

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, May 18, 1972

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 40 students of Grades 9 and 11 standing of the Sprague School. These students are under the direction of Mrs. Norman. This school is located in the constituency of the Honourable Member for Emerson.

We also have 8 students of Grade 9 standing of the Sansome Junior High School. These students are under the direction of Miss Henson. This school is located in the constituency of the Honourable Member for Assiniboia.

And we have 30 students of Grade 6 standing of the Ste. Marie School. These students are under the direction of Monsieur Rene Deleurme. This school is located in the constituency of the Honourable Member for St. Vital.

On behalf of all the Honourable Members I welcome you here today.

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

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition) (River Heights): Mr. Speaker, my question is to the Minister of Health and Social Development. I wonder if he could inform the House at whose request was a search warrant issued for the investigation of the premises of Bio Science Laboratory Limited?

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

HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield): I'll take the question as notice.

MR. SPIVAK: Well, a second question then and I assume that the Honourable Minister will take this as notice as well. I wonder if he can inform the House as to whether the officers of the firm that is Bio Science Laboratory Limited have been informed of the nature and origin of the allegations made against them?

MR. SPEAKER: Orders of the Day. The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Thank you, Mr. Speaker. My question is to the Honourable Minister of Health and Social Services. I wonder if he can inform the House whether the medical laboratory at the Mount Carmel Clinic operates under an official licence of any kind.

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: I'm sorry, Mr. Speaker, I could have missed part of the question. Are you making reference to the pharmacist? To the biochemical laboratory?

MR. SHERMAN: The laboratory at the Mount Carmel Clinic.

MR. TOUPIN: Yes, they are. They are.

MR. SHERMAN: A supplementary question, Mr. Speaker. Is it inspected regularly and is it required to meet the same medical standards that other medical labs are required to meet?

MR. TOUPIN: Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I have a question for the Honourable Minister of Health and Social Development. For approximately how much does the Mount Carmel Clinic Laboratory bill the Manitoba Health Services Insurance Commission annually?

MR. SPEAKER: Order, please. I do think I indicated yesterday that statistical questions there should be notice of. The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I have a question for the Minister of Labour. Could he indicate what the current situation is in regarding to the strike and the pickets that are placed around the Woolco Building in Thompson?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, as far as I am aware there is no strike in respect of Woolco at Thompson. I did receive a communication

MR. PAULLEY cont'd) from -- or a carbon copy of a communication of the representative of one of the trade unions to the effect that a charge of unfair labour practices has been laid before the Labour Board of the Province of Manitoba; and also a copy of a communication that was directed by the said mentioned union official directed to the Chief of Police in Thompson. Again I repeat, Mr. Speaker, in my opinion, or the information I have is that there is no strike because strikes generally have to go through the due process of the Labour Relations Act of the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): I'd like to direct a question to the First Minister. Is it correct that the Directors of the Manitoba Hydro Board have made a decision to flood South Indian Lake in the past few days?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, it is correct that the Board of Manitoba Hydro held their regular meeting yesterday and they have come to certain conclusions as to a course of action they propose to recommend. The subject matter of the recommendations have been made available to me only as of half an hour ago so I'm not in a position to reply today.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder, Mr. Speaker, a further question to the First Minister based on it. When will the House be informed of the decision with respect to Southern Indian Lake?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I should think, Mr. Speaker, within seven days approximately.

MR. SPIVAK: Well, a supplementary question - if the recommendations of the Board are followed will this alter plans . . .

MR. SPEAKER: Order, please. The question is hypothetical.

MR. SPIVAK: Will the government also be considering the possible change and alteration of the regulation of Lake Winnipeg and the proposed Jenpeg installation?

MR. SCHREYER: Whatever for?

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Again a question to the First Minister. Will it be possible for the people of South Indian or their representatives or any other people that are affected -- will it be possible for these people to make personal representation to the government or to the Hydro Board in respect to this move?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, they have and they will.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is for the Honourable the Minister of Industry and Commerce relating to the activities of Omnitheatre Limited, a company in which MDC has a 67 percent equity. Can the Minister tell the House if the Manitoba Development Corporation has taken possession of the assets of Omnitheatre Limited?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, the latest information that I have is that this matter is under active consideration and in process of negotiation and therefore it is not appropriate for me to make comment at this time.

MR. MCGILL: A supplementary question to the Minister - could the Minister tell the House with whom the MDC is negotiating at this time?

MR. EVANS: I'm sorry, I didn't hear the latter part of that question.

MR. MCGILL: Mr. Speaker, I was referring to his reply to the first question. He mentioned negotiations were going on. With whom is the MDC negotiating in this connection?

MR. EVANS: Well, Mr. Speaker, obviously MDC would be discussion matters with those people who have put equity into that company.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I have a question for the Honourable Minister of Health and Social Development. Have investigations such as those being directed against the Bio Science Laboratory ever been directed against Mount Carmel Clinic or any other provincial laboratories?

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker, all laboratories are subject to investigations.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, a related question to the Minister of Health and Social Services. Can the Minister undertake to advise the House when the last inspection of the medical laboratory at the Mount Carmel Clinic was carried out?

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: No I can't, Mr. Speaker.

MR. SPEAKER: The Honourable Member for ...

MR. PAULLEY: Mr. Speaker, would you call the resolution for going into Committee of Supply?

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, a further question to the Minister of Industry and Commerce. Can he tell the House if in view of the equity position of the government in Omnitheatre has any assurance been given to the creditors that they will be paid?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I'm not in a position to comment on that question at this time.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I have a further question for the Honourable Minister of Health and Social Development. Have the books ever been audited or the invoices examined of Mount Carmel Clinic by officials of the Manitoba Health Services Commission or the Department of Health and Social Development?

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker, I'm not aware to what extent the honourable member is wanting or asking that the Department of Health and/or the Manitoba Health Services Commission have or will conduct investigations, an audit within the books of the Mount Carmel Clinic. There has been audits made by the Department of Health and Social Development pertaining to funds that have been paid to the Mount Carmel Clinic. There equally has been audits made by the Health Services Commission pertaining to fees paid to doctors that are working at the Mount Carmel Clinic. If the honourable member is not happy with my answer she can be more specific.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: I have a question for the First Minister. In view of the fact that the Le Dain Commission has now released its report and in view of the fact that at least one provincial government has set up its own committee to study the Le Dain Commission ...

MR. SPEAKER: Order, please. I would like to indicate to the Honourable Member for Thompson I have no objection to prefaces but unfortunately he continues to inject opinions as well. If he would place his question we would have less difficulty understanding it. The Honourable Member for Thompson.

MR. BOROWSKI: Will the First Minister consider striking off a committee of MLAs in this House to study the Le Dain Commission with recommendations to this government and also could the Minister give copies of the Le Dain Commission to distribute to all members of this House?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, obviously that is the kind of question that I would not want to reply to in a definitive way just offhand. I believe the suggestion implicit in the question deserves consideration and accordingly it will be given consideration. But I should like to indicate to the Honourable Member for Thompson that if the subject matter of the Le Dain Commission Report is Federal in jurisdiction in its entirety, I would think the proper course of action would be for us to agree in advance to respect the laws of Canada, however they may be changed - and to make representations as personal citizens of Canada rather than through the aegis of a Provincial Government that lacks jurisdiction in the field.

MR. BOROWSKI: A supplementary question, Mr. Speaker. Is the Premier indicating then that the government is not going to express an opinion to Ottawa either for or against the use of drugs or the legalization of marijuana?

MR. SCHREYER: Mr. Speaker, I've already indicated that the suggestion deserves consideration and so the matter will be considered before we take a definite position on it. However I would say again, Sir, that in a matter that is entirely Federal in jurisdiction I would

(MR. SCHREYER cont'd) like to think that we respond as individual citizen vis-a-vis the Government of Canada rather than as a Provincial Government that is seeking to impinge upon Federal matters.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I'd like to direct a question to the Minister of Finance. Was the grant to the City of Winnipeg for the purchase of buses subject to their not being purchased by the public tender system?

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q. C. (Minister of Finance) (St. Johns): Mr. Speaker, I answered a question in a like vein either a few days ago or at the end of last week.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Again to the First Minister in respect to South Indian Lake. Can the people of northern Manitoba be assured of having enough time between the announcement and the time they can make their presentation to be able to study the program and prepare a presentation?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the amount of time that would be reasonably required I should think would be directly proportional to the extent to which the final recommendation now deviates from what was indicated in September of 1970 at which time certain parameters were laid down. If there is substantial deviation therefrom then there would have to be certainly an increase in the amount of time needed to consider what is being proposed.

MR. SPEAKER: Orders of the Day. The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Labour. Could the Minister advise the House whether there will be an increase in the minimum wage this year?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: No precisely, Mr. Speaker.

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

MR. McKELLAR: I'd like to direct a question to the Minister of Finance. The other day I asked a question in your absence to the First Minister, whether STIO are licensed in the Province of Manitoba? Could you give me the answer?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I don't have the definitive answer. My impression is they've been licensed for many years and prior to the time I assumed the responsibility in the Department, and therefore I can only indicate that to my knowledge there's been no change. However I'll be willing to look into it. --(Interjection)-- Oh for auto insurance? Is that the question asked? Whether they're registered? I believe they're registered but I'll check that and inform the honourable members.

MR. McKELLAR: A supplementary question. If the company are not registered are you agreeable to take legal action against this . . .

MR. SPEAKER: Order, please. The question is hypothetical. The Honourable Member for Brandon West.

MR. McGILL: Mr. Speaker, my question is for the Honourable the Minister of Finance. In view of the announcement of financial assistance to the City of Winnipeg in the purchase of transit buses, could the Minister indicate to the House that the same assistance will be available to other urban centres of Manitoba in the purchase of transit buses, presumably subject to the same restraints?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, we have not yet developed a policy but I would hope that when a policy is fully developed and agreed upon that it can be applied to Manitobans.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. My question is for the Minister of Tourism and Recreation. Can the Minister indicate whether there will be legislation coming forward at this session regarding the operation of houseboats within provincial parks?

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

HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs) (St. Boniface): Mr. Chairman, yes, time will tell.

Mr. Chairman, I'd like to answer a question of the Honourable Member from Rhineland.

MR. DESJARDINS cont'd) He asked me about the Horse Racing Commission, and I'd like to refer him to Votes and Proceedings No. 10 of Wednesday, March 22nd. He will see that it is now Sessional Paper No. 34 and it was duly tabled.

Now, when I'm on my feet, Mr. Speaker, while I was away last week there was a couple of questions asked. One of them was dealing with the Wayside Park on PTH 6 north of Grand Rapids. As part of our accelerated Works Program two sites will be built. They are Buffalo Lake, some 15 miles north of Grand Rapids and Menigo River, about midway along the PTH 6 extension. Both sites are being cleared with work on ground improvement and facilities undertaken this spring. Normal facilities will be placed therein consisting of washrooms, fireplaces, picnic tables along with driveways, parking, etc.

And finally, Mr. Speaker, the Honourable Member from Lakeside who is not present this afternoon was concerned as of the resignation of Mr. Turnbull, the artistic director of Manitoba Theatre Centre and wanted to know if we were going to recommend that the Board of Directors of MTC appear in front of a committee. I might say to him, Mr. Speaker, it's clear that censorship is not working; we don't intend to meddle in those affairs. As far as grants are concerned these people receive their grant from the Manitoba Arts Council and although when we make grants to the Arts Council, we have certain conditions.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Finance.

MR. CHERNIACK: I beg to move, seconded by the Honourable Minister of Agriculture, whose name is the shortest, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into Committee of Supply with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution 6 (a) (1) - The Honourable First Minister. Order please. The Honourable First Minister.

MR. SCHREYER: Mr. Chairman, it is in considering Resolution 6, Management Committee of Cabinet, that it would be appropriate for me to make a few introductory remarks by way of explanation. I think that honourable members understand in a general way that it is through this administrative mechanism that the government attempts to keep a continuing review of program administrative operation, program effectiveness, program efficiency; it is through this mechanism that the government seeks to provide certain systems' analysis and support service to the administrative operations at the various departments and some of the agencies of government; it is through this mechanism that --(Interjection)-- Mr. Chairman, may I ask you to call for order, please.

MR. CHAIRMAN: Order please. I've already called and told the members once this afternoon; now we don't have to continually have to --(Interjection)-- Order. Order please. If members wish to conduct meetings, go outside and conduct them. We're here to listen to the members not 56 others trying to hold meetings elsewhere. The Honourable First Minister.

