



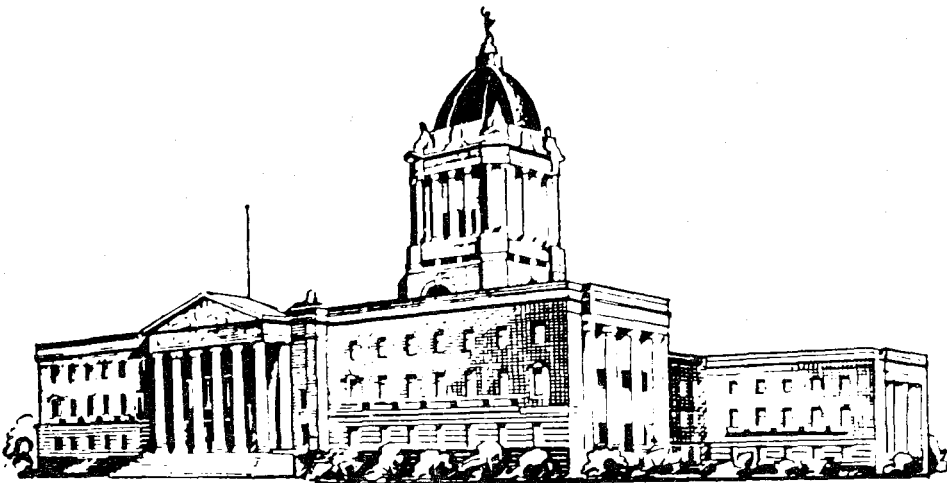
ISSN 0542-5492

Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXIII No. 113 2:30 p.m., Friday, May 14th, 1976. Third Session, 30th Legislature.

Printed by R. S. Evans — Queen's Printer for Province of Manitoba

Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	R0M 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Robin Place, Wpg.	R3J 3L8
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Man.	R0J 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0V8
BRANDON WEST	Edward McGill	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
CHARLESWOOD	Arthur Moug	P.C.	29 Willow Ridge Rd., Winnipeg	R3R 1L5
CHURCHILL	Les Osland	NDP	66 Radisson Blvd., Churchill	R0B 0E0
CRESCENTWOOD	Warren Steen	P.C.	410 Borebank St., Winnipeg	R3N 1E7
DAUPHIN	Hon. Peter Burtniak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ELMWOOD	Hon. Russell J. Doern	NDP	Legislative Bldg., Winnipeg	R3C 0V8
EMERSON	Steve Derewianchuk	NDP	Vita, Manitoba	R0A 2K0
FLIN FLON	Thomas Barrow	NDP	Cranberry Portage, Man.	R0B 0H0
FORT GARRY	L.R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg	R3N 0T9
FORT ROUGE	Lloyd Axworthy	Lib.	140 Roslyn Road, Winnipeg	R3L 0G8
GIMLI	John C. Gottfried	NDP	44 — 3rd Ave., Gimli, Man.	R0C 1B0
GLADSTONE	James R. Ferguson	P.C.	Gladstone, Man.	R0J 0T0
INKSTER	Hon. Sidney Green, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
KILDONAN	Hon. Peter Fox	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAC DU BONNET	Hon. Sam Uskiw	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Man.	R0C 3H0
LA VERENDRYE	Bob Banman	P.C.	Steinbach, Man.	R0A 2A0
LOGAN	William Jenkins	NDP	1294 Erin St., Winnipeg	R3E 2S6
MINNEDOSA	David Blake	P.C.	Minnedosa, Man.	R0J 1E0
MORRIS	Warner H. Jorgenson	P.C.	Morris, Man.	R0G 1K0
OSBORNE	Hon. Ian Turnbull	NDP	Legislative Bldg., Winnipeg	R3C 0V8
PEMBINA	George Henderson	P.C.	Manitou, Man.	R0G 1G0
POINT DOUGLAS	Donald Malinowski	NDP	23 Coralberry Ave., Winnipeg	R2V 2P2
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	Box 112, Portage la Prairie, Manitoba	R1N 3B2
RADISSON	Harry Shafrensky	NDP	4 Maplehurst Rd., Winnipeg	R2J 1W8
RHINELAND	Arnold Brown	P.C.	Winkler, Man.	R0G 2X0
RIEL	Donald W. Craik	P.C.	3 River Lane, Winnipeg	R2M 3Y8
RIVER HEIGHTS	Sidney Spivak, Q.C.	P.C.	2518 — 160 Hargrave St., Wpg.	R3C 3H3
ROBLIN	J. Wally McKenzie	P.C.	Inglis, Man.	R0J 0X0
ROCK LAKE	Henry J. Einarson	P.C.	Glenboro, Man.	R0K 0X0
ROSSMERE	Hon. Ed. Schreyer	NDP	Legislative Bldg., Winnipeg	R3C 0V8
RUPERTSLAND	Hon. Harvey Bostrom	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. BONIFACE	Hon. L.L. Desjardins	NDP	200 — 185 Carlton St., Wpg.	R3C 1P3
ST. GEORGE	Hon. Bill Uruski	NDP	10th fl., 330 Portage Ave., Wpg.	R3C 0C4
ST. JAMES	George Minaker	P.C.	318 Ronald St., Winnipeg	R3J 3J8
ST. JOHNS	Saul Cherniack, Q.C.	NDP	333 St. Johns Ave., Winnipeg	R2W 1H2
ST. MATTHEWS	Wally Johannson	NDP	418 Home St., Winnipeg	R3G 1X4
ST. VITAL	D.J. Walding	NDP	26 Hemlock Place, Winnipeg	R2H 1L7
STE. ROSE	A.R. (Pete) Adam	NDP	Ste. Rose du Lac, Man.	R0L 1S0
SELKIRK	Hon. Howard Pawley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SEVEN OAKS	Hon. Saul A. Miller	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SOURIS KILLARNEY	Earl McKellar	P.C.	Nesbitt, Man.	R0K 1P0
SPRINGFIELD	Hon. René E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0V8
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	R0L 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0V8
THOMPSON	Ken Dillen	NDP	24 — 1 Public Rd., Thompson	R8N 0M3
TRANSCONA	Hon. Russell Paulley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
VIRDEN	Morris McGregor	P.C.	Kenton, Man.	R0M 0Z0
WELLINGTON	Phillip M. Petursson	NDP	681 Banning St., Winnipeg	R3G 2G3
WINNIPEG CENTRE	Hon. J.R. (Bud) Boyce	NDP	Legislative Bldg., Winnipeg	R3C 0V8
WOLSELEY	R.G. (Bob) Wilson	P.C.	2 Middlegate, Winnipeg	R3C 2C4

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 p.m., Friday, May 14, 1976

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before we proceed I should like to draw the attention of the honourable members to the gallery on my left where we have 24 students of the Sabin Elementary School of Minnesota under the direction of Mr. Iverson. This school is here as guests of Mr. Speaker.

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

ESTIMATES - TOURISM

MR. CHAIRMAN: The Honourable Minister of Tourism, Recreation and Cultural Affairs.

MR. TOUPIN: Mr. Chairman, before the hour of adjournment having arrived at 12:30, I undertook to check out a few items and get back to the House, pertaining to information sought of me by the Member for Roblin. This was relating to the Gull Harbour resort that was on tender and eventually tender awarded to Poole Construction.

Mr. Chairman, there's a common clause in all tender documents used in awarding any contract and that included Gull Harbour construction contract. "In submitting this tender we recognize the right" - and here I quote - "the right of the owner to accept any tender or to reject all tenders." There was no obligation stated to accept the lowest or any tender. Nonetheless in the interests of economy a careful analysis of all tender submissions was made. The Board of Venture Manitoba Tours, which is a subsidiary of the MDC, appointed a Mr. G. Da Rosa as the architect for the Gull Harbour resort.

The architect distributed to ten general contractors the working drawings and related information respecting the resort. Although it was not advertised publicly this process is legally accepted by firms such as Venture Manitoba Tours. At the time of tender closing, May 27th, 1975, three tenders had been received: (a) W.W. Construction \$2,688,400; (b) Bird Construction \$3,493,835; (c) Poole Construction \$2,793,511.00. All tenders were well above our budget allocation. I repeat, Mr. Chairman, all tenders were well above our budget allocation.

Because of the fact that all tenders were above available funds the two lowest firms met with Venture Tours Manitoba on May 30th, 1975, to ensure that the tenders were in fact comparative. As a result of the meeting the two contractors were asked to forward to the architect a list of construction cost savings. On June 5th, 1975, W.W. Construction phoned in their revised costs which totalled \$2,372,000.00. W.W. Construction declined to submit written confirmation on his revised costs. On June 6th, 1975, Poole Construction submitted their revised costs in writing and totalled \$2,350,011.00. An assessment of these revised costs showed Poole Construction to be the lowest bidder.

The tender document specified that the tendered price must be valid for 60 days. W.W. Construction tender was submitted on the basis of 30 days. This alone could have invalidated the tender. A firm price for 60 days was required to complete negotiations with the Federal Government. Rather than invalidate the tender from W.W. Construction, we used the submitted tender information in making the final assessment and decision on our acceptable costs. I so indicated to Mr. P.H. Warkentin, President of W.W. Construction (1972) Limited, dated the 23rd of April, 1976.

Mr. Chairman, in regards to anyone in society, including a construction company, feeling that they have been mistreated, that they have not fallen within an acceptable method of operating by departments or agencies of departments, there are several courses of action that can be taken. One is to discuss same with the department, which has been done. If that fails, to discuss with the Ombudsman and if that is not found to be satisfactory to the individual or the corporation concerned, certainly to take legal action against a measure that was found to be acceptable to the department and/or the agency. W.W. Construction to this date has not seen advisable to take this latter course of action that is completely open to them.

SUPPLY - TOURISM

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before we proceed I should like to draw the attention of the honourable members to the gallery where we have 15 students of Grades 4,5,6 standing of the Falcon Beach School under the direction of Miss Yaremkewich. This school is located in the constituency of the Honourable Member for La Verendrye.

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

ESTIMATES - TOURISM (cont'd)

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I readily admit that I haven't been attending the Estimates of this department all that carefully, having been involved in the other committee concurrently being held in Room 254 dealing with the Attorney-General's Estimates. But I am a little nonplussed by the Minister's casual dismissal of this matter of the contract that's under discussion at Gull Harbour at Hecla Park. I find it a little disturbing, Mr. Chairman, that we so casually dismiss out of hand a bid that came in by a Manitoba contractor, substantially less - I understand upwards to the order of \$800,000 less on a two million-plus contract - for reasons that the Minister indicated in his prepared statement that seemed to hinge largely on the fact of whether or not the Manitoba contractor was prepared to offer a 60 day as compared to a 30 day validity clause, binding clause to that contract.

