acknowledge the point that the honourable member raises and I am quite certain that in a matter of a few months we'll have things in substantially better operational order than the moment, from a morale point of view.

MR. BOSTROM: Mr. Chairman, I can only relate to the Minister some concerns that were brought to my attention with respect to the reorganization and it would seem to me that the main concern is that the reorganization appeared to have been sprung on the people working in the regions without them having a feeling that they had a say in the development of the organizational structure which they were expected to work within and to, in fact, manage as senior people in the regions.

I suppose, as in any re-organization, there's bound to be some reaction to the status quo. As the Minister indicated there is perhaps some development over the years of people in the regions going their own way without following a central authority. I recognized that problem when we were in government and we were looking at ways in which that could be overcome. So I have no argument with the Minister with respect to that particular aspiration or objective, I would simply point out to him that it may be a problem if he's installed a structure or system that alienates the field level of the department. That's the concern I would have in that if the morale in the conservation officer and parks officer ranks are indeed beginning to slide as a result of these problems within the department, then that is a serious concern for the government and for the Minister, and for the people of Manitoba really, who must expect these people to carry out and deliver the programs of government to all people concerned that use the services of the department. It is quite a public issue in that the parks are used extensively by people in Manitoba; the services of the conservation officers are something that have come to be appreciated by people all over Manitoba; and certainly the kind of work that the parks officers and conservation officers do requires a considerable amount of commitment to the job because I know that the jobs are difficult at times and thankless, and the pay is not that great really for those positions. In fact I've always marvelled at the dedicated men and women who have taken those jobs and served in them for a lifetime career at really not very high incomes. There is something attached to those jobs that's more simply than the monetary value that comes from working in the government ranks; there's a certain commitment to the job, a feeling of doing something worthwhile, of delivering a necessary service, and that's a kind of attitude and commitment that's important to have if, through the restructuring or organization that's going on, that feeling of commitment and dedication to the job is jeopardized, or people start to feel alienated and discouraged. Feeling that their views and concerns are not being taken into account by those in senior management positions, then I think that serious problems could develop. I am happy that the Minister is looking at it and that he will be hopefully taking some action on this and working towards resolution of the problems that could become just nagging concerns and develop into more serious problems as time goes on. With those comments, Mr. Chairman, I'll leave the issue for now.

There's one other concern, Mr. Chairman, that I could ask the Minister specifically, what if any progress has been made towards bringing into place some kind of a training program in Manitoba to allow young people in Manitoba to go through resource training so as to be able to take positions as parks officers or conservation officers. We had some people in training as new career students that were training to be conservation officers. Perhaps the Minister could indicate what the status is of those people, and if he is planning to continue that program. Or if that program is not continuing, what alternative or alternatives the Minister is considering to provide opportunity for young people in Manitoba to be able to take conservation officer or parks officer training by way of resource technician or resource school-type of training?

MR. RANSOM: Mr. Chairman, we're recruiting almost exclusively, if not exclusively from the colleges or technical institutes that are outside of the province, the one at Saskatoon and another at Lethbridge, I believe, and perhaps down east as well, and to my knowledge there are no moves afoot to develop that kind of program here because I think generally there are probably more people being turned out of the schools that are already in existence. There are more people being turned out than there are opportunities available, so it would hardly be wise to establish another program to turn out more people if the employment opportunities are not available.

While I am responding to that, Mr. Chairman, I should perhaps answer a question that was asked by the member for Fort Rouge. I have been waiting for an opportunity to answer it when she was available but perhaps I should put in on the record for the moment anyway. There were 108 students interviewed when our staff went to Lethbridge and Kelsey Community College. These were graduates - 108 were interviewed, 36 of these were Manitobans and 72 were non-Manitobans. Seven Manitobans were subsequently put on the list and 17 non-Manitobans were put on the list, so that the proportion is not that different for Manitobans and non-Manitobans. The

hiring is, in fact, done on the merit principle, and if there are other graduates from other provinces that are more qualified for the positions, then they would be placed on the list ahead of lesser qualified Manitobans.

MR. BOSTROM: There is one other technical question here, Mr. Chairman, which I could ask the Minister, which certainly relates to the delivery of service, but it is in the policy area and I was requested to enquire as to the government's policy with respect to live bait fishing. If the Minister's department is proposing to allow live bait fishing in Manitoba and if so, are they allowing licences and what policy would they have with respect to the licencing system for live baits?

MR. RANSOM: That question is under review right at the moment, Mr. Chairman. There's no question in my mind that there's the opportunity for a more vigorous and viable industry than we have at the moment, but there are other considerations in terms of the disadvantages of using live bait and the possibilities of introducing species that we don't consider to be desirable to have in some of our lakes and streams. It is one that we haven't made any decisions on and is under active consideration at the moment.