MR. SCHREYER: As I was saying, Mr. Chairman, it is also through this mechanism that government seeks to carry out its rather detailed, and I believe very systematic job classification work; pay plan, pay research and analysis, staff relations generally. And it is appropriate for me to pay a compliment, a note of tribute to those senior people and those at the various echelons of the Secretariat of the Management Committee - as indeed to those also with the Planning Secretariat, for the amount of dedication to their work and their duties; and more specifically even, Mr. Chairman, for what I believe to be a fact and that is the application of hours of work that goes beyond what is sort of normally expected of being the regular work hours of the public service.

Now having said just a moment or two ago that personnel administration, job classification categorization, pay plan research and so on carried out under the aegis of Management Committee and the Secretariat, it would be appropriate for me to continue the practice of this House and distribute a number of copies of the lists of Deputy Ministers and heads of Boards and commissions and their pay scale - and accordingly if I may have one of the Pages take these copies and make them available to the Official Opposition, to perhaps the senior person of the Independent benches and the table.

Honourable members will notice when they look at the scale of salary that we have been

(MR. SCHREYER cont'd) going through a very definite escalation in salaries that are applicable at the senior echelons of the public service; in fact it is pervasive throughout the entire public service and for that matter throughout our entire economy. But I believe that it is necessary because honourable members will no doubt unless they are apprised of the fact, they will start jumping to conclusions which may be unwarranted. They get the impression that the pay scale or the pay levels are you know, very high indeed compared to years gone by and indeed they are. But that is part of a phenomena that has been in practice or in effect all across our country in all of the public services of the various jurisdictions, provincial and federal, and indeed throughout our whole economy. I should point out that the top of the Manitoba Senior Civil Service pay scale - the top, and which I suggest is quite high, is comparable to the bottom of the Ontario Civil Service pay scales for the Deputy Minister range; and the top of the Manitoba pay scale for senior public servants is equal to about the average of the Quebec public service pay scale for senior public servants; it is certainly considerably below the bottom of the Federal pay scale for senior Federal public servants. Difference of population of course, but if one is a Deputy Minister, let us say responsible for Mines and Natural Resources, it really ought not to matter in substantive terms whether he is Deputy Minister with that responsibility in a jurisdiction of one million people or four million people. I mean in essence his expertise and his responsibility is assumed to be approximately the same. The fact that there are differences in size of population would be in certain respects quite incidental to the fact.

In any case, we realize that it is simply illogical to contemplate the future with equanimity insofar as projected pay increases are concerned. And I would like to make it clear that insofar as those who are outside of the bargaining unit are concerned - those over pay range 49, perhaps even higher - that it becomes necessary now to consider, to consider in a very serious way the advisability of placing a very definite restraint on the amount of increase or increment in pay scales to be paid to those in senior echelons of the public service. I am not suggesting necessarily an outright freeze; but certainly a pay increment, if there is to be one at all, seems to me would have to be at a level considerably less than the pattern of the last eight years - because since 1965, I am advised the pattern has been a pretty steady one; every year or every two years, increases of something in the order of 7-1/2 to 7 percent per year. Now in 1971, the agreement arrived at provided for a split so that those over the \$12,000 salary level approximately were given a pay increase of five percent in the first year and 7-1/2 percent in the second year. Those below the \$12,000 level were given by agreement a 7-1/2 percent increase in each of the two years. So there was already in 1971 the commencement of a split level in terms of salary increases. I am given to understand that prior to 1965, the pattern of wage settlement and agreement was quite different from what it's been since 1965 in that prior to 1965, certain years there were only what one might call flat dollar increases given rather than percentage increases.

And it may be - I am well aware of the fact of course that some people take the very firm position that the proper way to negotiate salary increases is on a percentage basis. There are others who say that the fairest way is on a flat dollar basis. Well the Government of Manitoba over the past twelve years has done both, at different times of course. And it's my impression that for a period of time one could go on quite blithely with percentage increases across the board, but one comes to a definite point where it becomes untenable then one has to revert back to flat increases. And so it goes. I am not pretending that we have plumbed a full measure or plumbed the depths of complete understanding as to just what is the right way to proceed. But what I am saying is that we cannot look forward with equanimity to the prospect of going along with the same pattern as has obtained in the past seven years. Having said that, I suppose that honourable members will have a number of questions which I will try to answer.

MR. CHAIRMAN: I would like to draw to the attention of the honourable members that at 3:15 we will have expended the allotted time limit for Department of Legislation in Executive Council. Resolution 6 (a) (1) -- passed; 2 - The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, looking over the list that was passed out, I think there are considerable increases from the last list shown, if I'm correct. No doubt when paying higher salaries to these people occupying these positions, we should be able to track top notch personnel - and I think that in most cases we are. I probably don't know all of them as well as do certain people. But there are a few questions that I had, and

(MR. FROESE cont'd) one in particular - I notice that the chairman of the Municipal Board is also on the list; he has also been appointed to a commission which is sitting or has been sitting for quite some time - and what is the situation under those circumstances, is he paid full amount for this position that he holds here as Chairman of the Municipal Board; and also in addition, his regular pay as a commissioner on the commission? I think a little clarification on that would be . . .

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Mr. Chairman, I thank the Honourable Member for Rhineland for his kind recognition of our public servants, particularly our mandarins, if I may call them that. Insofar as his specific question is concerned with respect to the Chairman of the Municipal Board, who is also it is true serving on the CFI Inquiry Commission, the answer is very simple. While he is serving on the CFI Inquiry Commission he is paid on a per diem basis and receives no salary whatsoever insofar as the Municipal Board is concerned; it's been that simple an arrangement. And in his absence we have had an acting chairman carry on, I believe in the person of Mr. Charlie Chappell - who I'm sure is well known to the Honourable Member for Rhineland - and when Mr. Chappell is unable to attend because of other duties such as Churchill Townsite Development supervision, then I believe the former Assistant Deputy Minister of Finance has been filling that role. So far we have not had any serious problems in carrying through with this arrangement, tentative arrangement, while the Commission of Inquiry is still in existence.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Chairman, the First Minister has explained quite a bit of the increase of \$300,000.00. I wonder if he has the figures handy - what number and staff, the number and staff that has been increased by - what number.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Chairman, it'll take me a few moments to get the precise information on that. On the other hand - oh yes, here we are - the number of staff man-years last year was 64; the number this year is 84. Then in addition to that - the Computer Centre, the number of staff last year was 83; the number this year proposed is 100. Now I should elaborate on the reasons for that increase, that it has to do simply again with the fact that there is simply an increased workload, an increased demand for the services of the Computer Centre and Management Committee generally. I have a detailed listing here of the increased activity of the Computer Centre.

Honourable members being willing, if I gave a very rapid fire run-down of the kinds of things that the Computer Centre services - well very literally in rapid fire; crop insurance, sugar beet invoices, crop insurance research, crop insurance claims processing, 4-H analysis, dairy herd improvement, TRAF accounting, TRAF annuity payments, aptitude test analysis, milk analysis, dairy product analysis, fluoride dosage and calculation, sutton equation, stipel cell counts, rehabilitation services, wage surveys, trade licences, elevator permits, fuel oil deliveries, boiler certificates, forest inventory, time certificate payrolls, grazing leases, conservation officer time distribution, deer and moose surveys - I interest my honourable friend from Rupertsland, I'm sure - commercial fishing records, sports fishing surveys, angling licence statistics, air photo library calculations, employees research, motor vehicle registration -- and may I add in parenthesis that the combination of motor vehicle registration and automobile insurance record keeping impose a very very heavy demand on the services of the computer centre - accident statistics, driver suspension, driver point totals, driver licensing, tourism payroll, tourist inquiry, school tax rebates, annuities, tobacco licenses, bonds, revenue tax data, voucher accounting, municipal assessment, municipality equipment accounting, equipment analysis, Metro assessment, social allowance data, institutional accounting, regional welfare statistical data, Canada Assistance Plan statistical data (this is heavy in volume), budgetary statistics. All of this foregoing might be regarded as being commercial or business type computer service; and then in addition to that some considerable scientific type computer analysis - water control research, bridge and highway design, environmental sanitation studies, various other forms. Now I believe that gives the honourable members an appreciation of the wide spectrum that is covered by way of computer services to the various departments and agencies of government.

One other point I should make, Mr. Chairman, is to point out that of the increase in staff man-years over last year, seven staff man-years is accounted for by the fact that we have

(MR. SCHREYER cont'd) taken young trainees into the operation in order to give a better base to the computer operation capability within our province. I don't believe I'm giving away any secrets when I say that there was always some degree of problem in obtaining services of a sufficient number of people trained in computer service work. It was managed quite well but it was always pretty close to the borderline of availability.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, in the one or two minutes remaining I want to give the First Minister a chance to finish -- and the committee a chance to finish consideration of the Estimates of this department, if possible. But I'd like for two minutes just to say that notwithstanding the fact that there is no doubt much in what the Minister said about the contemporary pattern of increases in wages and salaries in government and in private industry, and that much of the increase reflected here in the Management Committee Secretariat salaries item can be rationalized or justified on those terms. Still I wouldn't want the Estimates for this particular Committee or Department to go through without a registration on our part, Sir, of considerable dismay over the amount of the increase under the Salaries item. The Honourable Member for La Verendrye has referred to it as approximately \$300,000.00. Well that is so, but it's also approximately 50 percent. It's virtually a 50 percent increase over the figure for last year; and I must say that a perusal of the individual salaries and the list that the First Minister just distributed leaves us somewhat breathless. I think that this size of increase, this amount of increase is pretty extravagant; and there's no question if this is the kind of increase that this government and this province is faced with in this one area, there's no difficulty in understanding why the whole spending program of the government is up so substantially over what it was a year ago.

The First Minister has cited the situation in Ontario as being helpful in terms of his explaining what's happening here. I don't think it's altogether applicable because - not only is there the difference in population as one of my colleagues mentioned, but what's far more important is the difference in wealth between Ontario and Manitoba. It's like comparisons between Canada and the United States when we talk about their having ten times the population in the United States as we have in Canada. That figure, that multiple really is meaningless because what we're talking about is a country that has 22 times the wealth that we have in Canada - and when you talk Ontario and Manitoba, it's not an eight to one ratio which is a population ratio, it's about a sixteen to one ratio because they have so much more wealth in that province than we do here. So I don't altogether accept the line of reasoning applied by the First Minister, and I register this Party's utter dismay and shock over the 50 percent increase in the spending in this area.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Mr. Chairman, the Honourable Member for Fort Garry can be as breathless as he likes. It will not help to explain just precisely the nature of the phenomena which we are faced with in respect to salary adjustments; and I have never heard anything more ridiculous than to suggest, to imply that if a jurisdiction has 20 times the population of another, that with respect to two Deputy Ministers with equal responsibility, the same subject for the same area - the Natural Resources - that therefore the Deputy Minister in the larger populated jurisdiction is entitled to 20 times the salary. What kind of foolish nonsense does that come from? The fact of the matter is that salary increases of the senior echelons of the public service in every province of this country, and indeed in the eight major metropolitan city areas shows the very same pattern. The City of Toronto, the amount of salary paid to the Chief Commissioner of Metropolitan Toronto or even the City of Winnipeg are in fact equal to what is being paid to the Deputy Minister class or level in the provincial jurisdiction here.

May I say in conclusion that since 1967, if I may, the salary increases at this level were 7-1/2 percent, 7 percent, 7-1/2 percent, 6 percent in 1970; 7-1/2 last year with a split of 5 percent for those at the upper echelons. But we acknowledge that there is a problem here in terms of being unable to reconcile the possibility of percentage increases going on indefinitely into the future. I have already said about 15 minutes ago that it will require a definite departure from the pattern of salary increases of the last eight years. We will have to revert back to an arrangement closer to the 1958-1965 pattern rather than 1965 to 1972 pattern. I hope that helps to clarify just what is in mind.

MR. CHAIRMAN: Order, please. That completes the time limit that we have for these two departments. The members would now -- refer the members to page 27, Department of Highways.

(MR. CHAIRMAN cont'd)

Resolution 71. The Honourable Minister of Highways.

HON. PETER BURTNIAK (Minister of Highways) (Dauphin): Well, Mr. Chairman, in regards to Resolution 71, the last time we were on this Resolution the Honourable Member for Birtle-Russell had requested a breakdown of the total which is \$22,957,500 - and I suggested that I cannot, although that the practice in the past hasn't been established to give a breakdown of the Resolution, at least not to my knowledge. However I do believe that I can give you somewhat of a breakdown; it's not going to be right down to the very last cent, but I can give the honourable member and the House members here something of an indication as to what makes up the total. Insofar as the Maintenance Programs are concerned and regards to maintenance of provincial trunk highways and provincial roads, there is \$14,004,100 in that regard; under traffic - \$803,000; operation of ferries - \$49,000 - for a total of \$14,856,100.00. Then under (b) Assistance Programs, maintenance grants to Metropolitan street system of 1,291,500; under the construction grants - 3,250,000; aids to cities, towns and villages - \$736,900; work in unorganized territory and disorganized municipalities - \$1,169,800; and of course there is the urban transit assistance - \$553,200; and of course there was some extra money last year as honourable members know, and again there is some money appropriated for the purchase of transit buses - so that comes out in total to \$22,957,500.00.