Mr. Chairman, I don't believe that one should be that much of a homer that we should be doing that at the expense of the public purse. But on the other hand I can recall myself of having been in a position of having had to let a \$5 million contract, excavation contract, on the Portage Diversion in the years that I had some responsibility of government, and I had the problem facing me of two near identical bids being put forward; one by a large Montreal contractor who, having finished some of the major works on the Seaway at that time was moving earth moving equipment up into Manitoba and bidding on some of our large contracts here in Manitoba which is fair game; as against the Manitoba contractor for the major excavation work involving some five millions of dollars at the Portage Diversion. On that contract the Manitoba contractor was some \$36,000, if I can recall the figure, high on that \$5 million contract. Now under those circumstances, the department in those days, still believing in the tender system, had awarded the contract to the Montreal firm as being the low bidder. I took it upon myself at that time as Minister in charge of Water Control to have the matter reconsidered and discovered that within The Manitoba Purchasing Act there is a clause that indicates that if the tenders are within a range of a one percent figure - we don't at least to my knowledge, we do not have an arbitrary, as some provinces have, a five percent differential figure in favour of local contractors. I believe we have never adopted that, at least not to my knowledge. But I use that clause in that contract, and this was . . . you know, one could in all honesty say that the tender was equal and reverse the decision of the department at that time in favour of the Manitoba contractor. What bothers me, Mr. Chairman, in this instance, I only repeat that little bit of history, that I would think that this government, not because they're the government they are, but because they are Manitobans just like I am, would surely be prepared to acknowledge and to be prepared to look to keeping the business at home when they're given any opportunity to do so. I repeat, Mr. Chairman, not at great expense to the public tax purse, but certainly when the opportunity affords itself.

Now if I understand some of the questions that the honourable member, my colleague, the Member from Roblin, put before the Minister prior to lunch hour adjournment, on this particular contract, bids were called, three tenders were received, of which the firm of Warkentin was the lowest, initially. However, I can also understand that the government then said that all bids were above projected costs and some revision had to take place of the judicial specs, which took place. I also couldn't understand Mr. Speaker, and I'm well aware of the clause that the Minister chose to read in the record, it's a standard clause in all tendering forms that the owner, in this case the government, is not bound to accept necessarily the lowest tender. But, Mr. Chairman, we operate in a public

SUPPLY - TOURISM

(MR. ENNS cont'd) forum here and surely we are entitled to a pretty understandable and pretty acceptable explanation as to why a Manitoba contractor was passed over in favour of a Calgary contractor, Alberta contractor in this instance, when the initial figures at least presented to us indicate that in a substantial way he was a higher bidder on this contract.

And if, Mr. Chairman, the Minister says that the Manitoba contractor didn't quite comply on some of the lesser clauses, such as the 30 versus the 60 day validity clause in the contract, again understandable, Mr. Chairman, having worked with governments, and in this case it's involving federal funds, you seldom can get something accomplished in the 30 days when you deal with the Federal Government. So you need 60 days. But was this the sole reason why a Manitoba contractor was done out of a \$2 million bid in favour of an Alberta contractor, whose bid was some \$800,000 more. Mr. Chairman, there's something that just doesn't sit well with this matter. I would hope the Minister would give us some clear explanations as to why the contract of this particular job was awarded in this particular way. I can understand the Minister's statement, indication that in the initial instance, all contracts came in over the price that the government was prepared to pay for this project in conjunction with the Federal Government. I also then understand that a meeting was held and that the specs were revised. My understanding is that with the revised specs, the Manitoba contractor still remained substantially the lowest bidder, substantially the lowest bidder. And in fact, Mr. Chairman, I would like to think, and that's why I related that earlier story, if indeed the bids could have been considered equal, and even if the Manitoba contractor might have been a half a percent or within that range high, there would have been a serious consideration given to of awarding him that contract on the basis that the tenders are equal and under those circumstances local preference should be shown.

Mr. Chairman, what it points out to me is the kind of dangerous water that you get into when you start deserting the tender system, and acceptance of the low bid tender system. There are reasons why one doesn't always accept a low bid, but, Mr. Chairman, I think that there is a double responsibility of those of us in public office, in dealing with public money, when those instances arise, to offer the fullest of explanations for that having taken place. And I'm not at all satisfied, Mr. Chairman, that we've received those explanations dealing with the awarding of the Gull Harbour project on Hecla Island to Poole of Alberta, who was the higher bidder in this instance, as compared to Warkentin of Manitoba who underbid by some \$700 to \$800 thousand dollars on the particular contract. Remember, Mr. Chairman, we're talking about a total contract involving \$2 million, that kind of dollars is a substantial amount. There has to be some very basic explanation of why the Manitoba contractor was not given preference or why he wasn't selected.

It's not a question of giving preference, Mr. Chairman, just a matter of common sense to reward the contractor with that kind of a low bid, the business. Unless the Minister, unless the department can show us pretty conclusively that the contractor was not in a position to fill the work, that his tender was inaccurate in more than just the one way that he mentioned. The Minister's indicated that the low contract was rejected because of a little Kerfuffle between 30 and 60 day validity clause. Well, Mr. Chairman, I can't accept that.

MR. CHAIRMAN: The Honourable Minister of Tourism, Recreation and Cultural Affairs.

MR. TOUPIN: Mr. Chairman, I can appreciate the fact that the Honourable Member for Lakeside or other members cannot be in this House at all times to discuss Estimates of the Department of Tourism, Recreation and Cultural Affairs, especially when they have to, in their own opinion, be at other meetings that are being held, whether it be on the Estimates on the Department of the Attorney-General or Municipal Affairs. I would only hope that the honourable member that just spoke, from Lakeside, would have the consideration of at least checking with his honourable members before making the type of statement that he just made. He heard one part of my statement and got up and made an accusation that can be written by members of the press that are here, which is

SUPPLY - TOURISM

(MR. TOUPIN cont'd) completely false, and was so indicated in my statement as read in this House just a few minutes ago. Completely false. If I have to read the statement again, I will.

The statement indicated that the bids that were submitted were as follows. Let the honourable member take his pen and pencil, whatever he uses, and compare what the differences are between the tenders received. I can take a lot of flack in this House as a Minister of the Crown, but I will not take false accusations. (a) W.W. Construction, \$2,688,400. Can the honourable member note that please; (b) Bird Construction \$3,493,835; (c) Poole Construction, \$2,793,511. What's the difference between the high and the low in this case, what is the difference, Mr. Speaker? --(Interjection)-- Is the honourable member wanting to hear himself or hear the truth that is being attempted to be related to this House. If he wants to hear himself, Mr. Chairman, he can just step out of the House and talk to himself. The difference that is related here on the first instance when the bids came out, was \$105,000. We didn't say that we were going to issue to anyone. We pulled back and said we had to have a revised submission, to all three, not only to one. What happened after all three submitted their revised estimates? Did the honourable member check with the Member for Roblin, the Member for Morris who was in the House when I related the information? Well I'll relate the information again, Mr. Speaker. It was not \$800,000; it was not \$700,000 as the honourable member would like to relate to the people of Manitoba. It was, W.W. Construction, \$2,688,400; Poole, \$2,793,511 on the first tendering basis, a difference of \$105,111. That was pulled back. They were all asked to revise their tendering process.

Between the revised estimates that were submitted and eventually decided upon - and again it wasn't decided by the department, we went through the normal practice that the honourable member when he was a Minister, used to go through; W.W. Construction, \$2,372,000; Poole, \$2,350,000; a difference of \$22,000 in favour of Poole, not in favour of W.W. Construction. It was considered advisable through all channels that were checked with, and I indicated the channels that the department went through before deciding to give the contract to Poole, that it was the lowest tender, \$22,000 lower. And the conditions that were set prior to that were met in regard to the number of days. I did say in my statement a while ago when I started at 2:30 that the 30-day thing, we didn't even hold back against the contractor being W.W. Construction. I wrote a letter to W.W. Construction, I haven't received a reply as yet, to my knowledge or to the knowledge of my officials, indicating the reasons why Poole Construction was awarded the contract. I feel safe within myself that measures were taken to give the contract to the proper construction company and were based on experience again, we're quite confident, Mr. Chairman, that the experience that we've had over the years with Poole Construction that we'll have a good job done.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, members of the committee. The plot becomes more and more and more confusing, especially now after the statements of the Honourable Minister. And I'm sure, Mr. Chairman, and committee members we must refer back and if Sanford Evans are not considered to be a reliable and important news service about contracts and how they are let in this province, then let the Minister say so. But I'll read from the news service of Sanford Evans and I'll put the whole thing on the record so we have it straight, once and for all. On May 28, 1975.

MR. CHAIRMAN: Order. Order.

MR. McKENZIE: On May 28, 1975 the tenders were received for the construction of the resort hotel Gull Harbour at the Hecla Island Provincial Park. And the tenders that came in at that particular occasion on May 28 were as again, as the Minister has pointed out: W.W. Construction \$2,688,400; Poole Construction \$2,793,511; Bird Construction \$3,493,835.

Mr. Chairman, one year later, on April 8, 1976, Sanford Evans reports in their news service that the contract was let to Poole Construction Limited for the sum of \$2,793,511. On April 13, the specs were all listed in the Sanford Evans report, and they're all there, what the sub-trades were placed, the work orders, and the whole

SUPPLY - TOURISM

(MR. MCKENZIE cont'd) document is spelled out.

Now the Minister says that there's a different figure in his records. But let's review the whole thing from the start and get it in the record the way it has been related to me, and take my information to be reasonably accurate, and if I'm wrong the Minister can correct me. After those contracts were tendered a meeting was called by the architect, Mr. Da Rosa, in his office, and that was attended, as I understand, by people from Venture Tours as well as the Parks Branch staff to deal with the contract, and various items were discussed at that time, Mr. Chairman. It was pointed out to those in attendance that the project had come in over budget, and they were trying to discuss what the possibilities might be and what suggestions could be related to them to bring the price down. So it was agreed, it's my understanding, Mr. Speaker, that these three apparently were the only ones to bid and they were to go back and give the architect's office ball park figures as to where they could reduce the matter to. And apparently the architect's office in that meeting pointed out that they were not sure whether they were going to have to add more units in order to get a greater grant, where they could in fact construct the park at all because there was federal money involved on a 50-50 basis. So the ball park figures were submitted, and the deletions that took place, Mr. Speaker, I am told, there was a deletion of the basement walls, the site fill was deleted, the site cleaning was deleted, the cedar siding was deleted, the basement excavation was deleted, the main floor framing was deleted, and the basements were deleted. And then, I am told, Mr. Speaker, to add an additional wing there was certain changes in the specs of the material was included. I am told, Mr. Speaker, this was to be used by the architect's office as a guideline, and once the guidelines were established then it was the understanding that the forward definite plan and specifications would go out and be used to that these three contractors could come in with a firm price on these changes of specs.

I understand, then, Mr. Speaker, the next thing that took place, the instructions were sent out to the bidders, and the proposals were received after a certain closing time, and the thing went on. But the interesting thing about this, those new changes, those specified changes, W.W. Construction, this Winnipeg firm, never received them, they never received them to this day. And there's where the thing starts to become confusing. Well Mr. Chairman, in calling the architect's office as well as the Parks Department, and apparently the Premier's office was contacted as well, as to why the contract had been awarded without competitive prices, no answers were forthcoming at all, Mr. Speaker. So then, Mr. Speaker, another strange thing happened. Some eleven months after the bidding was called for these competitive prices, I am told Mr. Warkentin got a hold of Mr. Kalinovich from the Parks on April 12, 1976 and he informed him the only further information that he had received since talking to him a month ago was a letter from the architect's office, . . . said it wasn't going to be in contact with Rosa to get the contract or the clarification. So he tried three or four times, Mr. Speaker. But apparently the question to the architect I think is in two paragraphs of his letter, where he says, "The choice of the contract was made in accordance with terms of reference to our specification." Now in asking for clarification of that apparently, Mr. Warkentin was told that the owner has a right to award the contract to whosoever he desires. And that's fair ball.