I could also table three pieces of information, Mr. Chairman, that were, if not asked for specifically earlier on, there at least was reference made, and these are the background resumés for Mr. Surrendi, the Assistant Deputy Minister and for Mr. Hayden, the Director of Fisheries and for Mr. Sykla(?), the Director of Regional Services.

MR. BOSTROM: A question, Mr. Chairman, to the bait fishing issue. Could the Minister indicate if the policy regarding the fishing for minnows, for processing or whatever you call them, into frozen minnow for bait fishing - the licencing system on that seems to be raising some questions, particularly in some areas where the blocks that are licenced out are not fully utilized by those that hold the blocks. I wonder if the Minister is reviewing that as well, and if not, if he would take as notice the question that I have been asked to relay to him and that is, what action the Minister's department would take with respect to blocks that are held, that is, areas that are held under licence for the fishing of minnows for frozen bait processing, and if that area is under policy discussion and consideration as well?

MR. RANSOM: Yes it is, Mr. Chairman, although the system hasn't to this point been changed. That's one of the features that we've been addressing in all of the policies. The honourable member probably would recognize that we discussed this point in relation to rice and we discussed it in relation to other fisheries, that we always will address that question of whether or not the resource rights are actually being utilized, and I think this bait fishing one is probably a good example of where there are rights being held and resources not being harvested to the extent that it might be. We definitely will look very carefully at that.

DEPUTY CHAIRMAN: The Member for Ste. Rose.

MR. ADAM: I just want to ask the Minister - in the western region, I guess that's in our particular area, I believe, and there's a reduction of one SMY and an increase in the overall item. I was just wondering what position was done away with and what was the reason?

MR. RANSOM: That was a vacant CO3 position that was eliminated. A vacant Conservation Officer 3 position.

DEPUTY CHAIRMAN: Salaries. The Member for Ste. Rose.

MR. ADAM: Were there any other SMYs eliminated, or transfers and replacements, in any of the northwest region?

MR. RANSOM: Is the member talking about conservation officer positions or

. . .

MR. ADAM: No I am not talking about conservation positions, I am talking about others.

MR. RANSOM: The only other item that the member could be referring to would be an extension position that was transferred, the position as such was transferred to Winnipeg, and that's perhaps the item that the member is referring to?

MR. ADAM: Yes, I wonder if the Minister could explain the reasons for the transfer, or was the position no longer required in the Dauphin region, or was it in the Dauphin region?

MR. RANSOM: Yes, it was in the western region, Mr. Chairman, and that was a one-of-a-kind position. It was the only position of that nature that existed in the regional structure and it was not our intention to expand that type of position to be included in every regional structure. The Information Extension Services are located now within the Administrative Services Division of the department which was one of the first that we dealt with, and that central group will provide the materials and the direction for extension efforts. Otherwise the field officers themselves and the biologists or the foresters or whoever are located in the field will be expected to carry out a significant amount of public extension and public contact.

MR. ADAM: This was in the Dauphin region, I presume, and that would be the northwest region or the western region? Western? I see. Thank you.

MR. DEPUTY CHAIRMAN: (2)Other Expenditures--pass; (a)--pass; (b)Northwest Region, (1)Salaries--pass. The Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, as we're going through these, I have no specific question as such on each of them since they are all similar. I would simply ask what the rationale is for the increase, the comparative difference in the increases, for example, in northwest region there is a 15 percent increase and in the southwest region a 20 percent increase - approximately that is - and in the eastern region an 18 percent increase. All the other regions have much smaller increases, and I am wondering what the rationale for this is. Is there a transfer of people around between regions, or is there some special uniqueness considered in the increases?

MR. RANSOM: In some cases, Mr. Chairman, there are things like the Central Provincial Garage vehicle rates that have had differential impact upon the regions, but they are largely cost increases. I don't think that there is any other items involved but cost increases and I suppose in some cases there might be some costs related to recruitments as to whether you're recruiting people at the top or the bottom of a classification. But that generally accounts for those differences.

MR. DEPUTY CHAIRMAN: (Item 12, Sections (a) to (h) were all read and passed.) (j)Enforcement, (1)Salaries--pass. The Honourable Member for Rupertsland.

MR. BOSTROM: Along this, Mr. Chairman, perhaps the Minister could indicate why there was a decrease of 5 percent approximately in this section, on the Salaries section. Are there people laid off or discontinued positions?

MR. RANSOM: No, Mr. Chairman, that's where I indicated there was a drop from 11 to 9 staff man years; there were two vacant positions that were deleted from the estimates.

MR. DEPUTY CHAIRMAN: (2)--pass; (j)--pass; (k)Forest Protection Field Operations, (1)Salaries--pass; (2)--pass; (k)--pass.

Resolution No. 111 - Resolved that there be granted to Her Majesty a sum not exceeding \$6,895,900 for Natural Resources--pass.

Committee rise.