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

MR. GRAHAM: How much is appropriated for the purchase of transit buses?

MR. CHAIRMAN: The Honourable Minister of Highways.

MR. BURTNIAK: As the Honourable Member for Birtle-Russell has already been told by the Minister of Finance and responsible for Urban Affairs, the money is a million one, which is not only for the city; I suggest what is good for the City of Winnipeg is also good for the larger centres that use transit in Manitoba and vice versa - so when that policy is actually established then it'll be appropriated accordingly.

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

MR. GRAHAM: Mr. Chairman, while this amount falls under the scrutiny of the Minister here, the authority for the release of that money comes from the Minister of Finance, does it? Or is it from your office?

MR. BURTNIAK: The only reason I say that is because it comes through our Department, it's in our Estimates, but it'll go through the Minister of Urban Affairs as far as actual agreement or negotiations are concerned and allotment of money.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I think this is the item where I'd like to make a few more comments; that has to do with road maintenance, especially the provincial roads. Just yesterday I was approached because of Provincial Road 243 once more - and I brought this to the attention of the Minister the other time. It's a road that needs maintenance very badly; it's certainly very rough in places - and I was wondering just what is the policy at the present time of the government since this Minister has taken over, in connection with maintaining these roads. At one time I think the practice was that roads would be maintained so often per month or so many times per year regardless of what was needed - has this been changed because I think there definitely should be some leeway given between certain roads. I notice especially where you have the heavy gumbo that in spring you need more service, but later on I'm sure that they need much less. Whereas in the lighter soil the very opposite is true. So that certain roads need more maintenance during certain times of the year than some others and vice versa. Is this being practiced now and to what extent do the government districts play a part in this? Have they the say as to what road they maintain and how often and where? What is the procedure that the government is following, Mr. Speaker?

MR. CHAIRMAN: The Honourable Minister of Highways.

MR. BURTNIAK: Mr. Chairman, I appreciate the question that was put by the Honourable Member for Rhineland. Although I understand that he's quite concerned about a certain road in his area, I too have certain concerns, very great concerns about some of the roads in my area and I think that one of the roads in my area - and I would imagine that the Honourable Member for Roblin probably has been on it - and I'm of course referring to No. 20. I think it's one of the worst roads I think you can find in the Province of Manitoba this year, and don't ever kid yourself that I haven't been kidded about it. However that's something that we'll have

(MR. BURTNIAK cont'd) to look into this coming year and the next year; and the same thing would apply to the road that the honourable member is referring to and many others.

However in regards to the maintenance program, this system was established some years ago. I understand it's been computerized which is perhaps a good system, but I have always maintained that I think a certain amount of discretion and good common sense ought to prevail when it comes down to maintenance of the roads - and I've suggested it to the district engineers that are meeting here and wherever it is necessary, whatever the computer says it is necessary to do more than that I think that we will try and do so. I don't think you can really, you know, rely on a machine; I think still common sense and different weather conditions and what have you sometimes make, you know, we have to make a decision that certain other things have to be done and this is something that we're going to follow through. As I've said I've instructed the engineers when we had a meeting sometime last fall, just before Christmas, and I suggested to them and they have agreed that this is a good policy and I hope that we can maintain that policy.

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

MR. GRAHAM: Thank you, Mr. Chairman. With regards to the Maintenance Program and the fact that the Minister is now looking at a little more flexibility in the computerized program as such, I think it has to be said that while the computerization certainly assists in the central operation of the maintenance system as such, that the rigidity involved in a program of that nature causes a great deal of problems wherever we get inconsistent traffic patterns. And I refer specifically to areas where, for instance, weight restrictions go on a trunk highway which prohibits the use of large vehicles on those roads; and the additional burden that is put onto a PR road with a higher weight limit, and the resultant damage that is done to that PR road because of the disruption of a normal flow of traffic which would normally be on a trunk highway being diverted on to a PR road - and the computer program does not fully cover those particular cases.

There's the other instance - for instance, where a gravel pit is opened up and there's a very heavy rung of gravel trucks over a PR road for maybe only a three-week period. The computer program is completely thrown out of whack, a program of that nature, so it's encouraging to see the Minister is allowing a little bit of flexibility in the operation of the Maintenance Program. We have in the past two years severely chastised the Minister of Transportation at that time for his rigid type of program - of maintenance. We in previous years have pointed out that we have a very valuable road system in this province and because of lack of maintenance we were allowing serious depletion of that very worthwhile capital asset that we had. Those remarks have been made in previous years so there's no need making further mention of that at this time. However, I would like to bring to the Minister's attention some other matters. I would suggest that he consider some of the implications in the Moore Report. I would hope that we can see action before the end of this year on some of the recommendations of that report. I would like to get some indication from the Minister of what action he intends to take with regard to the Watts Report of the Metro area here, what the program is for the metropolitan area in that respect in the field of rapid transit. Proposals are being put forward I understand in the past few days. Is the province willing to co-operate with the city in that respect and to what extent? I would appreciate the Minister giving us some information on that.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Just before the Minister does reply, I notice the resolution is a lengthy one and it refers to construction maintenance grants relative to a metropolitan streets system established by the Lieutenant-Governor-in-Council. Is there a map available which outlines the streets in the City of Winnipeg which are part of the government's program and is it just the ones that are part of the highway system going through the city or are there additional streets which come within the parameters of the resolution here that are recognized by the government where they are contributing toward the upkeep? I think if he gives a reply to the Member for Birtle-Russell that maybe he could also comment on this because he mentioned before that the construction figure there -- I don't know whether it applied to this one of three million, and there was a Metro grant of \$1,291,000,00. Is this part of the particular item under discussion of the streets that we are contributing toward the upkeep in the City of Winnipeg? Is it on a percentage basis?

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Chairman, I have a few questions for the Minister relating to projects in the Brandon area particularly. One, the First Street Bridge that's now under construction. Highway 1A going out First Street I think was closed sometime last summer for the start of this construction and throughout the winter the construction was going on from time to time with some interruptions for steel and so forth but I understand now that it's pretty well along and I would like to know from the Minister what the projected completion date is now forecast as, because there is a problem that has been experienced since the start of this construction program by those commercial enterprises along 1A that to some extent relied upon the traffic on that route in and out of Brandon for the amount of business that they transacted. So there has been a difficulty. The replacement of the bridge was urgently needed and no one objected to that, they were anxious to have this project completed. Now they're thinking in terms of how soon the road can be open.

I notice on the "Projects to be completed" here under Highway 1A there's 1.3 miles on First Street where there's to be right-of-way structures to be graded and base courses and surfacing to be done. I hope that it is not the intention of the department to have a further shutdown of that route during the period of construction or reconstruction of the road itself. I was hoping that this could go concurrently with the bridge construction so that once the bridge was completed that the road would be open to public use and we would again have two means of access from Highway 1 into Brandon and out. As the Minister well knows there's only one way to get in and out of Brandon from the north side of the river and that's over the Eighteenth Street Bridge. You must also of course be pretty much concerned about this problem because your new Highways Garage is on this particular section of the route and no doubt the department is as anxious as we are in Brandon to see this roadway opened up.

So if the Minister could comment on the construction program for the road itself, how soon that will begin if it has not already begun and whether or not the bridge and the road will likely be completed at one and the same time so there will be a minimum holdup of traffic on that route.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a couple of remarks I'd like to draw to the attention of the Honourable Minister. A lot of the rural railway lines as the Minister likely knows are up for abandonment in 1975 and I have no indication from reports or letters or meetings that I have attended that the railways are going to back off. I think this is likely going to be with us in '75 and we'll see a lot of the lines in rural Manitoba abandoned. I wonder if the Minister and the computer has looked this far ahead with regards to the movement of grain that's going to be inevitable through trucks when we reach that period and it's not that far away. We have evidence now of the grain companies dismantling their elevators in many many places which the Honourable Minister is well aware of, so you can see that the pattern of road travel, especially for heavy trucks is going to change considerably within the very foreseeable future, from '75 on. So I wonder if the Honourable Minister has some comments with regards to that particular matter.

The other point I would like to draw to the attention of the Honourable Minister. I wonder if he is continuing to pursue the possibilities of a connecting road between Grandview and Rossburn? That has been on the record for some time and has been debated back and forth. It's been one that those communities have been wanting for considerable time. I know the area is a Federal jurisdiction where the road must go through but it's still being brought to my attention almost on a monthly basis by those that live in the area. So I would hope the Minister, if he hasn't done anything along that line would continue to pursue it.

The other point, Mr. Chairman, is I wonder if the Minister or his Deputy have taken a long look at the bypass around the Town of Roblin where 83 and 5 connects in the town has become quite a congested area with the railway track a matter of a very few feet away from where that intersection is. With the additional -- especially the summer traffic -- there's evidence now of quite a number of accidents at that particular intersection there. Possibly, maybe lights would -- or some type of direction if it can't be -- the town can't be bypassed. I'd just like to draw those few points.

I do sympathize with him in his remarks regarding Highway 20. I know there is some work on the program regarding No. 20. I think the bridge at Camperville as proposed is one that's needed. I'm sure he'll carry out the promises that have been made to the people in that area with the continuation of that road. The other thing that I guess the Minister is well aware

(MR. McKENZIE cont'd) of -- I don't think I've seen the PR roads breaking up like they have. It must have been an exceptional year on account of frost or possibly the wet fall or something, but it's been an exceptionally bad spring for the road system. Thank you, Mr. Chairman.

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

MR. McKELLAR: Mr. Speaker, I just have a word. On No. 10 Highway, it's right in the middle of two districts between Boissevain and Brandon, there's three miles between the junction of No. 2 and the correction line itself, it's been a kind of a deserted three miles. You always get finished south of the correction line in the Boissevain area and to the north of the junction of 2 and 10. Those three miles -- I've talked to the engineers but I'd just like the Minister to have his department look at that. I know the American tourists and our own people are not very happy with that. It's just a little over three miles anyway. That's all I've got to say. It's quite true the frost boils are -- I don't know what the reason, excess water or excess frost I guess. It's happening all over, the municipal roads and everywhere.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BARKMAN: I was wondering for a while if the honourable member that just spoke was going to refer to the Thelma's bridge without a road beside it but he wasn't. --(Interjection)-- It would be interesting I'm sure. I perhaps should bring this up later.

I know we all have our concerns about certain roads in our constituencies but I wish to touch on a different matter in regard to aid to cities, towns and villages. I notice the Department of Highways at least in my area have taken a pretty firm stand in regards to parallel parking in towns and villages. I'm sure the Minister is aware that the first thing he probably hears is that nobody has enough parking room and we're all short of it. This of course takes away about 33-1/3 to 50 percent in some instances, although I do admit it's not as bad as some people say it is but it is bad. If the Department is taking this stand in just certain areas and if they are taking this across Manitoba I'm sure there must be reasons and I wonder -- I think I know some of the reasons but I'm sure that there are some that I don't know and I wonder if the Minister would take a little bit of time to elaborate on some of the reasons for not allowing, for example, aid or monies for traffic lights and the like of the traffic problem is not corrected in a certain town or village and I thought I'd bring this point up to the Minister.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Chairman, I just have a few comments to make. I would like to ask the Minister in regard to the bridge that was built at Rathwell last winter on No. 2 Highway. If the bridge is completed -- I don't understand the idea of building a bridge but there's quite a hump in the middle of this bridge the way the construction is made. I'm wondering if the final surfacing is completed on that bridge. If not I don't like the structure the way it has been done because it's quite a rise right in the middle. I think it's about a 90 foot span in the bridge, concrete bridge.

The other thing that I wanted to say, Mr. Chairman, and I was interested in the comments that the Member for Roblin had to make. That is the future of our Department of Highways as it relates to the abandonment of our railways in this province. I think this is something that is very, very important and I will reiterate because of this reason, I think the importance that we have here. It's a responsibility that I don't like to see the Minister of Highways have to take on but somebody has to do it. I say that in my area, for instance, I'm given to understand, and I have discussed this with the Minister of Labour, in regard to the CPR railroad running through La Riviere to Crystal City. We do have a problem there where a bridge at Clearwater -- where it has never been repaired I'm given to understand. I haven't done any investigation on it, I'm waiting for some beginning of action to be taken in that particular community. Talking to the union people -- I'm given to understand they will only go so far in the railroad. That may mean that the railway will go as far as La Riviere and there will be no further railway west. That means that farmers are going to have to truck their grain over roads that -- (Interjection)-- That's fine if the Minister of Labour can assure me of that but I'm concerned of this fact.