Mr. Da Rosa, then, Mr. Chairman, confirmed that Venture Tours, being a private company, who were the initial people that were calling the shot as to who the contractor would be, they were pushed off to one side, they were no longer involved in the project, and then it became the sole responsibility of the Parks Branch, who apparently were now in charge of the project. So apparently it was with the introduction, Mr. Speaker, of Venture Tours, Manitoba, together with the Parks Branch, that brought forward the suggestion that due to previous negotiation with Poole Construction that this should be carried through and there would be no call for competitive bids. Now the philosophy and the help, the things go along with that, you see, Mr. Speaker, if you read into the thing in some depth you'll find that the tender had been called on the first round and then it was aborted - by who? It was aborted by the Provincial Government. That's how it was aborted.

SUPPLY - TOURISM

(MR. McKENZIE cont'd)

The second thing that is interesting about the case, Mr. Speaker, that nine months later, the tender was called again, at which time W.W. Construction and Poole and Bird, bid on a competitive basis. Now, Mr. Speaker, to call the tenders again, they said it would psychologically affect the contractor's bidding and the tenders would come in high, where they're calling for a price of, somebody said it had to come in for less than \$2 million in order to proceed with the project, which Poole had committed themselves to construct. So, Mr. Speaker, the report from Sanford News that I read into the record a minute ago dated April 11, 1976, that Hecla Island Provincial Park, the contract was awarded to Poole Construction.

A MEMBER: How much?

MR. McKENZIE: \$2,793,511, and Mr. Da Rosa confirmed that figure on April 13th. Pardon me, he confirmed on April 13 that the price was less than \$2 million in conversations to Mr. Warkentin. So a further question that's got to be raised at this time, Mr. Chairman, with the architect in regard to the letter of April 5th which went to W.W. Construction, dealing with this matter, which said, this letter says, and I quote, "In addition your tender contained a revision to the tender form, Item 1, Page 3, from the 60 days specified, to the 30 days. Your reluctance to extend the period from the specified date didn't provide sufficient time for the client to resolve all their financial and programming requirements." So, Mr. Speaker, it would appear that the time limit with inflation racing on and for the 30 days was sufficient and the tender could be called. But apparently, Mr. Speaker, later on the architect confirmed with W.W. Construction that he had been a faithful bidder, and he'd been faithful in their work, they're well-known, as well as Poole was, and that the ball park figures had been accepted. But, Mr. Speaker, this is where the cruncher comes. That the sub-trades quoting that was given with the full knowledge that together with the general contractor this project isn't being called for by public tender and therefore evading the competition at the expense of Manitoba taxpayers is our concern. So the moneys were funneled through a construction firm whose head office was outside the city. So, Mr. Speaker, it further goes on that the contract was awarded without competition, it appears, and my only concern about it, is if the Winnipeg Builders Exchange or the Sanford Evans figures aren't correct then let the Minister say so and we will get in touch with Sanford Evans and have them clear up their records.

MR. CHAIRMAN: Before we proceed I'd like to draw the honourable members attention to the gallery where we have students from Grade 1 to 5 standing from the Elgin School under the direction of Mr. Hiebert. This school is located in the constituency of Souris-Killarney. On behalf of all the honourable members I bid you welcome here this afternoon. The Honourable Minister of Tourism and Recreation.

MR. TOUPIN: Well, Mr. Chairman, I don't really know how often I have to repeat myself, but in regards to the procedure followed, they're quite clear in my own mind, and not obviously in the minds of the opposition. But I guess I should go back to what I read in the record a while ago.

The architect that was appointed distributed ten general contractors the working drawings and related information respecting the resort. Although it was not advertised publicly, and I state here, this process is legally accepted by private and public firms such as Venture Manitoba Tours. At the time of tender closing, and I quote dates, May 27, 1975, three tenders had been received. W.W. Construction \$2,688,400; Bird Construction \$3,493,835; Poole Construction \$2,793,511. All tenders, and I repeat, all tenders were well above our budget allocation. Because of the fact that all tenders were above available funds, because we had set a maximum, jointly between the province and the Federal Government. The two lowest firms met with Venture Tours Manitoba on May 30, 1975. I repeat, the two lowest firms met with Venture Tours Manitoba on May 30, 1975 to ensure that the tenders were in fact comparative. As a result of the meeting the two contractors were asked to forward to the architect a list of construction cost savings. On June 5, 1975 W.W. Construction phoned in their revised costs, phoned in their revised costs, which totalled \$2,372,000. W.W. Construction declined to submit written confirmation of his revised costs. And I repeat, Mr. Chairman, W.W. Construction

SUPPLY - TOURISM

(MR. TOUPIN cont'd) declined to submit written confirmation of his revised costs. On June 6, 1975 Poole Construction submitted their revised costs in writing and totalled \$2,350,011.00. An assessment of these revised costs showed Poole Construction to be the lowest bidder. No matter what Sanford Evans says, proved to be the lowest bidder. If they want to challenge that, if W.W. Construction want to challenge that it's open to them. The tendered documents specified that the tender price must be valid for 60 days, and I said a while ago that 30 days as indicated by W.W. Construction wasn't even considered to be a reason to reject. But at least we wanted the submission in writing. It's fine to give it verbally over the phone but we were hoping to have it confirmed in writing.

Now if I go back to the amount stated by the Honourable Member for Roblin, he's stating an amount that was certainly part of the first tendering process, but certainly not after the two contractors, the two lowest bidders had been called in to resubmit lower costs. And the fact that Venture Tours was no longer involved was a decision of government, and I indicated that this morning when I talked, that we withdrew the interests of the MDC, we withdrew the interests of Venture Tours, and gave the total responsibility to the Department of Tourism, Recreation and Cultural Affairs and Parks Canada. It's cost-shared between the province and the Federal Government, 50-50, to a maximum of \$3.4 million, being \$1.7 provincial and \$1.7 federal, and that's including everything, the construction of the complex itself, infrastructure and related facilities. And my great concern, as I indicated to the members of the committee this morning, Mr. Chairman, was that the overall cost would exceed the \$3.4 million; and the Federal Government was on record, in writing, that they would not cost-share anything beyond \$3.4 million, and I certainly didn't want to commit additional tax dollars over and beyond the million seven committed by the province. And that was the reason why we asked the two lowest tenders to resubmit lower costs. And that was done properly and it was chosen after due reflection by all those that should be concerned in the decision-making of allocating a tender.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, you know, those of us in the opposition we have to rely to some extent on the research and services that we can put our hands onto, and I can't question in the House the Minister's statements, it's unparliamentary. Unless then with having to question the services that normally have been provided in a reasonably straightforward and honest manner by the people referred to here, Sanford Evans Building News Services. So I suppose I am left with the position of calling the Sanford Evans Building News Services a deceptive and a lying organization, which I can do, that's not unparliamentary. I can't call the Minister those kinds of things, but I would have to say that I can call the Sanford Evans Building News Service that. I would not like to do that unsubstantiated. I would not like to do that unsubstantiated, but the fact of the matter is that on the second bid, the second go-around referred to by the Minister the bid as listed by the Sanford Evans Building News Service Agency comes out at \$2,793,000, not the figures that the Minister is reading into the record. And I would suggest, Mr. Chairman, that there would be desire on the part of the Minister and on the part of the Government not to let a matter like this just waft around in the air, that a tabbing of the actual contract at Gull Harbour would clear this matter up very quickly, if the Minister would be prepared to table the contract, finally signed by Poole for the construction of these projects at Gull Harbour then we would quickly ascertain as to whether or not the Sanford Evans people have to tighten up their method of reporting these contracts or whether or not there is indeed a discrepancy between the figures of this News Service Agency and the Ministerial statements. Mr. Chairman, to my knowledge, the service provided to the construction industry by Sanford Evans, there's no editorial writing going on here. To my knowledge they simply document the precise figures, contractual awards that come to their attention. There is no interest on their behalf to doctor up the figures in any way or to show wrong figures. The figures that Sanford Evans Building News Service indicates are the ones which we have mentioned, which show them to be considerably higher than the local Manitoba contractor. Now I give the Minister, Mr. Chairman, an opportunity to settle the matter by indicating his willingness to table the contract that was eventually signed with Poole.

SUPPLY - TOURISM

MR. McKENZIE: Mr. Chairman, I wonder if the Minister is not going to reply to this, otherwise we haven't settled the argument. Maybe the Minister would care to comment on it one way or the other. It is a serious allegation, the charges that are being levelled back and forth, and I'd just like the Minister to stand up, or his staff, and tell me that the Sanford Evans Building News Service Report issued April 8, 1976 which says Poole Construction - and their address is here, Limited, of Winnipeg received the tender for the sum of \$2,793,511. And the interesting thing about that, Mr. Chairman, that was the same price that they tendered for one year earlier.

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

MR. TOUPIN: Well, again, Mr. Chairman, I've laid before the House the figures that were presented to us by the two lowest bidders that let the two parties concerned to pick the lowest tender, that is, the lowest bidder, and at that time the lowest bidder being Poole Construction at \$2,350,011 as compared to \$2,372,000 by W.W. Construction. Now the decision to award at that time to Poole was taken on those figures. There is certainly no objection to table the final agreement that was reached, but the awarding of the contract itself will indicate not an amount as stated by the Honourable Member for Lakeside of \$2,793,511 which was the original amount of the first tender, not after revised cost, it will not show the amount of \$2,350,000 equally which was the basis for the decision that was taken to award to Poole, but the amount on the contract will indicate an amount of \$1,920,000. Because following the decision to award to Poole both contractors were met and asked to co-operate in again lowering costs of construction of the facility, there was an agreement on the part of Poole to do so, not on the part of W.W. Construction, so the award was given to Poole at \$1,920,000 for the construction of the complex. Now that's on the record and I certainly have no objection to make it public.

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

MR. GEORGE MINAKER (St. James): Thank you, Mr. Chairman. I wonder, through you to the Honourable Minister, if in the Honourable Minister's verbal presentation of stages of advance, he indicated that W.W. Construction phoned in their price of, I think it was \$2,372,000. I wonder if the Minister can advise what date that price was phoned in, and what date the price of Poole Construction for \$2,350,011 was either brought into the office or phoned in. I would also ask who made the request for the requote and the method of re quoting of phoning in the prices or presentation of prices.

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

MR. TOUPIN: Mr. Chairman, there's always the problem in having members in and out of the committee, I think it's the fourth time that I now read these dates and figures.

MR. CHAIRMAN: I suggest that the Honourable Member read Hansard, it will appear in Hansard.