I think that here is a situation where the Minister of Highways and I think the Minister of Labour should be looking at this together because we are concerned as rural people what is going to happen. If the railways don't provide the transportation on some of the abandoned railways then the Department of Highways obviously is going to have to take on the responsibility. I think it's a very important matter that I hope the Minister will certainly give consideration to.

MR. CHAIRMAN: The Honourable House Leader.

MR. PAULLEY: Mr. Chairman, just for the purpose of the record because the honourable member from Rock Lake has raised this question. I have had discussions, Mr. Chairman, with the honourable member and it evolves around the burning out of the trestle bridge, if I recall correctly, between Pilot Mound and Crystal City. Representations have been made to me by the community. I have made representations to the CPR in this case I believe as to the disposition in this particular area. This is one of the lines that has been under consideration for some considerable period of time, even dating back to the previous administration for rail line abandonment. I have been assured by the CPR Railway, we can take them at their word or otherwise as we are inclined so to do, that the reason that they have not reconstructed the bridge, the Clearwater trestle, is because of the fact that this part of the line is under consideration for rail line abandonment.

I've assured my honourable friend, Mr. Chairman, and I want to assure once again the Assembly that as far as my position as Railway Commissioner is concerned and as a member of treasury bench of the Government of Manitoba, that we will not stand idly by and see any detrimental effects to the people concerned. And I do believe that my honourable friend will give us at least sufficient recognition that there is communication between the Minister of Highways and the Minister responsible for railways in the Province of Manitoba. I do say that at the present time it's at a sort of a stalemate position but we are in consultation weekly, if not daily, with the railway officials both here in the Province of Manitoba and at Ottawa and we have served notice on Ottawa, the Department of Transport, the Railway Commission of the Department of Transport, that we will not allow any detrimental effects by rail line abandonment in the Province of Manitoba without a damn good fight, and I want to assure all of my honourable friends that there will be a lot of fighting before we will allow any abandonment of rails in the Province of Manitoba. Because I realize, and I'm sure, Mr. Chairman, I realize as most members, that to replace rail by highways is very costly to the taxpayer of the Province of Manitoba because in that particular instance it is at almost sole cost to the taxpayer of Manitoba.

So I want to assure my honourable friend if I may, Mr. Chairman, that there is constant consultation between the Minister of Highways and the Minister responsible for rail abandonment or rail commission in the Province of Manitoba.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Chairman, I was not going to take part in the debate but I do have a problem in my constituency and that was in connection with one of the roads that was just built recently and I think it's a disgrace that that type of a highway or a street is built at the present time and I hope that the Minister will acquaint himself with the road that I'm talking about. There's considerable amount of traffic on it, there are no slopes on the curves and it was just built a couple of years ago. I'm talking about Sturgeon Road from Portage Avenue to Inkster Boulevard --(Interjection)-- One of the members is saying it's part of the beltway, it may be some day, --(Interjection)-- well, it's still - I'm sure that the government participated in that role in the construction of that street because if ever there was a street built that isn't built to specification that's one of them. I wish that the Minister would take some time, some day to just drive through it. There's a curve, a double curve halfway between Inkster and Portage, that there has been many cars rolled at slow speed because there's no slopes on the curbs, just none. In fact I can't see why there had to be a curve at all because it's a double curve right in the middle of nowhere, in the middle of field.

So, Mr. Chairman, I believe that we need more research in the area of slopes or hills; I think the highway design and accident rate should be reviewed. Surely there must be some reason for many of the accidents occurring on certain roads. I think in view of the high accident, the high speed traffic on many highways, there should be consideration given to the connection between the type of roads or curves and the accident ratio on certain roads. I think it's very important. We should also consider the curb lanes, should they be paved or hard-surfaced or they should not.

The other point, Mr. Chairman, the cracking of pavement, certain hardtops and pavements. Even on the road to east, on the way to the corner of Hadashville, it's hard to believe that that road was just constructed a few years ago. It's just like - in some places, I know that the Minister may say well we have no way of constructing highways because of the frost, I'm sure that there is frost if you cross the border into Ontario, I'm sure there's frost in South

(MR. PATRICK cont'd) or North Dakota and Minnesota and they haven't got the same problem, but there's parts on Trans Canada going east, it's just like riding a horse back really in spots. I know that the maintenance crew in the summer try to make the corrections but the first thing in the spring after winter this is what really happens.

So surely, I say to the Minister, that we have to give more consideration to the research, the type of materials that we use in the construction of highways to make our highways safer and so that they would last much longer than they last at the present time. I think the cost is probably much greater to build a road that has to be rebuilt in a matter of two years or maintained and the maintenance costs are so high, it may be better to have to specifications such that you would not require to have these roads rebuilt in a matter of two or three years because of cracking or heaving of pavements.

The other area that I'd like to bring to the Minister's attention is in respect to transportation problems in urban areas. I think it's time that the government, all governments, I'm talking of municipal, provincial and federal, will have to participate in the system of urban transportation. --(Interjection)-- But you have to start planning today, you can't - you have to start planning now to deal with it say 10 or 20 years from now. Because if you don't plan now, we'll have a crisis on our hands, we'll have no type of transportation system that will be the kind that will accommodate the kind of population we'll have. And I'm talking about Manitoba problems, I'm talking about Brandon, I'm talking about Winnipeg and I think it's time that we have to give full consideration if we are really thinking of planning our cities for the future.

In my opinion, Mr. Speaker, not only in the last two or three years but I think in the last five to eight years perhaps or five years, it seems the department may have slackened in its specifications on the construction of their new roads, because when you put heavy concrete with reinforcing steel, either the packing isn't properly done and in two years or four years later we have to start thinking about putting tar on it or some other asphalt material to cover up the cement, I don't think that our specifications are probably as rigid as they should be. So I say to the Minister there's a few of these areas I hope he will give consideration to.

There's one more point, Mr. Chairman, and I don't know if this is the proper item to bring this under but has the Minister or the government given any consideration to compulsory inspection of all motor vehicles in the province. I know that there has been some spot checkings; I would like to know to what extent the spot checking . . .

MR. CHAIRMAN: I think that item would be properly raised under the next resolution, the Motor Vehicle Branch.

MR. PATRICK: Well I probably could speed up the debate if - I'm finished on that point if the Minister would be prepared to answer when he comes to that item. There's only one more question that I have for the Minister. Is there any medical examinations for professional drivers? And I'm talking about, when I say professional drivers, such thing as truck drivers - their livelihood is driving trucks, bus drivers, school bus drivers and the likes. And perhaps the taxicab drivers as well which I would classify to some extent almost professional drivers. I wonder if there is any medical requirements, do they have to take any medicals and I would like to hear the Minister answer from the points that I've raised.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, there was just two other matters I left out intentionally because I was hoping I'd hear from the Minister of Labour. I want to thank him for the comments he made and I feel quite assured that knowing the Minister of Labour and the Minister of Highways that they will look after the matter that I have brought forward.

There's two problems that concerns me in my area and that is provincial road 245 east and west of Notre Dame, it's a school route. Particularly from Notre Dame west to No. 34 highway we were hoping that something could be done, resolutions have been forthcoming to this department from the municipalities, municipal councillors.

The other matter is Highway No. 258 which connects from Glenboro south to Cartwright. And I want to say to the Minister that the highway connection here is the only - it's about 36 miles - and the only stretch that is not an asphalt base from Mexico right clean through to Flin Flon as I understand it. It's a route that is taken by many many tourist people who travel from the south through to northern parts of the province and I would hope that something would be considered in this area, on 258 and provincial road 245.

MR. CHAIRMAN: The Honourable Member for Rupertsland.

MR. JEAN ALLARD (Rupertsland): Well, Mr. Speaker, I want to tell the Minister first

(MR. ALLARD cont'd) of all I was very happy to see him become the Minister of Transportation. At the same time somehow we were acquiring a new computer - we were acquiring a new computer about the same time and I want to tell you I was happy about that too because that last computer we had had a hell of a time, had a very difficult time in getting around to Rupertsland. I was always told that the computer decided that roads should not go in for this year. That happened for three years in a row and I'm happy we've got a new computer and that whoever is programming it is somebody different than the last one.

I want to tell the Minister that I was happy on his decision on logging trucks on winter roads last year. I think that practice that had existed for a number of years didn't make too much sense. I want to tell you that the people in my constituency around Pine Falls are very happy to see some relaxation.

I spoke of a new computer and I said I was happy to see that we got a new computer and a new Minister at the same time because the old computer had been programmed and I was a little worried about the results on a continuing basis, and I would advise him that somehow that computer we had went for three years without really spouting anything for Rupertsland and that there's really a three year backlog there in that area and that if there's any way that he can throw that into the machine perhaps we could get a little better results in the future. Oh, I'm happy to see that the former minister is now here and that I can tell him that I just told the previous Minister or the new Minister that I'm happy to see that there's somebody new working, programming that computer that would give such bad results to Rupertsland.

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MR. CHAIRMAN: The Honourable Minister of Highways.

MR. BURTONIAK: Mr. Chairman, before I attempt to answer some of the questions that have been put by the various members that have spoken, I do believe that some of the comments made by some of the members were just a matter of giving their views on some of the things that perhaps the Highways Department should take notice of and I've just noted them as such.

However, there was one question which - the Honourable Member for Rhineland I believe was the one that asked this. There was two questions. I will deal with one later but I am going to ask the Premier to reply on the first part.

MR. CHAIRMAN: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Chairman, I assume that the Member for Birtle-Russell was interested primarily in a general review of government policy with respect to the Beltway, and it can be said, Mr. Chairman, in a very general way that the policy relative to Beltway construction is in a state of abeyance because primarily two reasons.

One, the transition in the form of organization of municipal government in the Greater Winnipeg area, made it logical in our mind to suspend any definite commitment to continued construction of a Beltway system until the new city administration had had time to settle into office, take care of its more immediate and pressing concerns and to attempt to come to some policy position relative to the Beltway concept.

The second reason for suspension of any commitment to proceed is because of the fact that the thinking generally in urban North America is changing with respect to the relative merits of urban transportation by means of conventional dependence on cars, individual operated cars and public transit and particularly new technology and new modes of urban public and mass transit. So for those reasons plus the great expenditure of money involved, it was considered prudent in every respect to defer coming to any definitive conclusions with respect to commitment to Beltway construction. I believe that the honourable member will have to accept that as being a pretty accurate summary, brief summary of what the current circumstance is.

In the meantime, we have proceeded with two studies that relate to urban transportation and Beltway considerations. One has the rail rationalization study which to point out to the Honourable Member for Assiniboia is a systematic involvement of three levels of government in urban transportation and transit planning and analysis. The rail rationalization study is well along. The second study was known as PACT, Provincial Advisory Committee on Transportation, and it has undertaken certain review and analysis and made certain recommendations, observations and so on.

Certainly it would be irresponsible and imprudent for the Government of Manitoba, of the City of Winnipeg for that matter, to attempt to say at this point in time that there is conclusive evidence bearing heavily in favour of proceeding with the Beltway.

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

MR. GRAHAM: Mr. Chairman, I thank the First Minister for his comments but at the same time here in the Province of Manitoba we find the First Minister on other occasions making his pitch for the progressive thrust that his government is providing in this province and we find that in the field of transportation we're in a state of flux and indecision. Planners of necessity must know the intentions of government. They must work closely with government on more than one level and programs have to be continually brought forward. And I suggest to you, Sir, that we cannot stand still any longer in our indecision and planning as far as transportation is concerned both outside the urban area and within the urban area, because of the rapid changing that is occurring in our society and the fact that for the last two or three years we have stood here in the Province of Manitoba and thrown up our hands and said, "well, we don't know what's going to happen."

MR. SCHREYER: Mr. Chairman, I don't want to prolong discussion and impinge on the time that will be needed by the Minister, but since the Member for Birtle-Russell has raised the general policy area of transportation generally, not only highways but all other modes of transportation, I simply have to tell him in a few words that I have never heard such nonsense as he has just uttered in the past few minutes when he talks about indecision and procrastination in the development of a transportation policy and transportation artery and infrastructure, I tell him that we have made budgetary provision in the Estimates here for more money for development of transportation links, both road and airstrips than has ever been provided by the previous administration.

(MR. SCHREYER cont'd) . .