MR. TOUPIN: Mr. Chairman, I believe that we should attempt to clear the air once and for all in this case. The W.W. Construction phoned in their figures on June 5th, 1975, at \$2,372,000, Poole Construction on June 6, 1975 submitted their revised cost in writing at \$2,350,011. Now the following discussions that took place in regards to attempting to lower the cost of the construction of the facility was had through the architect that had been appointed by Venture Manitoba Tours; and that discussion took place through the architects and certainly officials of my staff were involved, and finally was awarded to Poole Construction at the figure I just quoted a few minutes ago.

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

MR. MINAKER: Thank you, Mr. Chairman. I appreciate the Minister reading the figures again, and particularly the dates. It becomes very difficult to attend two meetings simultaneously, as we indicated earlier, so that I appreciate the information. I would like to ask the Minister, through you Mr. Chairman, why, if I understand the debate on this question, why initially tenders were called - and I presume they were open publicly at one time, and normally I would think this is the way public tenders should be handled - why when there was renegotiation or resubmission of tenders that there wouldn't be a common closing date. Because this is a normal procedure not only for the protection of

SUPPLY - TOURISM

(MR. MINAKER cont'd) the government and owner but also protection of the people taking part in the tendering. Because we're looking at about a less than a one percent difference in price, whereas in actual fact if there was various items deleted in the proposal there could be a greater difference. I would like to ask the Minister why did he take, or his department take this approach away from the normal procedures on public tenders, when you're getting into the area of millions of dollars where there's a common closing date, there's sealed tenders, they're opened in public with the contractors present, and then when there is any renegotiation of prices they're done on a basis of again sealed tenders and common closing dates. Because I would like to advise the honourable Minister that this has been the policy through the years, not only in government tenders but also in private industry where people are bidding, and it's the only way that people who are bidding in this type of field can appreciate the competition and respect it, because it costs many thousands of dollars for contractors to put forward these prices. It's not just a matter of submitting a price, it costs them money; and I'm sure that contractors and people in business get very frustrated when these type of negotiations and actions take place.

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

MR. TOUPIN: Mr. Chairman, again I have to go back to comments that I made a while ago pertaining to why things were done the way they were done, and why we considered that this was accepted by the industry, because it had been done by different levels of governments in private industry, in the co-operative movement. And I read the section again. The architect distributed to ten general contractors a working drawing and related information respecting the resort. Although it was not advertised publicly this process is legally acceptable and done. At the time of tender, closing date being May 27, 1975, three tenders had been received. And the honourable member was here when I quoted the amounts. And the reasons why we decided not to accept any of the tenders that were initially submitted to us, and asked all three to come back - I'm sorry, we asked two of the lowest tenders to resubmit lower costs and we gave them a specific time to do that. I haven't got the date here before me, I could check that out. --(Interjection)-- Yes, for the retendering, both, that is the two lowest tenders were given a common date to resubmit. One accepted to submit in writing to us by the date that I indicated, June 6; the other indicated his retendering amount by phone, did not confirm in writing, to the architect, both to the architect. So we picked . . .

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

MR. MINAKER: Thank you, Mr. Chairman. Then I can now confirm from the Minister that there was a common closing date requested by his department --(Interjection)-- Well I would presume the architect is working on behalf of his department. And that one of the two participants chose, rather than to bring in a written document, sealed and brought in, decided to phone in a day earlier and give a verbal price; and the other participant in this particular tender chose to put it in writing and bring it on the closing date, the next day. And that further, that there was an opportunity to have a public opening of those tenders with the two participants taking view of this opening.

MR. TOUPIN: Mr. Chairman, certainly on the first round that was possible, because we had written submissions. On the second we didn't. We asked W.W. Construction, even though he phoned it in on the 5th of June and we asked him to submit it in writing the next day, we didn't receive it. So there wasn't a possibility to have that process. Mr. Chairman, I read into the record, and if W.W. Construction wants to challenge the fact that he did not receive the information that Poole Construction received, let W.W. Construction say that publicly. Let him sue the department. Let him go to the Ombudsman and prove that. I have no way of knowing that, Mr. Speaker, at this time since he refused to give us a submission in writing. I'm not saying on the 5th of June, but at least on the 6th of June.

MR. MINAKER: Thank you, Mr. Chairman. If I understand the Minister correctly, that both parties were notified either by verbal or written that they had to submit their price by June the 6th, and that there was one common closing date, they were both notified that the common closing date was June 6th. --(Interjection)-- Then I would hope the Honourable Minister will advise us the common closing date that was notified to both

SUPPLY - TOURISM

(MR. MINAKER cont'd) parties, and further that they were to submit their quote in writing, and thirdly, that they could be present when the sealed tenders were opened, in the same manner that I understand the initial prices were received from the three people or of the ten that were requested to quote on it.

MR. TOUPIN: Mr. Chairman, what I did say, and the record will show, that I did not have the date before me on the common closing date for the retendering, that I gave the common date of closing on the first round of tendering. --(Interjection)-- I said that there was a common date on the retendering, but I did not relate to the committee that date because I didn't have it. And I still don't have it before me. But both were given the specs necessary to give a revised price, but declined to put it in writing, in regards - that is W.W. Construction declined to put it in writing. Poole Construction did.

MR. CHAIRMAN: The Honourable Member for Roblin. The Honourable Member for St. James.

MR. MINAKER: Well, Mr. Chairman, then, can I ask the Honourable Minister if there has been a contract signed for \$1,920,000 with the revised specifications. Can the Honourable Minister assure me that that is a firm price, there's no extras going to be allowed, and that when we ask for an Order for Return on the final price of the building next year or upon completion, that the price will be \$1,920,000. --(Interjection)-- We'll ask for that Order for Return.

MR. TOUPIN: Mr. Chairman, I'm informed by my officials that the contract signed will show \$1,920,000. I can't assure honourable members next year or whenever the facility is completed that the total cost of the facility will not exceed that. But I can assure the honourable members based on the advice I received from my officials, that the contract as signed shows an amount of \$1,920,000. The reason I say that I can assure honourable members that the amount spent on the construction of the complex may not exceed that, if we look at experience, although we're wanting and doing everything in our power not to exceed the total amount that we intend to spend in that given complex, that is \$3.4 million, all inclusive, there could be factors that will come before us in the next few months that will cause additional costs. But the contract itself, \$1,920,000.00.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: I just wanted to . . . a letter here from the architect to Mr. Warkentin which is dated April 5th, the figures that we're getting now is June. He was notified on the 5th of April that Poole Construction had the lower tender price by letter, and if necessary I can table the letter. --(Interjection)-- It's April 5, 1976.

MR. CHAIRMAN: The Honourable Member table that letter please.

MR. TOUPIN: Mr. Chairman, I wouldn't want to leave that on the record, because we're talking of two different years. We're talking of the first tendering process closing on May 27, 1975, and then on the retendering, this went in June, we're talking of June 1975, on the retendering. And then the allocation or the deciding of the contract was done - what date would be on the contract, approximately? --(Interjection)-- The end of March 1976.

MR. CHAIRMAN: Resolution 110.

MR. MCKENZIE: One other point just for clarification. That in the tendering forms it was spelled out and I don't know if it was maybe ever taken out, that revised tenders shall not be called where minor changes only are contemplated. I'm wondering can the Minister tell me what was taken out of the hotel, from the original to where we arrived at now.

MR. TOUPIN: Mr. Chairman, I haven't got the list here of deletions, of things that we've asked that be deleted from the original tendering process, but we can certainly obtain that.

MR. CHAIRMAN: Resolution 110(b). (2)--pass. On division? I wish if the honourable members are signifying division, they would say so, otherwise, pass. --(Interjection)-- ORDER! If the honourable member wishes to make comments, his seat is here in the front, he can come and make these comments, otherwise, keep quiet. 110(2), (b) (2) Field administration. Salaries - pass. Other expenditures - pass.

SUPPLY - TOURISM

MR. McKENZIE: Mr. Chairman, I wonder if we can have a breakdown of this item.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, would the honourable member attempt to be a bit more specific because we've covered a lot of the waterfront in regards to the park system itself.

MR. TOUPIN: We're on (b)(2), Mr. Chairman?

MR. CHAIRMAN: (b)(2). \$420,400.

MR. TOUPIN: Mr. Chairman, the amounts contained here, totalling \$420,400 consist of real estate rental 21.8; furniture and furnishing 5,007; printing, stationery supplies 147; postage, telephone, telegraphs 28,000; furniture, furnishing, others 5.8; building, maintenance, supply 9.6, utilities 34.3; fuel heat 26.2; specialized equipment, services and supply 31.3; gasoline, lubricants 7.5; automobiles 164.5, building material and related costs 8.6; materials other than buildings 11.9; freight, express and cartage 6.5; travelling 37.2, and clothing 6.8, for a total of 420.4.

MR. CHAIRMAN: (b)(2)--pass. (b)(2)(b)--pass. (b)(3)(a) Salaries and wages, \$4,811,200. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I think this is the item that I would come under in asking the Minister some questions on problems that I'm thinking of here. First of all, I would like to comment on the answer he gave me, and this is regards to the Spruce Woods Park in the Province of Manitoba. I was questioning him on the loss of the concession building in the particular park and he indicated in his comments that the cost of the flood damage would be estimated anywhere between \$6,000 and \$10,000. Now, Mr. Chairman, we're on a little different vein here from what we have been discussing in the last few hours. I can sympathize with the Minister, the ravages of the Assiniboine River this spring have certainly not been too kind and it's become a very serious problem that I can see the Minister and his department are facing. But I know it's about a week and a half since he gave me an answer to this question that I'd asked about and I'm wondering, the damage sounds very very low, I'm wondering if that is correct insofar as the cost of the damages. I know he indicated then that it was pretty hard to give any estimate, but I'm just wondering if he would have any revision on that figure or if that figure that he quoted is actually correct. I find this hard to understand, because I'm sure the cost must be much greater than that. Also, while I'm on my feet in this particular thing, Mr. Chairman, was that concession building covered by insurance? I'm wondering, for the protection of the taxpayers of the province . . . I'll leave it at that, maybe he could answer those.

MR. CHAIRMAN: The Honourable Member of Tourism and Recreation.

MR. TOUPIN: Mr. Chairman, in answer to a question by the honourable member, I'm not quite sure if it was the Member for Rock Lake or another member that posed the question, but I indicated then that the rough estimate on damage caused by the flood to the concession building itself, was between 6 thousand and 10 thousand. The additional cost pertaining to replacing facilities there, pertaining to the flood, the fire and so on, we haven't got the total cost of that, so I couldn't relate to the honourable member last evening or this morning when and where these facilities would be constructed and at what cost. There was insurance on the concession building itself, but we're still not quite sure if the insurance policy covered for floods. This is being checked out now, I'm informed. --(Interjection)-- Yes, and again, Mr. Chairman, the fire commissioner is checking out hopefully the real cause for the fire there, if it was caused by the flood or if it was caused by a failure of a breaker not operating and so on. So that is being checked into.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, the Minister indicates that he's not sure whether this concession building has an insurance policy that covers it because of flood. --(Interjection)-- No, but, Mr. Chairman, the building was destroyed by fire. --(Interjection)-- Well, Mr. Chairman, then I pose the question: Were his people not in constant vigilance as to what was taking place there, were they not checking these buildings

SUPPLY - TOURISM

(MR. EINARSON cont'd) to see. I mean I can understand, sure you can't get in once the flood has reached the stage where you can't get in there. But are the people who were employed . . . and these are people the taxpayers are paying to make sure that these things aren't happening. I realize that he says that there's a master switch that should automatically go off when the waters hit at a certain stage. I'm not familiar with that as a layman. But I would have thought, and there's a criticism here, Mr. Chairman, that people employed would see to it that the current was cut off before the floods reached the stage or the point where they were helpless in being able to do anything about this. And the other thing I'm wondering, is the Minister, that's why I'm asking, this thing was destroyed by fire, so he's saying then that there's a technicality insofar as the insurance is concerned? His answer here in the Hansard was a bit ambiguous to me, I didn't fully understand. That's why I'm wondering, if that was the cost then of that concession building, the loss was about \$10,000.00.