We are punching roads into resource areas in northern Manitoba, we are connecting communities in the north that after 20 years of existence did not have access by road out to the rest of the provincial highway grid. And significant, Mr. Chairman, for example, that the community of Lynn Lake after being in existence for a period of about 20 years will have road access out to the rest of the province and the world by some time next year. That, Mr. Speaker, is a difference in degree of attention and pace, a difference in degree that amounts to difference in kind. Airstrips - there were many northern communities, remote small northern communities that for all these years up to now never had the basic air landing strip facility that would enable aircraft to come in on an all season, all year basis, and we are proceeding, and we are well into the program of building all weather, all season landing strips in virtually every community in the north with a population of 50 people or more. Now what was the case before 1969? A couple of landing strips. One at Berens River that took three years to build, and perhaps one or two others and not much more than that. I know whereof I speak because I had occasion to represent a small part of Manitoba north of the Manitoba highway system accessible only by air, and it certainly was an obvious lack of transportation policy that no policy provision had been made for the construction of these rather basic and elementary air landing strips. So there is that, Mr. Chairman, there is the building of major arterial connecting roads elsewhere in the north and we are making provision for a greater sum of money than in many of the past years if not all of them.

Insofar as urban transportation is concerned, I have just explained to the honourable member that we have had two studies under way; and certainly my honourable friend cannot lay claim to having done anywhere as analytical and systematic a job of urban transit requirement analysis was concerned. So now my honourable friend from Birtle-Russell must have something more specific in mind when he talks about indecision in transportation policy, because there is no indecision when you look at amounts in the order of \$23 million for maintenance and construction, and I don't think that that covers all of it; certainly it doesn't cover the grants to the City of Winnipeg for urban streets, city streets, nor for urban transit assistance generally. And the policy that would apply in one city in our province would logically apply to other urban communities in our province. These amounts do not include air landing strips; they don't include the various navigational aids that we have installed at certain key communities in the north, so I really don't know on what basis my honourable friend would try to pretend that there is indecision - because if there is, if there is, Mr. Chairman, it surely has to be acknowledged - if there is indecision, there is a lesser degree of it than existed before.

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

MR. GRAHAM: Thank you, Mr. Chairman. You know its -- I heard the First Minister - and I understand now that he is getting the information from the Minister of Highways, so I don't have to tell him that urban transit is included in this. This was the precise reason why I asked the Minister of Highways a week ago to provide us with a breakdown of this \$22 million here, because much of that has to apply in the Maintenance Program both urban and rural. And it may seem somewhat strange for a rural man who is vitally interested in the rural construction and maintenance programs of highways throughout this province, and have been for many years I may say, for many years long before I came into this House I was concerned with it. But the program for the urban area - and we have to realize that the major population of the Province of Manitoba lives within an urban area - we find a field of split jurisdiction. I would suggest that as an example we find that in the movement of heavy traffic those in that field have to get a permit to move their equipment from the City of Winnipeg when they're within the city limits, and then they have to turn around and go to the province for a permit when they're outside the city limits. There is a field here which I think should be under a common jurisdiction, but we find that the field of jurisdiction within the Metro area is split and many people when they run into problems find that they're playing a little game of ring-around-a-rosy and everybody is unwilling to accept the responsibility and shift it over onto some other jurisdiction.

So I suggest that in this field, in the field of urban traffic matters there has to be a very close liaison. If we are willing to continue with a split jurisdiction and split authority, then we have to have very close liaison between those authorities because the movement of goods and services is essential to this province. The City of Winnipeg prides itself on being the hub of

(MR. GRAHAM cont'd) transportation for the whole of Canada; in fact most of the -- 98 percent of all transportation from coast to coast goes through the City of Winnipeg - a very slight amount travels by air. So that it is very essential that there be this close liaison and inter working between the authority of the City of Winnipeg and the authority of the Minister of Highways in the movement of goods and services through this City.

I had intended to bring this up at a later point in the Estimates of the Minister so I won't say any more about it right now.

MR. CHAIRMAN: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Chairman, it would be remiss for a representative of the Emerson constituency to miss the opportunity of speaking on this particular item of the Minister's Estimates. I think he understands that full well. I wish to congratulate the Minister on his assuming the new portfolio and I also wish to extend the congratulations to the members of his staff.

Now, in dealing with the article 71, I would like to remind the Minister and his officials that the constituency of Emerson is certainly not critical of what this present administration has done in terms of roads, because we do appreciate that some development has taken place. I wouldn't even hesitate to say, Mr. Chairman, that the development in the Emerson constituency with regards to roads in the last two years is favorable compared to the last administration - and I intend to say this because it's absolutely true and clear. --(Interjection)-- I will be saying it louder on occasion. I wish to remind the Minister however that there is very much more room for improvement in that particular constituency, and may I single out a few of the areas.

Firstly, it would seem to me that the situation that no doubt the Minister and his Deputy is well aware of in Dominion City has to be looked after this particular year. The bridge over the Roseau River is defunct or restricted to 10,000-pound capacity, and during the road restriction as the Minister well knows this puts Dominion City into a situation that is a veritable island. There is no accessibility for trucks requiring heavy loads and hauling fertilizer or fuel during the many months of road restriction. Should the bridge that is really overdue be constructed this would permit the heavier loads to come down Highway 200 and alleviate the problem that is really a serious one in that particular area.

I would like also to suggest to the Minister that I was very interested in the delegation that went to see him with regards to Highway 216. I know that neither he nor his Deputy will forget the request; it is not a large one but it is a significant one. I think it's time too that we recognized that the constituency of Emerson is a very potential area with regards to tourism. It is underdeveloped and very potential with regards to tourism, but we do need roads in order to develop that particular industry. I remember as the Premier probably does viewing films of potential development areas in that area neighbouring Lake of the Woods. That area requires a road to reach the lake area with a better or shorter distance and a better road than we have now in order to develop a very potential area, Road 208 in that very vicinity is getting some attention but I suggest very humbly, Mr. Chairman, that it could be receiving a little more attention than it is at present.

I also would like to have the Minister consider the Highway 200 from Emerson to Dominion City. I noticed this year that we are doing .6 miles of pavement at the railway crossing. I was kind of hoping maybe that we would make an extension of that .6 and make it like 15.6 but I suppose that would be something we'd like to reserve for next year.

All in all, Mr. Chairman, I don't wish to criticize because I know there's only so much money to be spent in that particular area. However I can say now that should that particular area be increased by 10 million rather than 3, you certainly won't find any criticism on my part in this House. I could even make suggestions as to where you could take it from but I see the Minister of Health is not here and so I will not mention that at this time. --(Interjection)--

Well, Mr. Chairman, in view of the Premier's comment, may I suggest that if Sprague remains in action that you might find enough resources being back in the coffers of the government to provide some improvement. And a point of interest, just for a point of interest, Mr. Chairman, when we talk of Sprague I think that we hurry to say that we've invested so many dollars in that area - but let's not forget that some money is received from that area and a very considerable amount is received by the Department of Mines and Natural Resources. I was personally very surprised for example when I heard of just the number of fishing licences sold in the Middleboro area last year and I can suggest to the Attorney-General there'd even

(MR. GIRARD cont'd) be more if he were a little liberal and provided liquor outlets in that area.

All in all, Mr. Chairman, I don't wish to be overly critical because I think the constituency of Emerson has been - not overly well, but fairly well treated. However now that we have set the pace, now that we have set a reasonable pace, please forgive us if we expect about the same for the next ten years so that the constituency of Emerson is able to catch up to the rest of the province. Thank you.

Mr. Chairman, may I just make one correction for the Minister of Colleges and Universities - if ten years is too long, at least two years.

MR. CHAIRMAN: The Honourable Member for Churchill.

MR. BEARD: I'll only be two minutes, Mr. Chairman. You know, we spend a fortune driving to the coast every year and that means you take money out of the province; and as long as we don't have any money in here for a road to Churchill there'll never be a road built. So I would ask of the Minister of Transportation to reconsider and put a little money in every year and build a few miles every year and, you know, some day there'll be a road to Churchill. Some day we'll be able to go to the coast without having to travel all the way to Vancouver and run into the problems of having to go through the mountains and have snowslides and everything else. So perhaps the Minister could sharpen his pencil, take another look at it, and instead of worrying about building hundreds of millions of dollars worth of road, build just a few miles every year; we are very patient people, we've proved it in the past, and once it's built we'll pat you on the back.

MR. CHAIRMAN: Before I recognize the Honourable Minister, may I just remind the honourable members that at 5:05 we will have completed the time limit for the Department of Highways. The Honourable Minister of Highways.

MR. BURTONIAK: Mr. Chairman, I'd like to thank the Honourable Member for Churchill for his very patient outlook, and your point is certainly well taken. I have some notes here - I was hoping I could have them in order but I think somehow they got scattered around, so forgive me if I am not going to follow the order of the members that made certain comments that I'd like to answer to now.

As I said before, I realize that the Member for Roblin, and possibly one or two others have only made certain comments just to bring certain things to our attention, so I am not going to take the time to say anything in that respect - I just made a note of that and will certainly look into it.

However in regards to the Honourable Member for Assiniboia, with regards to the Sturgeon Road, I would like to say to the honourable member that I am quite familiar with the road. I have been on it and I know of the problem that he's talking about. However, and also I might point out that although I don't have the figure as to the amount of money that the Provincial Government put into the Sturgeon Road - construction of that road - I am told by my Department that there was some money put into it. However the engineering design of the road was not done by the province, it was done by Metro at the time, so if they mistook the road which does not suit or meet the needs of the day certainly I don't think it's fair to blame the Provincial Government for the design of the road which they did not do.

Also I believe that the honourable member had stated something to the effect that we should be putting more - or constructing better roads so that they could stand up to the kind of differences of weather conditions that we have here in the Province of Manitoba, and I certainly agree with him. However there is one other thing that we must consider - and I too would like to have all kinds of money in this department so we could build the best possible roads we possibly can; however it isn't possible to do so. And even if we were to build the kinds of roads for example, if we were to say build a road anywhere in the Province of Manitoba that would carry say a 500 pounds per inch with a tire, the estimate is given to me that it would cost about \$100 million. Now when you're talking about roads like that, certainly I don't think that we in Manitoba can afford those kinds of roads all throughout the province. There's just no way we can possibly do it so we try to do the next best thing - and I realize that in some cases as the honourable member has suggested that there are cracks on the roads and so on that makes it a little rough, but in order to rectify that situation we would have to spend millions and millions more dollars in order to build all roads that would really stand up to the kind of weather conditions that we have in the Province of Manitoba.

The Honourable Member for La Verendrye in his comments stated that he was wondering

(MR. BURTNIAK cont'd) whether -- I'm sorry he's not in -- he was concerned about parallel parking and he was questioning whether or not parallel parking is only done in certain areas, in certain towns, and not in the others. This is not the case. Wherever it is necessary to do so for safety and what have you, more room on the streets and so on; this is done not only in any particular area but this is done everywhere in the Province of Manitoba.

The Honourable Member for Brandon West was questioning or wanted to know the completion date of 1A and the bridge and so on; I am sorry I'm not able to give you that information. However as you know I'm sure, Mr. Chairman, and members understand that some of the questions that come up in Estimates we are not aware - and of course we don't have this in our Estimate Book, and of course I'm unable to give you the answer at this point in time. However if the honourable member wishes to contact me at any time and we can give him an answer, we'll certainly be only too pleased to do so. At the present time we are not able to say definitely as to when this will be completed. We hope it will be done, that is hopefully, maybe August or so - but I am not sure, I am only guesssing. Now it may be a little later but, as I say, I can't answer definitely right at this point in time; so therefore if I can be of some more assistance to him in this regard in the next few days, I certainly would ask the honourable member to give me a call and we'll certainly look into it and I may be able to give him the information at that time.

Another member - I just don't know who it was - but anyway there was something in regards to -- oh, I believe it was the Honourable Member for Rhineland if I'm not mistaken -- was wondering -- or maybe it was the Member for Birtle-Russell -- wanted to know in regards to the money spent on and on what streets, whether this was -- by the province that is -- whether it was strictly on the highways or also some of the other streets in the City of Winnipeg. There are in the City of Winnipeg 738 lane miles of Metro streets and these are eligible for maintenance grants, and it's estimated at about \$1, 750 per lane mile. Now these are eligible for a 50/50 reconstruction grant and there is a map showing what streets are eligible for a 50/50 grant in the city.

Someone also asked a question - although maybe I should leave this now, because this is in regard to people who are professional drivers, whether or not they are required to have a medical checkup. Perhaps when we go into the next item I can probably go into that at that time.

MR. CHAIRMAN: Resolution 71 (a) -- passed; (b) -- passed; Resolution 71 in the amount of \$22, 957, 500 -- passed. Resolution 72 (a) (1) . . . The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Chairman . . . this item; the Salaries of Administration, we find that the increase is almost triple what it was last year. Could the Minister indicate the number of additional staff and what portion of it should be charged to Autopac and which is properly under the Department of Highways.

MR. CHAIRMAN: The Honourable Minister of Highways.