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

MR. TOUPIN: Well again the amount that was related then is approximately the same pertaining to the building in question, the concession building, the cost of same being between \$6,000 and \$10,000. I'm not being able to be more specific. Pertaining to the cause of the fire itself, I'm informed that there was an automatic breaker that should have went off and I believe it was on a timer equally because some heat was required for the building in question, and it was apparently malfunctioning, and the fire commissioner was checking on that point there, if the water reached a certain level and caused, say, the power to set fire to the building; it's a technical point that's being checked now to see if the insurance policy will cover. I'm not able to relate to the committee at this time if that's resolved, but in any case, it will have to be replaced and the cost of same I can't relate at this time.

MR. EINARSON: Mr. Chairman, I'm wondering then with all the facilities that are in this park, do I understand also from the Minister that his officials of the department have not yet decided whether the damage is going to be repaired or are they going to move the park further east, or can he indicate just what is going to happen. Also, I'm wondering were any applications put into the Minister's office to operate the concession building there? And if so, how many, and who were they.

MR. TOUPIN: I'm aware of some applicants, pertaining to the running of the concession stand there. I haven't got the names before me. I can get that for the honourable member. Pertaining to the reconstruction of facilities either flooded or burned, the decision to reconstruct on the existing site and dyke because we are being flooded quite often in that area, or to move in another site in the provincial park, that recommendation has not been made to me as yet.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Thank you, Mr. Chairman. A few items back the Minister made passing reference to the employment of convicts, and I would refer specifically to the Falcon Lake area. A number of years ago he did have some people employed in that area and I note that there was an employment type camp at the Falcon Lake site, just west of Falcon Lake. Now I think this is one area where as far as park maintenance and operation is concerned that possibly we could be benefitting from and possibly doing a service to the people that are in our prison institutions in the minimum security sections, and I would wonder if the Minister had some remarks along that line. He mentioned before, as I said, that he was interested possibly in that type of a setup again.

I would also make a short plea for the dock at Falcon Lake. We're talking about maintenance. The dock that was constructed was in bad repair. The one was I think pushed over by ice, but it was quite a large dock, and the other one wasn't too bad. But as it is now we do have a very large amount of tourists and people coming to that particular area and using the facilities at Falcon Lake and I'm sure as time goes by with the four-laning of the No. 1 Highway down there it's going to make it much more accessible to a lot of people in Metropolitan Winnipeg and we are in need of a proper Marina facility there. So I'd urge the Minister to look into the matter and possibly try and appropriate some funds so that we can complete that particular construction. It's

SUPPLY - TOURISM

(MR. BANMAN cont'd) been started I think two years ago and I mentioned, it is needed in the area.

The final point I'd like to bring up. There's been some people talking about the campground facilities at Nutimik. Now I understand the construction was started three years ago and there's been over a half a million dollars spent at that site, if my information is right, and basically what has happened is that it was built on sort of a swampy area and as a result it hasn't been opened. The old campground, the electrical hook-ups and that was torn out of that one, so that particular area has been without a campground facility. I'm wondering where we stand with regards to that Nutimik facility right now, if the Minister is planning any further work on that or what is happening to date on that Nutimik campground site.

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

MR. TOUPIN: Mr. Chairman, the rehabilitation camp at Falcon Lake was withdrawn by the Department of Corrections and I guess mainly because of the high cost of upkeep of the buildings that were there, they were pretty well dilapidated. Negotiations are actively under way between the Parks Branch and the Department of Corrections for a renewed effort in this area, and I talked about this this morning, in regards to having inmates or ex-inmates involved in working within our Provincial Park system. Mobile camps are being looked at as a possibility to offer the service and be somewhat of a half decent residence for inmates that are on minimum security.

In regard to the Marina in Falcon Lake, I indicated this morning that work had been done. There's no additional funds within the appropriations this year in the Estimates that are being discussed now or the Capital expenditure that will be before the House shortly. But the new arena that was partially completed will be open this summer and will be hopefully better than the previous facility we had.

In regard to the campground at Nutimik, there has been some problems last year pertaining to high water and what not. This year the facility will be open to the public.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

MR. BLAKE: Thank you, Mr. Chairman. I'd like to question the Minister on what arrangements they have with the aircraft that operate out of Nutimik. There are two aircraft Beaver I believe available there for flying in fishing trips to Indian Lake and lakes that are unaccessible. I just wondered what arrangements were made with the people operating that service, who maintains their docking facilities and what not. They have a choice location and I wondered what the arrangements were.

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Mr. Chairman, the type of arrangement that we've had over the past five or six years with Tom Johnson, the operator of the service in Nutimik had been on a year to year basis and it was considered quite difficult for Mr. Johnson and son to be able to operate and construct facilities that seemed to be necessary for his business to actually get involved in capital expenditure on a year to year basis so we've given him a three-year lease, this year. --(Interjection)-- I'm sorry, it was last year, yes. Last year, the year 1975-76. So that's the type of arrangement that we have for him. We supply, I believe, some docking facilities. It seems to be a bit small for the time being in regards to three planes. No difficulty in having two docks there. Three is somewhat difficult, especially if we have another plane that comes in from Government Air Service. So that is being looked at.

MR. BLAKE: The lease arrangement, is there a price tag on the lease arrangement or is it just merely a lease authorizing him to operate from there and use the facilities or does he pay an annual fee for the lease?

MR. TOUPIN: Yes, Mr. Chairman, there is an annual fee of \$25.00.

MR. BANMAN: Thank you, Mr. Chairman. I wonder if the Minister could tell us, under the Student Temporary Employment Program through the Department of Education, I wonder if he could tell us how many students are employed in this particular Parks Maintenance and Operation Program. Would this include the students that are working at the park entrances as well as some of the other operation facilities?

SUPPLY - TOURISM

MR. TOUPIN: Mr. Chairman, in the parks in the Province of Manitoba we hire approximately, between 115 and 120 students.

MR. CHAIRMAN: Resolution 110(b)(3)(a)--pass; (3)(b) Other Expenditures--pass; (d)(4)(a) Special Studies and Projects, Salaries and Wages. The Honourable Member for La Verendrye.

MR. BANMAN: Thank you. I wonder if the Minister could inform us, is this the particular section where the department would be doing studies with regards to the possible development of a park on the east side of Lake Winnipeg up past Manigotagan? And I wonder if the Minister could tell us what kind of studies they are involved in at the present time.

MR. TOUPIN: Mr. Chairman, this would not be the section where we could discuss development of Nopiming or say any other facilities that are being planned for the future north of the Whiteshell. The section before us, the objective of the staff man years that we have here, and there's been a drop of more than one staff man year over the last fiscal year. We had 4.31 staff man year, we now have 3.21. There's been an increase of funds from 129.8 to 174,000. The objective is provision for special planning and engineering studies and for the funding of regional park assistance program that we started in 1975-76. It includes cost as follows; Forest tent caterpillar and Dutch Elm disease, an amount of 86.3; for aerial spraying in provincial campgrounds and waysides to prevent tent caterpillars; there's 2.21 term assistant staff man years there. For the removal of trees affected by Dutch Elm disease, there's the Regional Park Assistance Program in here 87.7 thousand. To assist municipal governments on a 50-50 basis in the development of recreational parks to serve local needs, there's one staff man year, an amount of \$174,000. The total increase over last year is 42.2 and that's due mainly to expansion relating to the Regional Park Assistance Program and the new forest tent caterpillar and dutch elm disease control program.

The Regional Park Assistance Program will not take off to the extent that we were hoping because of really lack of additional funding that we felt was needed to be able to expand in other areas of the province. So we'll have to hold that in abeyance. The concept is there, the intent is there. We're wanting to pursue. I felt personally that we did not need legislation at this time to be able to do what we've done without legislation in four, is it, four areas of the province. Hopefully one day when we can get voted additional funds that we can encourage this type of development on a cost-shared basis with municipalities.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

MR. BLAKE: Yes, thank you, Mr. Chairman. I wonder if the Minister might comment under this item on the studies that have been done or the proposals that have been put forth on enlarging the park at Rivers. They were looking into acquiring some additional land and expanding that facility.

MR. TOUPIN: Well, Mr. Speaker, there's a reluctance based on two counts. One is that we don't have the funds necessary to purchase the land that was desired, and since we can't get to first base, we won't even look at second base for the time being. Necessarily we don't have the funds to develop the facility that was intended. So that's where we stand. --(Interjection)-- That's a problem.

MR. CHAIRMAN: Resolution 110(b)(4)(a) Salaries and Wages--pass; The Honourable Member for Churchill.

MR. LES OSLAND (Churchill): I just would like to ask for some guidance here. On the Leaf Rapids road down to the Churchill River for a boat launching and 80 campsites. I wonder if it would come up under this . . . Got to wait another year?

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Mr. Chairman, unfortunately I have to give the same answer to my colleague from Churchill. There's no provisions within the Estimates for that, unless again, I add the comment that I made this morning, that we can find during the fiscal year additional funds elsewhere through winter works or other pots of funds that will not be able to spend in their own appropriation. But within the appropriation here or the Capital expenditure that will be presented to the House, there is no funds for that purpose.

SUPPLY - TOURISM

MR. CHAIRMAN: (b)(4)(a)--pass; (b)(4)(b) Other Expenditures--pass; (5) Grant Assistance in the amount of \$2,610,500.00. The Honourable Member for Minnedosa.

MR. BLAKE: Yes, Mr. Chairman, I wondered if under the Grant Assistance if this is where the provision would be for assistance to be provided for facilities for the Winter Games or would that be under another item? I am concerned particularly with the Ski Valley at Minnedosa, which there have been inspections of. I don't know whether the Minister has been out to use their facilities yet or not but the elevation levels and what-not, meet all the requirements to be suitable for use in the Winter Games. It would appear that Brandon have to establish facilities from scratch in the southern hills somewhere that don't seem nearly as suitable. I know the people out there are anxious to work with the Brandon Winter Games Committee and to have such a favourable resort so handy really, it would seem unfortunate if a large expenditure of funds were made to provide a brand new facility when some upgrading on an existing facility would provide an ideal location and a facility that's going to be lasting and in a picturesque area. The Ski Valley is being developed at the present time by individuals but they are quite willing to provide the facility as it is and turn it over to a municipal committee or a municipal body. They have expended considerable personal funds in building the chalet and building the ski lift and tow bar to the extent that they have had it this year and have been able to use it. I just wondered if the Minister has any information on that or if he may comment on it.