MR. BURTNIAK: Mr. Chairman, there are two areas here. One further down 4 (b), also falls in the same category. I would like to say at this time that a lot of this is due of course to normal increases in salary and so on. I don't think I have the figures as far as staff man-years and the likes are concerned at the present time. However a certain amount of this money or the increase is due to Autopac and a certain amount of course is due to other changes that were made in the Motor Vehicle Branch regardless of Autopac. Now there is between the Department of Highways and the Department of Municipal Affairs - the Minister who is responsible for Autopac - there are certain things that we have to look at to see for sure just exactly what amounts are applicable to Motor Vehicle Branch and what is applicable as a result of Autopac. Therefore we are setting up a small task force in order to sort this whole thing out and then we will have the complete picture at the time when the task force has completed its study.

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

MR. GRAHAM: Is this task force that will be set up, will this be an internal task force or will there be an independent person on that task force?

MR. CHAIRMAN: The Honourable the Minister of Highways.

MR. BURTNIAK: As far as I know it will be an internal task force comprising of perhaps someone from the people from the Motor Vehicle Branch as well as some from the Autopac. They'll worktogether on this to sort this thing out to see just what can be applied to where.

MR. CHAIRMAN: Resolution 72 . . . the Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Chairman, would the Minister consider the appointment of a member from the Insurance Agents' Association as being a member who would be qualified to sit on that task force?

MR. CHAIRMAN: The Honourable Minister of Highways.

MR. BURTNIAK: Well, Mr. Chairman, we can consider many things but I don't wish to get into an argument with the Honourable Member for Birtle-Russell - but I really don't see any reason for having someone from the insurance business appointed to this kind of a task force because it doesn't really have anything to do with the insurance as such. It's just a matter of sorting out what is applicable to where and I really don't see any reason for that.

MR. CHAIRMAN: Resolution 72 (a) . . . the Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Chairman, I'd like to just say a word on this particular resolution. I can sympathize with the honourable gentleman sitting there in front of us here, the trials and tribulations he must have gone through in the last six months trying to sort this one big mess out - because of the fact the government didn't take sufficient time to plan, look into all aspects of their automobile insurance policy that they were bringing forth. I once again want to sympathize with the staff of the Motor Vehicle Branch. I think the right approach would have been to -- the right approach would have been to let Autopac do their own billing and separate it. Separate it. What's wrong with separating? What has happened is confusion galore. Men were classed as females, females classed as males, people who were married were classed as single, people who were single classed as married and so on. Yah. Now I know enough about computers, I know enough about it that it must take at least six months to a year to train a person, especially in the insurance field on how to prepare this information to feed it into the computer. And all this was done in haste and the public has suffered to no end and still suffer. They're suffering to the extent where the Autopac have not paid the farmers back their 30 percent discount, the 30 percent discount that's been coming to them since the first of November. That's not the fault of the Motor Vehicle Branch, it's the fault of the government for going into this policy too soon, too fast without enough background knowledge of what insurance was all about.

Now I'd like to say a word on the Unsatisfied Judgment Fund which is all part of the money collected. This year \$2.00 on every vehicle that's licensed in the Province of Manitoba. We all heard over the years that the Unsatisfied Judgment Fund should never have been, should never have happened. But it has served its purpose for unlicensed drivers. The government of the day will say that there's no unlicensed drivers now, nobody that isn't covered by insurance. But I want to tell you there's lots of people that are not covered by insurance, lots of people that are not covered by insurance. And who are they? Who are they? They are people that are charged with impaired driving are not covered by insurance. The only thing they're covered for is accident benefit and that doesn't help the other drivers, the other parties that are hit by this particular individual. Stolen cars. There's lots of people that are not insured and this is the reason why the Unsatisfied Judgment Fund was set up, to look after the needs of the people who are hit by people who are uninsured.

MR. BURTNIAK: On the point of order, if I may . . .

MR. CHAIRMAN: A point of order has been raised by the Honourable Minister of Highways.

MR. BURTNIAK: I think that perhaps we're discussing the Motor Vehicle Branch as such and I don't see how the honourable member is getting into the point of discussing the Unsatisfied Judgment Fund and the likes of that.

MR. McKELLAR: Well the Motor Vehicle Branch collects the money for the Unsatisfied Judgment Fund, and all I'm saying is why did it have to be \$2.00? Maybe you can't answer me, maybe the Attorney-General can answer me. Why does it have to be \$2.00 when it's going -- and we got a bill, Mr. Chairman, to phase out the Unsatisfied Judgment Fund, to phase it out. But yet you're charging every vehicle owner in the Province of Manitoba \$2.00. And when we left as the government there was sufficient monies there at that time. I've never heard a report since then. Where did all that money go? Where did it all go? I'd like to know that, Mr. Chairman, this is my opinion. The procedure of the government over the last 12 months through their haste and exuberance to get into the insurance field has made it so that the Motor Vehicle Branch must have headaches to no end and I'm sure the staff of the day could tell us many problems that exist. Mr. Chairman, that's about all I have to say on this particular department at this particular time.

MR. CHAIRMAN: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Mr. Chairman, I think a few words would be in order. I cannot help but be amazed from time to time at the utter audacity of members of the opposition when they speak about issues that this government has to contend with, that this government has to do by way of improvement because of messes that were left from their period of office. And probably there is no greater example of this but the chaos that they, they left the Unsatisfied Judgment Fund in. Mr. Speaker, we found shortly after assuming office that the Unsatisfied Judgment Fund indeed was not in a good position, not adequate monies had been collected in order to pay claims arising out of the Unsatisfied Judgment Fund. Large numbers of motorists were involved in accidents when they had no coverage whatsoever. They had to process their claims through the Unsatisfied Judgment Fund, often the payment of those claims would take two and three years in order to pay.

The honourable member then speaks about this terrible charging of \$2.00 and why is the Fund necessary now. Let me say to him that there was one case alone last year in which a payment was paid out of court for in excess of \$110,000.00. One court action alone had to be paid from the Unsatisfied Judgment Fund. A case in which there were 23/24 orphans left as a result of the total wiping out of two families as a result of an accident. One claim \$110,000 had to be paid from the Unsatisfied Judgment Fund. As of --(Interjection)-- No insurance, no insurance whatsoever. No insurance. So that when we have spoken in terms of insurance costs I think that we have been often unduly conservative and cautious in our reference to insurance costs, because we have never made reference to the fact that there were additional insurance costs that were not shown in the total amount of premiums that were paid to insurance companies during the course of the year as per the Superintendent of Insurance Officer's Report - but monies that had to be paid from the Unsatisfied Judgment Fund, from a fund that was depleted because the former government of this province did not have the courage to charge an adequate sum to pay all claims arising from that Fund, or worse still didn't have the courage to initiate a proper automobile insurance program in the Province of Manitoba that would be compulsory insofar as all motorists were concerned.

On October 31st, 1971, at the term of the conclusion of the underwriting of insurance under the old system in the Province of Manitoba, the Unsatisfied Judgment Fund showed a deficit. There were still claims in that Fund not paid, still waiting for hearing before the court from 1968/69/70/71. I think even to this date no one - the Minister of Transportation could not tell you with any exactitude how much money will have to be paid from the Unsatisfied Judgment Fund. Much of this will depend upon out of court settlements, negotiated party to party, and the result of judgments rendered in the courts arising out of other claims that involve the Unsatisfied Judgment Fund. And I noticed, I noticed during that period of the cycling of the renewal notices, how honourable members would attempt to confuse deliberately - deliberately attempted to confuse people in the Province of Manitoba about the Unsatisfied Judgment Fund. I heard the honourable members having the boldness to say to people - to people: "Why are you paying Unsatisfied Judgment Fund fees now because Autopac was supposed to do away with the Unsatisfied Judgment Fund." They knew the answer; they knew the answer. They knew that the \$2.00 being collected was in order to pay claims that were due to a rise and to be paid out as a result of the accidents that had occurred still during the period of time that the honourable members opposite were responsible for the automobile insurance program in the Province of Manitoba.

And I suggest to honourable members that in the long run they would have been much better to have attempted - just as the honourable member would have been better this afternoon - to attempt to be frank and forward with the people of Manitoba and say; "We realize why that \$2.00 fee is there. We realize it's there because we didn't have the courage and the initiative in order to implement a proper automobile insurance program in the Province of Manitoba." But they won't take my advice and be frank and courageous in their statements like this. They still persist in attempting to skirt around issues to attempt to mislead the people of the Province of Manitoba in respect to the Unsatisfied Judgment Fund. And I think the record should be made clear to all just who was at fault for the unfortunate situation that the Unsatisfied Judgment Fund was in. I agree it bothers my bloodpressure just a little bit when I see examples of this type of refusal to deal with issues squarely and on all fours.

I notice that the Honourable Member for Souris-Killarney persists in attempting to still beat the old drums of public automobile insurance in the province. I know that he represents

(MR. PAWLEY cont'd) a rapidly diminishing breed of animals in this province; that breed of animal is now becoming quite extinct, quite few, quite few in number. Only today, only today we read of headlines in the Winnipeg Tribune as a result of an article by one Nick Hills, who only a week ago had written a letter very critical of certain measures that the Saskatchewan Government had implemented in respect to land banks, but today writes an article which indicates that finally, finally people are beginning to acknowledge that Autopac is working efficiently in the Province of Manitoba, that it's drive-in claim centres are operating with improvement over the old system and that in total the public of the Province of Manitoba is saving money. I know the honourable member will see fit not to read that article. What a sharp contrast, what a sharp contrast to a kit . . .

MR. FRANK JOHNSTON (Sturgeon Creek): Mr. Chairman, point of order. I believe under the section of the Estimates, Municipal Affairs, we will be into Autopac and I think we're really getting a lecture on Autopac. At the present time, we're under Motor Vehicle Branch.

MR. PAWLEY: Well, Mr. Speaker, the point of order . . .

MR. CHAIRMAN: For the benefit of the Member from Sturgeon Creek I think if he would recall that the last time that we were discussing Department of Highways someone attempted during Resolution 70 to speak on Autopac and its relationship to the Motor Vehicle Branch and I told him at that time that the discussion in that respect would take place under Resolution 72. Members are now speaking on its relationship to Autopac and Motor Vehicle's Branch. The Honourable Minister of Municipal Affairs.

MR. PAWLEY: The fact is, Mr. Speaker, that as I was mentioning, the Insurance Bureau of Canada about a month ago distributed I think to all members of this House, I don't know how many others in the Province of Manitoba, a very expensive plush series of booklets that would have cost substantial sums of money to the public of the Province of Manitoba, to the taxpayers of the Province of Manitoba, a booklet which alleged that the service at Autopac was poor and I want to mention to honourable members it was very interesting to observe the picture that they used in order to prove their point. A picture which in fact destroyed their credibility by any objective observer. A picture which showed a long line-up of very impatient claimants waiting at the temporary Claim Centre at St. Mary's Road; a picture which was snapped within a day or two of the long New Year's weekend; a picture snapped before the opening of the drive-in Claim Centres, at a time when the staff at the St. Mary's Claim Centre was hit hard by what was then a common flu epidemic in the City of Winnipeg; they included this flashy photograph in their booklet sending it all across Canada particularly to the provinces of Quebec and Nova Scotia. Those two provinces have been in contact with the Manitoba Public Insurance Corporation, with this government, in order to enquire into our program. There's interest in those two provinces in what we're doing here. The photograph was obviously designed to deceive willfully people in those two provinces that we were having some sort of continuing problem in respect to the settlement of our claims.

So I'd like to say this, Mr. Chairman. There have been problems; problems that the Motor Vehicles Branch are familiar with, the Autopac personnel are familiar with. There's been difficulty in inter-weaving the two programs, we freely acknowledge this. There are still problems and difficulties which we are dealing with. But let me say this, that the personnel and the staff in the two operations have spent a considerable period of time, with patience and with a great deal of effort in resolving and that these problems are gradually being resolved to the extent that what we have done in this province is rapidly becoming to a point that it is being recognized all across Canada from one province to another, that more and more people are observing and studying and examining the program which has taken place in this province; that more and more people are beginning to realize that they were fed, fed many mistruths and misleading statements over the period of the last three years, and that it's only - it's only a matter of time that I suggest, as I referred to before, that very diminishing, decreasing breed of animal will be in fact so few in numbers that probably we'll only find them in this Chamber come two or three months hence.

MR. CHAIRMAN: Resolution 72 (a) (1) - The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Chairman. I may make some comments about Autopac, Mr. Chairman, but my comments will be in the relationship with the Motor Vehicle Branch. The Minister will remember that I asked a question sometime ago in the House regarding refunds to people and I had mentioned previously on another occasion of a young fellow in my constituency who on August 1st, 1971 paid \$200 for his licence. He did not

(MR. F. JOHNSTON cont'd) receive his notice for his permanent licence and when he went there he found he had to pay another \$40 and at that time he said, "no, I can't afford the other \$40," and he turned in his licence. That was on February the 7th or so I believe and he has not received his rebate as yet. Now I'm not going to bother the Minister with facts and figures, I have been around local politics and other politics long enough that there are people you can phone to get answers in departments and I have made a couple of phone calls to find out when this money is going to be returned and it's very obvious that the department down there is bogged down considerably in this particular area and it would seem that there are some refunds still going back as far as 1971.