MR. CHAIRMAN: The Honourable Minister Tourism, Recreation and Cultural Affairs.

MR. TOUPIN: Mr. Chairman, I have to say with a degree of sadness that this is no longer part of my responsibility so you will not find within the appropriation funds for this purpose. This would fall under the Sports Directorate that is now responsible to the Department of Health and Social Development.

The provisions that we have before us are an amount of \$2,610,500 and that's mainly for the City of Winnipeg for the operation and maintenance of the Assiniboine Park and Zoo; for the provision of a bus service to Birds Hill Park - that's \$3,000; the City is now \$2,530,000. There's an amount of \$50,000 for the City of Thompson which is for the development, operation and maintenance of the local zoo.

There's a non-profit organization grant contained here of 27.5 to the International Peace Gardens. That's a total increase over last year of \$385.5 thousand and that's mainly due to price increases.

MR. CHAIRMAN: (b)(5)--pass; (b)(6) Park Development. We don't seem to have any items of . . .

MR. TOUPIN: Mr. Chairman, this item will be discussed under Capital. I made reference to some items there this morning when I was posed a question in regards to park development and related cost. But the amount is in the Capital expenditure bill.

MR. CHAIRMAN: That is right. I see here that there is a figure (1) in parenthesis and note at the bottom "transferred to Capital estimates." (6)--pass; (c) Historical Resources: (1) Salaries - \$91,400. The Honourable Member for Morris.

MR. JORGENSEN: I wonder if the Minister could identify this particular item. What is the Historical Resources all about?

MR. CHAIRMAN: The Honourable Minister of Tourism, Recreation and Cultural Affairs.

MR. TOUPIN: Mr. Chairman, possibly it would be of assistance to members if I gave the objective that we have here: the provision of the preservation, protection, restoration, reconstruction, interpretation of significant themes in the history of the province in a balanced well co-ordinated manner in order to engender a respect and understanding for the groups, individuals, places and events that have shaped Manitoba over the years.

This includes salary for one permanent staff man year being the director and six term assistant staff man years, archeologists, restoration technician, two researchers and two support staff. There's a total increase of 4.1 thousand mainly due to general salary increase and annual increments. General Office costs for the Historical Resources

SUPPLY - TOURISM

(MR. TOUPIN cont'd) function includes the following major items: Professional fees: \$102.7 thousand - that's restoration architect, planned archeological excavations at Duck Mountain Provincial Park, Lake Athapapuskow, Lake Manigotagan, Red River Valley, South-Western Manitoba, Assiniboine River, south and west of No. 21 Highway; printing and stationery: 27.2; automobiles: 13.6; advertising and exhibits: 13.4; travel - 10.9. Total increase of 11.6 due to price increase.

There's a grant structure here being intended to be distributed as follows: Community museums, 47 of them, \$100,000 for 1976-77; Miscellaneous grants, dollar for dollar matching grants to a maximum of \$2,000 is 40,000; City of Winnipeg for significant work to be done on significant buildings pertaining to those identified and according to an agreement presently being drafted between the Province and the City. There's an amount there that can be enclosed within the total amount budgeted for.

The Manitoba Historical Society: 15,000; Prairie Dog Central: 15,000; St. Boniface Historical Society: 6.5; The 48.2 that we had last year for South Indian Lake Study, the agreement is now over so we no longer have that amount. Gives a total of 176.5 thousand.

There's a decrease of 9.2 thousand due to a full year cost related to the City of Winnipeg Building Study of 20,000 and the St. Boniface Historical Study of 4,000, which was a program expansion.

The Heritage Manitoba Act, the membership of the board itself has not yet been formed. There's recommendations being forwarded to me in regards to the composition of the board.

The Status of Museums and Miscellaneous Grants Act proposed amendments, the future of South Indian Lake Study. The Cabinet did not approve additional funds for that study for 1976.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I thank the Honourable Minister for those sentiments. I just wonder is there other buildings in the city or around the province comparable to the Empire Hotel that would be certainly of historic value and maybe should be rescued if not now, in the immediate future. I did raise a question the other day in the House to the Honourable Minister and wondered if he'd had any meetings with the Federal Minister, the Secretary of State, because he has come out now with a statement that he has plans to rescue some of the culture that's now becoming very important and has considerable value. The Empire Hotel, when I think, basically has resolved itself.

There's another document that's come across my desk in the last few days from Mr. Cavanaugh in Brandon. I'm sure maybe the Minister is familiar with him and some of the books that he wrote on La Verendrye and his other book "The Assiniboine Basin." He apparently - maybe we can deal with it later - has prepared a documentary. Maybe the Minister has some knowledge. He apparently is a man getting close to his eighties and would certainly like to have this information which is apparently quite valuable, passed on to the Archives or to the historical records of the province. The Minister didn't mention some of the historic sites such as St. Lazare or these other communities that are around rural Manitoba.

The other thing I'm wondering is how closely the Minister does work with some of the rural - how could we describe them? - historical societies or those that are prepared to keep records and archives. I think there's one in the Westman area some place, Brandon area. I wonder do they keep all their records there or do you ask that it be centralized and kept in a central place under Mr. Bovey's care.

MR. TOUPIN: Well the bulk of the questions that the Honourable Member for Roblin is posing would be more suitably answered under the Archives section. I would like to indicate that, yes we do have discussions with a lot of people, especially those that are organized in boards like historical sites boards across the province. We've had a lot of discussions with city officials, with people from the Secretary of State's Department, Parks Canada. They're conducting a study that I am informed, as early as last week, should be completed within a few weeks pertaining to historical sites in the City of Winnipeg dating back prior to 1916, I believe. We're hoping to use that as a base in

SUPPLY - TOURISM

(MR. TOUPIN cont'd) regards to the things that should be done jointly by different levels of government in the future.

Mr. Cavanaugh's collection is certainly welcome. I don't believe that I have funds to pay Mr. Cavanaugh that much for his collection but I'd certainly be willing to sit down with him myself or have some of my officials meet with him again to discuss his treasures. It certainly would be a shame to see some of these valuable historical documents destroyed over the years. I thank the honourable member for supplying me with a copy of a letter that he received from Mr. Cavanaugh.

There's always a lot of funds that can be spent pertaining to preservation of historical buildings and what-not. Last evening when I made my opening remarks, I made reference to different areas in the province that we will be addressing ourselves to pertaining to preservation. Fort Ellice was one of them in the region of St. Lazare. We talked about Grund Church and different homes in the province, not all in the City of Winnipeg. We talked about the Bohemier Home, the Turenne and a few other places that the honourable member will see in Hansard. I spoke for approximately an hour on things that I felt should be explored in the future.

MR. CHAIRMAN: 110(c)(1) - the Honourable Member for Rock Lake.

MR. EINARSON: Mr. Chairman, I think this comes under buildings that have been restored through the Historical Society. I know there's one in my area. There's three of them that the Minister mentioned in his comments and I appreciate the fact that he made mention of it. He mentioned Grund Church in the Baldur area and I'm wondering can he indicate what the recommendations are from his department as to what is going to take place in regards to that historical building.

MR. TOUPIN: Mr. Chairman, it's intended to assist in the refurbishing of the building itself, the maintenance of grounds and so on. It's what we've made available in other regions of the province. The exact amount I haven't got before me. I am informed that the amount contained within the Estimates would be \$10,000 for that purpose.

MR. EINARSON: Mr. Chairman, I am aware that they have a custodian to take care of the building and the grounds and to look after the grounds around it. But there was recommendations, I am given to understand, that were made insofar as doing something to improve the condition of the building, probably such as putting a basement under it where they can display historical things. Also there was the bell tower that was supposed to be repaired and I'm wondering if the Minister, if the department are going to go ahead with those recommendations.

MR. TOUPIN: Yes, Mr. Chairman. I appreciate the questions of the Honourable Member for Rock Lake. We're getting down to nitty gritty and I would like to inform the honourable member that we intend to repair the foundation. There will not be a full basement. We equally intend to repair the roof of the building and other minor repairs that are absolutely needed and to financially support the maintenance of the grounds and the building itself with the amount that we have in the Estimates.

MR. EINARSON: One other item, Mr. Chairman. I realize the Minister feels I am being very pointed in my questions but I would like to know, there's a bell that was in the bell tower, it's not there now. I'm wondering if that is going to be restored within the church building itself.

MR. TOUPIN: Mr. Chairman, I'm not getting the information pertaining to the bell so the bell is not ringing. If it's possible within the amount that we have in the Estimates to restore the condition of the bell, we'll do so.

MR. EINARSON: Mr. Chairman, I can understand the Minister in his comments and I think that as they say, the squeaking wheel gets the grease. I can understand the Minister has so much money allocated for the Province of Manitoba and I'm just wondering, I see his colleague the Minister of Health and Social Development knows what I'm talking about. He and his very good wife were out there to see the site and they were very impressed with it. The information that was left to the local people was very encouraging, and the Minister's comments - I'm just a little bit concerned as to whether they're not going to be somewhat disappointed. I'm wondering if that bell is going to be restored in the church tower itself.

SUPPLY - TOURISM

MR. TOUPIN: Mr. Chairman, I'll only go on record as taking that subject matter under advisement and hoping that within the funds that we have in the Estimates that we'll be able to deal with the bell.

MR. CHAIRMAN: 110(c) Historical Resources: (1) Salaries--pass; (2) Other Expenditures--pass; (3) Grant Assistance--pass; (d) Tourist Development Services (1) Salaries \$145,000. The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, under this particular item I would presume that it covers the kind of work that the department does encouraging tourist development within the province. In this regard I was wondering just how many enquiries the department receives from people either in the United States or other parts of Canada asking and seeking information with regards to camping and fishing or resort facilities in this province. I understand that there could be around 1,000 enquiries from the first of this year up till now. I also understand that there is a bit of a problem associated with the method that the department uses in forwarding those requests on to the various lodge operators. I have received complaints from lodge operators that the camp operators' list, as it is called, is sent out periodically but in many cases it's a month or more from the time that the inquiries are received by the department before they are forwarded on to the camp operators.

I think the Minister should understand that when somebody is making enquiries about a fishing trip or a vacation in a particular part of this province, I would think that that particular person would be interested in getting the information as quickly as possible. I wonder just what system the department uses in ensuring that that information or those enquiries that are received by the department is forwarded on as quickly as possible to the camp and lodge operators so that they can send out the brochures, the rates and the information that is necessary for those people who are interested enough to make the enquiry, so that they get the information soon enough so that they can start planning their trips.

Now in one particular list, list No. 6, I note that there was one enquiry that wanted the information by April 15th, and the lodge operator didn't get it until after April 15th. As a result I think you can understand that that particular person would make his enquiries and have his vacation in some other area. Now I suppose that it is difficult and perhaps expensive to forward on those enquiries immediately they are received to all the lodge operators.