The comment I'd like to make about that, Mr. Chairman, is when the government demands you pay money on such and such a date you have to pay it and I think it's only fair that when people turn in licence plates or turn in licences or any other form or anything to do with refunds from the government that there should be -- I don't expect them to hand them cash or a certificate or something or a money order right then and there -- but I think that it's reasonable to expect that they could have their money back in a couple of weeks. So I would say that the Motor Vehicle Branch, and under admission from the Minister a lot of this excess expense is caused by Autopac and there - and I'll deal with that under Autopac, expense of Autopac, but I still think that no matter how hard you're working you have to remember that the people are requested and they have to pay their money by certain dates and when they have refunds coming to them they should have the courtesy from the government to have them there in a more efficient manner and faster than they are presently receiving them.

Mr. Chairman, I can't resist the statement that Autopac is working smoothly and there was a picture of a truck and everything that were shown, I had an accident, somebody hit the back of my car and I went up there and I went through it and it was very efficient, I went through quite fast, but somebody better start telling me, and you better have the answers around when I see trucks lined up hauling wrecks. Trucks sitting there on occasion usually on Monday or Tuesday mornings after a weekend, and I'd like to know who's paying the time of those trucks hauling those wrecks because they're sitting there in a great long lineup and they have been there, some there all day, and some of the fellows in the trucking wrecking business say they sit there all day and that's all paid.

Now I remember the days when you had your car hauled into a garage, an adjuster came out and he looked at it and the car stayed there, but right now we're hauling them all through these centres and these trucks are sitting there and there's people having to be paid unnecessarily by Autopac. Now you can have anything run smoothly if you want to keep blowing money. You know, it'll run very nicely down the drain if you want to keep pouring the money down the drain, and that's the way you're running Autopac smoothly at the present time. You're just pushing money unnecessarily into it. So that's my comment on Autopac. Let's not have anybody get any funny ideas that it's running smoothly because it's not. And under Municipal Affairs, Mr. Chairman, I'll have more to say on that.

So, Mr. Minister, I would just like to say to you that I'm very sorry, I'm very sorry that in your Estimates that are throughout very good. Your Estimates show increases in salaries that are logical. You have your road program that I think could maybe be bigger, but maybe it would be if you didn't have this other unnecessary expense. That you have to accept this on your shoulders in your department and I would say that there are other departments where this money is going down the drain. Autopac is spread through nearly all these Estimates, and boy when the final costs - the people get to know about the final costs you'll be in trouble as you are now. The Minister is still walking along on a cloud saying Autopac is going fine but you ought to start walking through a few constituencies and you'll find out differently.

MR. CHAIRMAN: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Chairman, I think that it's important to not permit comments to pass that are incorrect without comment especially as same pertains to Autopac as there have been so many of those type of statements thrown about very carelessly.

The Honourable Member for Sturgeon Creek . . . --(Interjection)--

MR. F. JOHNSTON: If I during discussion make a statement, Sir, that is maybe not fact, that's what the Minister is here for to either correct me or tell me what's right and he's not going to get me mad by doing that.

MR. CHAIRMAN: That's no point of order.

MR. PAWLEY: I regret, Mr. Chairman, if I've aroused the ire of the honourable member, I was just at the point of attempting to correct or to inform him as to an area where he was obviously not too well informed on.

The Honourable Member for Sturgeon Creek made mention to long lineups of trucks, tow trucks with vehicles behind them on Mondays and Tuesdays at the drive-in Claim Centre arising from accidents over the weekend. I want to tell the honourable member for his information that if there were, as he says long lineups of tow trucks with cars there on the Monday and the Tuesday mornings after the weekend at Dufferin and King, then they were there against the express request of Autopac that they be there. Every tow truck operator in the City of Winnipeg because there was only one drive-in Claim Centre operating for a period of two months had been requested not to bring vehicles to the drive-in Claim Centre until Tuesday noon on to Friday afternoon of the week. And if there were as he says, long lineups of vehicles there on the Monday and the Tuesday it was against the instructions of the Autopac personnel that they in fact be there.

And insofar as throwing money, you know the honourable member speaks with such a strange mixture of subjectivity, he has the nerve to refer to blowing money insofar as Autopac is concerned. I have yet to hear the honourable member get up and speak about the blowing of money by his predecessors insofar as the CFI Complex was concerned.

MR. CHAIRMAN: Resolution 72 (a) (1) -- passed; (2) . . . The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, in connection with the Unsatisfied Judgment Fund, I tried to find out from the Public Accounts book just where we stood, but I thought honourable members might be interested to know that during the year ending March 31, 1971, we received \$536, 699 and apparently paid on claims \$459, 000 so that there still must be a balance from that particular year probably of 70 - 80 thousand dollars. I don't know what the situation was after that. I notice that there is another \$22, 000 set aside in another reserve for claims which are pending, but certainly there must have been some money left in that particular fund. Whether it was really required that we put in \$2. 00 each, this is what I question. Whether we couldn't have gone by with \$1. 00 each?

MR. CHAIRMAN: Resolution (b) (1) . . . The Honourable Member for Birtle-Russell.

MR. GRAHAM: Dealing with vehicle and driver licensing, I would like to ask the Minister why it is that a person applying for his licence through an agent who is selling Autopac only gets a temporary licence, whereas if he mails his application in he gets a permanent licence at that time.

This has caused a great deal of concern with many motorists in Manitoba. Apparently the program is still continuing, that they only get a temporary licence if they go to an Autopac agent rather than a mail-in program and it would seem to me as though this is an attempt made by someone to try and phase out those agents who are attempting to sell Autopac, to make it as difficult as possible for anyone who wants to go and visit those agents and purchase their licences from them because they are denied a temporary licence by doing so, whereas if they go direct to the Motor Vehicle Branch they do get their permanent licence. It seems to me, Mr. Chairman, that this is a rather unfair situation that occurs and it causes a great deal of inconvenience. It may not be quite as bad in the city; I'm not too aware of that area, but in rural Manitoba I know it does cause quite some problem to some drivers and I'd like the Minister to comment.

MR. CHAIRMAN: The Honourable Minister of Highways.

MR. BURTONIAK: Well, Mr. Chairman, I'd like to deal with two questions here. First of all dealing with the Unsatisfied Judgment Fund, I'm informed that had the \$1. 00 been maintained the Unsatisfied Judgment Fund would have been short somewhere between the neighbourhood of 700 to \$900, 000. 00 That's one reason.

The other question that the Honourable Member for Birtle-Russell just put - the reason for a permanent and temporary registration, I believe he said - the thing is that this, I am told by my staff will certainly be rectified next year. However in the first year of operation it was rather difficult and virtually impossible to gather the proper information as far as insurance and licence is concerned, and therefore that is the reason it was done in this manner, but we are certainly hopeful that next year this will not have to take place.

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

MR. GRAHAM: Well, Mr. Chairman, I'll accept the Minister's explanation for that -

(MR. GRAHAM cont'd) but the program is going to continue up until the general registration next year, is it? Those that are applying now are still in that same position?

MR. CHAIRMAN: The Honourable Member for Emerson.

MR. GIRARD: I'd just like to bring the attention of the Minister to one point which has been frequently referred to me in my constituency, and it deals with the licensing of trucks for hauling pulp. The licenses are of course restricted to a certain weight, and generally speaking it is the opinion of the truckers - and I understand that it's also done in other provinces where during winter months, certain winter months where freeze up is the factor - that an increase in the license to carry more weight during those particular months is available and sold to the truckers. It seems to me quite a logical move. I am not aware, and I have difficulty believing that a great deal of damage can result to the roads. However I cannot dispute this because I don't have the scientific information. Might I ask the Minister to consider this particular aspect such as it is permitted in Ontario or in Alberta or in Saskatchewan, and avail the pulp haulers during those winter months of added weight on their licences.

MR. CHAIRMAN: The Honourable Minister of Highways.

MR. BURTNIAK: Well, Mr. Chairman, in regards to pulp hauling I see that the honourable member perhaps isn't aware of the fact that we have increased the load weights in - or designated roads for a certain period of time, perhaps three or four months. --(Interjection)-- On designated roads only. --(Interjection)-- I beg your pardon? --(Interjection)-- No, it is for winter roads in designated areas in the north only for pulp hauling; it is an increase of 15 percent over the previous weight.

MR. GIRARD: Might I ask the Minister if this includes the area of Sprague, Vassar or Middleboro, and if it does not, would he consider adding it on?

MR. CHAIRMAN: The Honourable Minister of Highways.

MR. BURTNIAK: Well, Mr. Chairman, as you know we were a little late in doing this, late in the season - late in the winter, and it does apply in the Sprague area and in any other area on designated roads only. However because of the difference in the spring thaw they never took advantage of it in the south but yet take advantage for a month or a month and a half up in the north.

MR. CHAIRMAN: Resolution . . . I inform the honourable members that we have one minute remaining. The Honourable Member for Rhineland.

MR. FROESE: This is why I was going to bring one thing to the Minister's attention. I had some other things to speak on - but when I come into Winnipeg, every time I come in on the other side of Morris they have up a big sign: "Don't drive while suspended or you will lose your car. The Minister of Transportation." It's a very large sign and I think it's the only one in Manitoba. I have travelled all over the province and this is the only one I've seen of its kind. And I rather feel guilty about it - or I feel uneasy, because are all my constituents the only people that are suspended? Is it only directed to my constituency or why did it have to be placed at that particular spot because . . . ?

MR. CHAIRMAN: Order, please. Time allotted for Department of Highways is expired. I would refer honourable members to Page 29. Resolution 75 (a). The Honourable Minister of Industry and Commerce.

MR. EVANS: Thank you, Mr. Chairman. I have many stories to tell and it would take far too long. I would like to give the honourable members of the House an opportunity to ask as many questions as they may wish because under the Department of Industry and Commerce of course we discuss many operations; and now not only including the Manitoba Development Corporation but also the Manitoba Bureau of Statistics. I want to take this opportunity as is customary to thank the members of the staff of the Department of Industry and Commerce and the members of the staff of the Manitoba Development Corporation for their efforts over the past year. I think we have a lot of very capable people who are dedicated public servants and they're doing their very best for the people of Manitoba, and I think we should recognize this on this occasion.

Mr. Chairman, with your permission I'd like to give a brief introductory statement with respect to the question of economic development in Manitoba today. All across North America, Mr. Chairman, society is beginning to question and to debate how economic development can best be used to play the fullest possible role in improvement of the human condition. In my opinion economic development should be recognized and accepted for what it is, that it is an extremely vital and potent tool for improving the well-being of people. And like any tool or

(MR. EVANS cont'd) any instrument however it must be used properly, and in the hands of the inept it can compound human problems instead of solving them; used indiscriminately it can hasten the body blows of rural depopulation; used selectively it can offset such rural depopulation; used thoughtlessly it can reap additional benefits on those who need them least; used intelligently it can make more accessible benefits for those who need them most. And this is why I subscribe, Mr. Chairman, so wholeheartedly to the principle of balanced economic development; balance between rural and urban areas, balance between large and small business, balance between the "haves" and the "have nots" of our society - and to achieve this balance the economic policies of government must be selective. We can no longer afford to offer broad support indiscriminately to all elements of the economy. In applying the resources of the public to assist and accelerate economic development in a balanced and selective way we must identify priorities and choose carefully between alternatives to be sure that every dollar of public funds that is spent for the purpose of economic development moves us steadily towards the objectives of human betterment.

I should make it clear here, Mr. Chairman, that when I refer to balance in economic development I also refer to the balance between the efforts of both the public and the private sectors. Never at any time in the history of this province has it been more important for the public and the private sectors to work together closely. Never before has this objective been more capable of achievement; and never before has government been so willing to work as a partner with the private sector under a very wide range of alternatives and options for the benefit of the people of this province; and never before, I believe, has the private sector exhibited a degree of understanding and recognition that a corporate balance sheet must include social costs and social benefits. And it would be very out of tune executive today indeed that would say that profit is the be-all and end-all. Profit surely is essential but not at the cost of human dignity and not at the expense of human welfare.