I wonder if that kind of economy insofar as the province is concerned is money saved because if we lose several customers that way, and I know we are losing many customers that way, then the revenue that the province would have received as a result of that person coming to Manitoba for his vacation, far exceeds the expense that would have been incurred in sending out that information in time so that lodge operators could forward on the rates and the facilities and the description of the facilities that they have. I would hope that the Minister could look into that particular situation to ensure that no delay is entertained from the time the enquiry is received until it is forwarded on to the various lodge operators for action. They are interested in getting as many tourists as they possibly can accommodate and the only way that they can ensure that they will be getting them is to give them prompt service. That means the department are going to have to pull up their socks somewhat and make sure that that information is forwarded on as quickly as possible to the lodge operators so that they can forward on whatever information is relevant and requested by the person making the enquiry.

I hope the Minister will take note of that suggestion and perhaps respond to it. Maybe he can respond to it right now. I would certainly like to believe that the Minister is interested enough in encouraging tourists to come to this province that he would make sure that that information is forwarded on to the lodge operators as quickly as possible so that they can respond to it and make sure that we don't lose customers as a result of the delays that are now being incurred. I understand, as I said earlier, some of those delays are in excess of a month. I think that's too much.

MR. TOUPIN: Mr. Chairman, I have to agree with the Honourable Member for Morris, that if it's a month it's too much. It's too late in a lot of cases. The response

SUPPLY - TOURISM

(MR. TOUPIN cont'd) the enquirer gets from the lodge operator or the camp operator is at a time when the competition has taken over. The general rule pertaining to the approximately 170,000 enquiries that we get per year, and the bulk being from the United States, is two days. That's the general rule. If the honourable member or any other member of the House or the public has evidence to indicate that some have dragged well beyond that I certainly would like to receive examples of that so we could, like the honourable member indicated, pull up our socks and try and do a good job. Because the rule is two days. Try to get the information back within two days.

MR. JORGENSEN: I would certainly be satisfied if the Minister could give me the assurance that he's going to look into this matter and make sure that if there have been any delays that his department will be notified that he will not tolerate those delays any longer, and that the information will go out as quickly as possible.

MR. CHAIRMAN: The Member from Roblin.

MR. McKENZIE: Mr. Chairman, this item in the Minister's Estimates is one of the, I daresay, the most important as far as the development of our province is concerned because Tourism I guess today, if it's not the fourth, it's in the top five revenue earners of foreign dollars in Canada and in this province. The attitude of course that Manitoba is beautiful the way that it is and doesn't need development to attract tourists is quite familiar with the Minister and he is doing a reasonably good job like most of the citizens to improve the potential that we have here. It's an industry. It's got to be merchandised, it's got to be merchandised properly and if it does it will bring in a lot of revenue. But there are some things that concern me and items such as American people going down, as an example, to the States today find they can live down there and travel a lot cheaper than they can in this province.

You can read an article here of Mr. Telpner's, April 2nd, and he points out where Canadians are spending more money visiting the States than the Americans who outnumber us 20 to 1. But he goes and mentions this party here is a well known person that used to make all his trips to Winnipeg over the years. Many years, he says, my wife and I relaxed and enjoyed the entertainment of the city. But now this citizen, like others, is travelling to the States because of the prices. He said, we stayed at motels in California and Arizona at the rate of \$10 to \$12 per night, often as low as \$8. North of San Diego we had a lovely two bedroom suite, heated pool, right on the beach for which we paid \$20 to accommodate 4 people. He says, in Winnipeg we can't find equal accommodation for under \$20 and it's usually much higher. Last time in town, he said, I stayed at a second-rate hotel in a second-rate room with a bath for \$22.50. He says much as we enjoy Winnipeg and feel we should support our province, the economics of the situation makes it very difficult for us now because we drive to Fargo and Minot for our entertainment where we can save from one-third to one-half of our meals and the farther south we go the cheaper it gets.

Those are some of the problems that we face at this particular time because the tourist industry is a very very competitive industry as the members of the committee and the Minister well know. I don't know what the answers to it are, whether in fact the time has come in this province when the tourist industry or the hotel industry are taxed to the level that they have no way to go, they just have to put those kind of taxes on their rates. As a result I'm rather scared that we are at the mark today where we're putting such a load of taxation on the industry itself that they can't bear it anymore so it reflects over into prices that we have to charge tourists that are coming into this province. It's a matter that's of great concern not only to me but many many people, that if we at this time fluff our position in this tourist slot, which we have been so proud of over the years and have been able to maintain and hold, where we're at a state now where we can no longer compete with our American friends to the south - well the Minister of Health shakes his head. But why would that letter appear? This is a man who said for years and years he's travelled - and I can back up the statement that he's saying. Certainly it costs \$22.50 a night to stay in a hotel. --(Interjection)-- No, he said he pays \$10 to \$12 per night, often as low as \$8.

One thing, Mr. Chairman, among other things that does create problems - the

SUPPLY - TOURISM

(MR. McKENZIE cont'd) Minister mentioned in his introductory remarks the guide to the restaurants of Cynthia Wine. Certainly people have to pay for that. But here is a person who has no knowledge of the food industry whatsoever, has no knowledge of cooking, as I understand it, and here she's out criticizing and writing documentation about the restaurants in this town. I would say to the Minister, if he's going to have somebody go around and review this restaurant and support it the way he is, why not get somebody that's an ex-chef or why not get a committee of 10 or 12 people to go in and review these? Not one person. Because some of the people in the food industry in the town are not very happy with that document. --(Interjection)-- No they're not. I would say it's much better to have a committee of some people that have some background in the food industry or 8 or 10 chefs who knew something about food, and had a background in food, let them go around and check the industry. Not only one but send four or five. Here we have one person's opinion, only one person. I don't think that's fair to the industry and I don't think it's fair to the people of this province. It's fine for the Minister to go ahead, but not one person's opinion, and let us think and publicize it and think that that is the way Manitoba is. Why not make it a committee and let them put out a report and then we can debate it? I've had several people in the industry in town express their complaints to me and their concern about that particular document.

I'll just put it on the record to date.

But, Mr. Chairman, let us pursue the matter of tourism. Maybe the Minister has some ideas that our goods and services are becoming too expensive in this province. Maybe it's because of inflation, maybe it isn't, I don't know. But I'd like to have some understanding at least. Has some of his staff gone down and taken a look at these people who are travelling south and saying the prices are that low in Minot and Fargo and Arizona as they point out here. If they are, then we better seriously take a look at it and see if we can't get it back somehow to give the industry a chance to survive in this province.

MR. TOUPIN: Mr. Chairman, in most cases I guess we get what we pay for. But that's not always the case. I've had the privilege to travel quite a bit in my life having worked in the credit union movement for many years and travelled anywhere from 50,000 to 60,000 a year in the province itself for a period of approximately seven years. I happen to believe that we have good establishments in the Province of Manitoba. It's really left up to the marketplace to the greatest degree. Certain facilities have improved their standards over the last few years and I contend, having travelled equally in the States and other provinces in Canada, that our facilities are improving to the rate that I believe can compare practically to any other establishments in Canada or the United States.

I've compared rates that we have here in Winnipeg as an example to Minneapolis pertaining to hotel or motel rooms, and for a similar accommodation the rates are pretty close, pretty close to what we see in Minneapolis. If we take a city like Brandon and/or Thompson and compare with other provinces in Canada, if we try to compare Thompson with a northern city in Ontario or Quebec, we'll find that the rates are pretty close in regards to standards and prices charged. I think it's possible to offer accommodation to our tourists at a lower cost but again it's very difficult to do that without affecting the marketplace, without interfering in some cases with the marketplace.

The department itself is involved, and I related that to the House last evening in my opening remarks, with an additional option pertaining to facilities. It's not intended to compete necessarily, but to give tourists the possibility of looking and comparing and choosing on their own what they feel is a reasonable cost and what could be done for them to pick a more reasonable rate on a room.

The book that was published, or made possible to be published by the department, was done by an outside person. I could have taken a civil servant within the department or a group of persons from the outside to have that book written. I chose not to. The individual, Mrs. Cynthia Wine, is still writing for the Winnipeg Free Press pertaining to the food industry. She does know her trade. She's been given critics from different parts in Canada and the United States, good critics. I consider her book and it's being considered by a lot of consumers, to be one of the best consumer guides in Canada. It's

SUPPLY - TOURISM

(MR. TOUPIN cont'd) been equally not only considered by individuals that have purchased the book and tried to compare on their own but considered by people who are good writers equally in different parts of Canada and the States. She has a style of writing that she, herself is not influenced by the owner of the establishment, in the sense that she writes what she sees and she relates it to the consumer, I think, which is very good. In some cases possibly the terminology used in the book sounds a bit severe but I can inform the members of the committee that the industry affected by the writing of this book and other books, because Canada has written books - few publishers unfortunately have written about restaurants, hotels, motels. I think they could do so. They probably would have had the same results as we've had in making the publishing of this book possible. We've sold now over 30,000 copies of the book and it's not only considered to be a Manitoba best seller, but a Canada best seller.

So I think it was a worthwhile project on two counts. One, it was offered to the public at a reasonable cost, a comparable book is sold elsewhere in Canada at at least \$3.50 if not \$3.95. It's considered by the masses of individuals that have read the book to be a good consumer guide. It's not intended for this year, calendar year 1976, to repeat what has been done in 1975 pertaining to the publishing of a similar book or wanting to test the tourist market during the summer months with a book that was written last fall. It's not old enough yet to publish another edition. We're on the third printing now which will bring the amounts to 45,000. I'm hoping that with this third printing we'll be able to test the tourist market during the summer months and be in a better position to decide what will be done, say in 1977, pertaining to a rewrite of the book, which in my own opinion will not only be of Winnipeg restaurants but equally restaurants from rural areas and ethnic foods and so on.

MR. CHAIRMAN: Order please. The hour of 4:30 having arrived. Committee rise.

COMMITTEE OF SUPPLY - DEPARTMENT OF THE ATTORNEY-GENERAL

MR. CHAIRMAN: Order please. We have a quorum, gentlemen, the Committee will come to order. I refer honourable members to Page 12 in their Estimates Book, the Department of the Attorney-General, Resolution 26, Law Enforcement. I believe when we adjourned at 12:30, the Honourable Member for Wolseley had the floor.

MR. WILSON: Mr. Chairman, when we adjourned I was talking about an \$8.2 million budget which was involved with Law Enforcement and Preventative Policing. At the time I had a feeling that the schools were the place to start because obviously the repeater system and the revolving doors alluded to in the article I referred to in the U.S. News, May 10th, 1976, issue, that while the public may be prepared to fault the system and possibly the Minister and the judges, I'm not prepared to. Because it points out in this particular case, that 64 percent of the cases were dismissed or dropped, 26 percent were solved by pleas of guilty, and only 10 percent went before the courts. So what I'm possibly trying to say is, that while it appears to the public that we have a lenient court system it's basically the revolving door that's to blame and I think we have to look more seriously at a repeater system. I do thank the Minister because when I rose on my grievance about a Gordon Bell issue, I'm pleased to note in last night's newspaper the gentlemen involved were sentenced to four years in jail which is some means of soothing the petition and the concerns expressed by the school teachers of that school. But at the same time, there is some form of the convicts having to prove to the system that they are entitled to parole rather than the other way around, where we automatically open the door and say, mandatory parole, you have to get out of jail, it's almost like we're forcing them to leave. I'd rather see the other way around where the onus is on them to prove that they have a sufficient change in life-style to be able to cope with their environment or their changed environment. I talked about priorities under Law Enforcement and I go back to Preventative Policing. Again I was possibly misquoted in today's Tribune when I talked about on what I thought was a matter of priorities, and I just felt that because of my concern about Winnipeg, about Manitoba, that it was better to spend the \$2 million plus as referred to in the article by a Robert Matas that it says legal fees on CFI could be over two million. I just felt that the priorities dictated in this time of restraint that we concentrate on Manitoba, and I regretted that the article referred to only \$68,000 rather than the two million which I had hoped to bring forward. It was just a case of a matter of priorities. I see that they've suggested the Minister go over to Austria and find out what's going on. I would probably find, like the reporter that interviewed him, maybe Dr. Kasser is a reasonable man and like Howard Hughes might bequeath part of these ill-gotten funds back to the citizens of Manitoba in some fashion or other.