Therefore, Mr. Chairman, the Government of Manitoba as it plans for the coming decade can no longer can be saddled by high bound attitudes if we are to succeed in the most difficult task of balancing economic and social opportunity in this province. We must be imaginative, we must be prepared to abandon old concepts and accept innovative - to accept new ideas if the fabric and quality of life in our good province is to be truly enriched. We face many constraints, we are not fully masters of our own fate; the efforts of government are not all encompassing but we must now realize that the role of government can no longer be passive. We must and we are willing to assume the leadership role in the whole process of economic development for the betterment of our province.

In the 1970's governments in North American will intervene in many areas. Through intervention it is hoped that we may bring about changes - but changes ever will take place by degree. We cannot expect to instantly alter the face of the province. We can hope to change by degree the impact of certain economic activities on such things as job availability; such things as the rural to urban shift in the province. We hope to change by degree the profitability and efficiency of Manitoba companies so that they will be able to earn good profits and pay better wages and provide better working conditions for their employees. And we hope to change by degree, Mr. Chairman, the amount of high technology activity that takes place in Manitoba, thereby offering a broader range of opportunities for the people of this province. We hope to change by degree the ability of the citizens of rural Manitoba to participate in the planning that must take place if we are to achieve the balanced development that surely we all seek. But in doing so we are attempting to offset the effects of national and international economic and social trends. We cannot draw a line around Manitoba and say that we will be sufficient unto ourselves. The globe has shrunk too much, to the extent that if Manitobans are to be true citizens of the world we have to look at ourselves in economic terms as part of a global community. As I said we are not completely independent; on the other hand we must not be too dependent either; in fact Manitoba like Canada or any part of the world is interdependent. We must recognize that we do depend on people in other areas just as people in other areas depend on us. It is for this reason that governments must be prepared to identify and provide initiatives in those areas in which potential exists. Thus our goals in the 1970s will emerge from a rich fabric of interdependence woven through economic and social linkages with people in many parts of the world.

In addition to broad external economic influences we are also subject to external governmental influences. The actions of the Federal Government, Mr. Chairman, have a massive bearing on us. Federal employment in this province almost alone is a vital fact. The impact

(MR. EVANS cont'd) of closure for example of air bases in various parts of the province is a clear indication of this. Employment changes brought about by Federal Crown corporations are another example. I believe it is very much the role of Federal Government to vastly increase its effort and commitment on the part of all of its departments to provide economic opportunities to Canadians in areas other than the areas of traditional economic advantage.

Having described the factors that influence our actions let me now describe briefly some plans for the economic development of the province. Through a new industrialization program a large section of the Department of Industry and Commerce, a large section of the staff and a large percentage of the resources are being intensively focused in an effort to create desirable jobs in Manitoba in manufacturing, construction and service sectors not only in urban Manitoba but also in rural Manitoba. We are particularly concerned, Mr. Chairman, I must add, about rural Manitoba because this is the area of the province that has grown the least in the last many decades. We are determined to create additional new jobs substantially above the normal growth rate that we've experienced over the past several decades, by establishing new industries or through expansion of existing industries. This new job creation thrust will be carried out on a selective basis. Our criteria will be to raise the standard of living for Manitobans, to improve working conditions where they are now below accepted levels, to maintain a health natural environment and to utilize our resources wisely. We want our industries to offer jobs that match locally available skills and have good working conditions. We want industries that are stable and have good growth potential. They must bring new business opportunities to our existing firms. A great effort will certainly be directed towards job creating activities outside of the major urban centre of Manitoba. We're also particularly anxious to give full opportunity to local initiative, to local entrepreneurship and local capital to establish and develop our industries. And certainly, Mr. Chairman, this is no small task.

To give policy direction to this major new thrust we have established a multi-department Industrialization Committee chaired by myself; and including senior representatives from Industry and Commerce, from the Department of Agriculture, from the Economic Development Advisory Board and the Department of Cooperatives and the Manitoba Development Corporation.

The Industrialization Committee is now working to identify opportunities for growth and techniques for implementation. In its work it is supported by a technical sub committee made up of staff from the various departments mentioned and including the Manitoba Statistics Bureau. I must say here that the broadest possible perspective has been maintained regarding the means of implementation. If a desirable and viable project has been identified that meets our selective growth criteria -- and if it is not possible to find adequate backing in the private sector to establish such an enterprise, then we will use public funds on behalf of the people of Manitoba through the Manitoba Development Corporation to establish such an industry; and whether it be through a joint venture with private capital or through the support of a co-operative or through a pure Crown corporation -- whatever is necessary to make it happen, if it is in the interests of the people of Manitoba. I don't mean any giveaways to foreign unknowns; I don't mean any handouts to vested interests, I mean to create jobs for the people of this province -- all over this province through various techniques, whether it be Crown corporations of the MDC, or whether it be joint ventures or whether it be private enterprise if the private capital can be found. Obviously such projects must be fundamentally economically viable, but from our government's point of view it may be reasonable to accept the more modest return on investment than the private sector would expect, in view of the fact that this may be a far more economic means of achieving a desired social objective in avoiding unnecessary social costs and human dislocation. Surely, Mr. Speaker, the balance sheet of a public enterprise has to be much broader, much greater than the balance sheet of a private enterprise. The public enterprise at Morden, Manitoba, in its balance sheet surely looks at the benefits occurring to the farmers near the Morden-Winkler area in southern Manitoba; to the benefits of the employees; to the benefits to the community; to the alleviation of welfare costs perhaps to the Province of Manitoba.

All of these things must be considered in this larger, broader social balance sheet that must face governments of any stripe anywhere in the world. And therefore I say, Mr. Chairman, that the balance sheet of an enterprise that happens to be largely or wholly controlled by government or by a subsidiary of the government must be much broader than that of a private corporation. And by saying that I am not criticizing the private corporation, I'm

(MR. EVANS cont'd) simply stating this is a fact, that's all. It is a fact that a publicly owned corporation tends to have and perhaps should have a broader responsibility than a privately owned corporation. And I say, Mr. Speaker, again, or Mr. Chairman again, that no investment should take place in the public sector stimulated by the MDC; or stimulated by and promoted by the Department of Industry and Commerce unless it is fundamentally economically viable — even though the balance sheet is broad; even though we take into consideration the human factors, social conditions, community betterment and so on, nevertheless it must have a certain fundamental economic viability or reason for existence. There must be a fundamental economic reason for existence.

Because this industrialization program is in addition to the various activities of the Department that have gone on in the past, we are demanding extra effort from our staff -- and refocusing of attention and a certain change of priorities. Many of the previous varieties of ad hoc assistance programs that were offered on a general basis are being consolidated into very selectively isolated programs, or selectively chosen programs -- such things as productivity and management development programs that give aid on a fairly broad base to a particular industry sector or to a particular area of the province. We feel that this is not only efficient but that it will be more effective than the ad hoc procedures of the past. These assistance programs consist as I've indicated, of special productivity audits of various Manitoba industry groups, not only to improve management but also to attempt to achieve real economic productivity improvements and ultimately higher income and higher wage levels. Audits have been or will be carried out in industries such as the furniture industry, the foundry industry, recreational vehicle, agricultural equipment, regional fabrication and hospitality industries. Two of these sectors have already formed industry improvement associations; and efforts in this area will be strengthened in the coming year, and at least ten additional industry audits will be carried out in the manufacturing and in two or three industry sectors including additional regional audits. And, Mr. Chairman, by regional audit I mean an audit which will help to increase the level of efficiency of firms who may happen to fall into different industry categories but happen to be in a particular geographical area or zone or section of the province.

We're also planning a new and expanded Small Business Management Development and Counselling Program, and this is carried out in conjunction with the Department's Community Management Program being conducted in various communities of this province -- and with some assistance from the Regional Development Corporations. Last year we had a program which involved at least seven communities in rural Manitoba; and I would say in the forthcoming year there will be equally seven, at least seven, if not a little more communities, seven to ten communities involved in this Small Business Management Program. I think in this way we will develop our resources; we will develop our skills, and this will lead hopefully to further processing in the province and have a great bearing on our economic health.

Our industrialization program certainly, Mr. Chairman, will dry up if we do not have a continuous flow of new and innovative ideas for development. The growth of our existing firms depends on their skill and capitalizing on new technology and improved product design. Our government is initiating a strong thrust to foster high technology industries and to assist existing Manitoba companies to move into higher technology production. The Manitoba Research Council, Mr. Chairman, headed by Dean Shebeski at the University of Manitoba has been revised and a greatly enlarged program of support for developmental research is now being advanced. The increased activities of this Manitoba Research Council have also encouraged substantial financial inputs from the Federal Government and with this assistance, as well as with the co-operation of the University of Manitoba we are now working to establish a centre for Industrial Design Management.

Mr. Speaker, or Mr. Chairman, I'm sorry, I could go on and describe various kinds of programs designed to improve the social and economic condition of the citizens of our province. I could refer to our Manitoba Export Corporation supporting trade missions, participating in trade shows, assisting in the sales of Manitoba companies to new markets. Today, for example, over the lunch hour I spent an hour and a half with a Japanese delegation who came here not to sell but to buy, and I'm hopeful that this hour and a half luncheon meeting for example will lead forth, will be the beginning of some very interesting trade developments between a particular large Japanese company by the name of M B Limited and the Province of Manitoba.

Regional Development: The area of regional development is probably one of our greatest

(MR. EVANS cont'd) concerns and as the statistics of our Regional Analysis Program emerge otherwise known as the RAP Study, as this emerges it becomes increasingly clear that the main effort of our new industrialization thrust, and indeed of all our programs, must be directed towards increasing economic activity in rural Manitoba, and especially in that part of the province in southern Manitoba where we have a declining agricultural population. And the reason of course is obvious, as I indicated in my reference to population changes. In the last twenty years approximately 120,000 migrated from the region of Manitoba south of the 53rd parallel, excluding Metropolitan Winnipeg. Such a migration, a migration of 120,000 people in the past 20 years upsets without any doubt the fabric of community life and creates social and economic hardships for people. And we believe therefore, Mr. Chairman, that opportunities have to be provided for those people who do not wish to be uprooted by the course of contemporary economic pressures. We believe most conscientiously, Mr. Chairman, that we must provide a stay option for people in the various economic and social regions of the province, that we, as a government, have an obligation and a duty, a responsibility, to provide economic opportunities for those people, no matter where they live in the various zones of Manitoba, so that they may remain if they so wish in the province of their birth.

Mr. Chairman, our government is proceeding with its extensive review of economic needs of rural areas through the Regional Analysis Program and we are getting considerable assistance from 75 to 80 local communities that have set up committees to analyze data pertaining to their area, and we are now looking forward in the next several weeks to reactions and suggestions from these various committees. I might say that this government is firmly committed to regional development. I have stated this several times in my opening remarks, and I've mentioned some ways of achieving this. We have ideas for further development in the future, and particularly development that will involve local participation as much as possible.

Mr. Chairman, I've said very little about the Manitoba Development Corporation but let me remind you of two programs in particular, two programs that I am particularly proud of, and one is our Small Loans Program whereby we have been able to assist entrepreneurs, people who have good ideas, who have good character, who have something to offer in the sphere of industrial development, we have been able to provide them with some cash to allow them to take off, so to speak, and there is some very interesting success stories, albeit on a very small scale, not very dramatic, but nevertheless useful, fruitful, and necessary if we are going to stimulate economic growth in Manitoba. So I am very proud of the Small Loans Division and I'd like to talk about that later in the Estimates if time permits.

The other part of the MDC Program that I would like to focus particular attention of the members on, is our Communities Economic Development Fund. To be very strict, Mr. Chairman, this is separate from the MDC but the staffing is done by the Manitoba Development Corporation. The Chairman of the Communities Economic Development Fund is the Chairman of the Manitoba Development Corporation. But this Fund has done an enormous amount of work to stimulate growth, particularly in remote and isolated communities of Manitoba, and therefore of course I'm talking primarily of northern Manitoba, and I'm very pleased to note that we have received commendation from people who represent the native people of our province, and who are very concerned about the development of remote communities, that we've had considerable success in a very short period of time. We set up this Fund last year, and in a very short period of time we are realizing some very substantial results. Again on a provincial scale not very dramatic, but for those communities involved, for those local areas involved, it's indeed been very crucial and very successful.

Well, Mr. Chairman, time has run out. I would simply say that my department in co-operation with the Manitoba Development Corporation, Communities Economic Development Fund, the Manitoba Bureau of Statistics, is working on a practical program, a new thrust in the industrialization of Manitoba, improving productivity, improving management development, improving small business activities, in research and technology, in the promotion of exports, and particularly in regional development. And with vigorous action in all these areas, and with some courage, and some imagination, and with the co-operation of all the people of Manitoba, I think, and I believe, that we will raise the standard of living of the people of Manitoba and therefore lead to the betterment of life for all the people of our good province. Thank you.

MR. CHAIRMAN: The hour being 5:30 I am leaving the Chair to return at 8:00 p.m. this evening.