However, I do want to say that I appreciate and support the Minister, who seems to be one that when examination takes place, change seems to take place, and I want to use this opportunity to again go into what I think a growing concern about what we call Halfway Houses. The Minister of Health has accused me of trying to build a wall around Wolseley, so what we did is we formed a "think tank", we went around and started investigating some of these, and I am pleased today to put on the record that we find that usually on a Friday night about 1 o'clock in the morning, there's only one place you can see any cars parked on the street and that's outside one of these government experiments. Upon examining the Maryland Street residence we found out that a fellow who called himself Reverend Hawkins, who again is on the public dole by getting a per diem rate - again this is under Law Enforcement because of the fact it's government money allegedly rehabilitating convicts. This fellow learned his trade in a prison, he is now operating Halfway House on Maryland; he now has a per diem rate and holds himself out to be a Reverend because he sent away for a certificate in the United States and was given a licence by the Province of Manitoba to marry people or whatever.

MR. CHAIRMAN: Order please. The Chair does like to give members a certain amount of latitude, but I would remind the honourable member that we're on Resolution 26 dealing with Law Enforcement, his remarks should not spill over into other departments

SUPPLY - ATTORNEY-GENERAL

(MR. CHAIRMAN cont'd)that the Attorney-General is not responsible for. The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, what I was possibly alluding to was the fact that we have \$8.2 million and I think we have a responsibility to see that it's well spent. So what I'm possibly suggesting is, if the Minister is completely satisfied that the performance is at least 80 percent, and no one can expect to be perfect, then we would have to assume that we have to receive some priority from other departments. I cannot see the logic in - if I may compare - \$50 million for alleged urban redevelopment to build five or six new government buildings compared to the crime on the streets. It would seem to me that unfortunately the Budget dictates that everybody has a certain budget and as times change that particular section of the Estimates is not given the priority that it should be.

I'm suggesting that, as the Member for Swan River said, we've got a war on crime, it's time we shifted from Public Works, possibly from Highways, and funnel some money into the Attorney-General's department to get on to the preventative situation. We have got to a stage where obviously the Police Chief himself together with myself will be dealing with it, but because of liberal laws - and I want to tie-in Legal Aid, because of Legal Aid - we have got an overflowing court system. So what is the answer? Under Preventative Policing, under this section, I want to offer my layman's opinion that we have to get money from other sections of these Estimates to drive home, because of the liberal laws, we have to bring the plant up to either match or get into a looking distance of where we can see some means of a capable administration to deal with this new liberalism of the '70s where we've got - I call it, well maybe it's unfair, but I call it customer-seeking or fee-generating situation - where we're going out and looking for trouble. In the old days we never looked for trouble, we left it to the constable on the street. I'm very pleased that because of this per capita grant, the Police Chief has announced that they're going to get back to the foot soldiers again instead of the - unfortunately the unions play a large part here, they demand two constables to a police car, they demand that they have the latest model car and all the rest of the amenities that go with their agreement. But the thing that really, and I say this in street terms, bugs me that we have to get more more foot soldiers to go out and that to me, together with schools, the education in the schools and the man on the beat, the community policeman is the man who's going to have that preventative situation. And so under that section I just wanted to get into that area.

I also felt that under priorities, we talked about preventatives, I see a great drift towards the complete ignoring by the courts of the gambling, the vice, the pornography and all the things that bring in the type of people from out of the province to get in on the gravy train, to get in on the easy dollar. I notice that the Tribune had printed where they were glad to see the Vibrations close but they forgot to take care of the upstairs. It's the type of thing that you can regulate by licensing and control. In my own area we were promised a community quiet beer parlor, instead we've got a zoo. Well, if you want me to spell it out, I would spell it out outside the House as well as in, I think that the type of clientele that some of these hotels are catering to breeds trouble and breeds crime because of the fact that there is no preventative situation to stop these gatherings of the criminal minds into one location where they can share their ideas and go out and cause problems combined with drugs and alcohol.

You say I don't know what I'm talking about. All right. When you mix drugs and alcohol together these people are out of their minds. You rescued some fellow from outside the Continental Hotel who was up on a highrise, 150 feet up in the air, and we had a murder in our particular district, all caused by what I consider is the real source of the crime, the business community who are allowing their premises for the all mighty dollar to erode a community. And the citizens are fed up and they're saying to the Minister and to the city law enforcement people, we want some action. And I think if you would turn around. . . I'm disgusted that a church on Sherbrooke Street is going to be turned into a gambling place under the guise of a private club. I'm concerned that on Sargent Avenue you can see money changing hands and wide-open gambling any hot night of the year. These are the kinds of things that everybody knows are taking place, and I

SUPPLY - ATTORNEY-GENERAL

(MR. WILSON cont'd) think it's time that this Minister got together with the city law enforcement people and say, what is the answer, let's get into the preventative aspect. We cannot save the repeaters. The repeaters are only the people that keep coming out. I will close because obviously there's no interest in this situation.

MR. CHAIRMAN: Order please. The Chair is having difficulty hearing the honourable member.

MR. WILSON: I will close by saying that obviously they are not interested in the repeater situation, but one of the questions that I would like to ask the Minister is: how many people who were sent here from other provinces are out - and I was told by one of the law enforcement people this information is available - how many murderers who are out on parole, are out in Manitoba? How many sex offenders are out on parole in Manitoba that are not from this province? I had a personal experience of closing up somebody the other day who was sentenced to 20 years in Moncton, B.C. and is out after six for murdering a couple of people out there. He is now out on parole in Manitoba. Another fellow's running a restaurant at the corner of Rupert and Main - these are the kind of people that have been paroled out into our community, they are not from our community, they were flown in here, either released from Stoney Mountain, they have been brought in here. There must be some concern when out of the province criminals are released into our society here in Manitoba. Now the argument could be that Manitobans have been released into the Ontario society, but I think if we're going to release people on parole from Stoney Mountain that have served time for a serious offence - and I'm talking about murder and sex crimes against children - then they should be looked after in their own province because the possibilities of them repeating are at least 30 percent. So I'll close with those remarks.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Chairman, I had a speech ready I think a long time ago, before dinner. Since I've had dinner, I feel good natured and after the type of remarks that have been said by the Member for Wolseley - I live in a different part of the country and it's nothing like that - I don't know whether I should say anything or not.

Anyway I do appreciate the Minister's remarks in connection with the relating of the different crimes and offences. I think probably it's good that the public see this type of information from time to time, it might help to make some of our planners think a little bit more about where we're going.

But where you were relating to the work of the RCMP, I've every respect for the RCMP, I think they're a wonderful group. But I wouldn't want their job for anything, for the type of job that they have to do, because they're expected to enforce the law and yet they're expected to be good fellows and get along with everybody, and being human it's a pretty tough job, especially in rural areas where you have your friends and eventually you have to catch them the same as you do anybody else in order to be doing your job. We had the report that there's more people caught with liquor in the country, and I often feel that there gets to be a few new RCMP officers in the area and they kind of want to make a showing. And I think there's no problem at all of making a showing when they're in a rural area and when they know that there's a cabaret and there's a dance on or something like this, that they're going to pick up people that leave at that time because the percentage that you're allowed is very very small, just about two drinks, and there's nobody goes there that drinks at all that don't have more than two drinks. Sometimes I think when I see the crowds at the cabaret and the ones that are getting picked up, that they aren't doing too bad either because I know darn well they could pretty near pick them all up if they wanted to. However I believe these officers are human beings and I don't believe that there's too many times that they pick up people that are behaving properly on the street and driving down on the right side at about the right speed and observing the traffic signs and that, because even though our rate is high in the country, I know there is times when they could, and probably there is in the city too.

I remember when the Minister of Highways was talking about accidents, he was

SUPPLY - ATTORNEY-GENERAL

(MR. HENDERSON cont'd)saying 80 percent of the accidents are happening with- in the City of Winnipeg, and then when he gave the statistics, I don't remember, but a very very large percentage of these showed that there was alcohol involved and probably was the cause of the accident. So I have no doubt in my mind that probably the people in the city are drinking just as much as the people in the country, I think it's just the way that the RCMP act from time to time. However I think that they are doing a good job in the overall picture and we know that we've got to have discipline, because whether it's in a schoolhouse or whether it's in the Legislature, if you don't have somebody that's keeping discipline from time to time, you know that things get out of hand.

I'm awfully glad that I live in Pembina and not in Wolseley, with all the troubles they have there, in my whole constituency I just couldn't find one-tenth of what he finds in one little corner over there. I think probably it's typical though of many rural con- stituencies, we certainly wouldn't find this sort of nonsense that he's speaking about going on, because I know many of our hotel men and that are running very conscientious good places and they wouldn't put up with it; they're not for it, they're raising families them- selves and they aren't that way. Of course I realize that there are parts of the city that's maybe considered the core area or where there's other things going on, which is much different. I wouldn't want the job of the RCMP but I've got every respect for them and the work they're doing. I think when we're in doubt that once in a while we should give the RCMP the benefit of the doubt and not be always backing the fellow that's trying to get away with something, because too often with our Legal Aid and with some of our smart lawyers and other things - we have many people who really are guilty that aren't proven guilty for some little technicality, and the Law Society and the lawyers aren't above . . .

MR. PAWLEY: Does he include judges . . .

MR. HENDERSON: . . . taking all the money they can get, and they aren't perfect either. . .

MR. PAWLEY: . . . Diefenbaker in that, George?

MR. HENDERSON: You bet he is. They're all looking after themselves pretty much if they were honest about it, and they don't mind having a court or two, even if they lose they still get paid for it; they aren't a holier-than-thou group, and I think my- self that they look after themselves. I personally wouldn't mind if the lawyers done something to improve their image because I feel they've got a darn poor image if you were to talk to the average fellow about them. They maybe don't hear it themselves because the average person doesn't like to say anything bad to a lawyer, he may need him after awhile. So that would sure cost you money all right. Anyway I think the Law Society. . .

MR. CHAIRMAN: The Honourable Minister.

MR. PAWLEY: I sense that the lawyers aren't held in the same high esteem that the members of the RCMP are held in and that's causing me a great deal of concern in this room.

MR. HENDERSON: I think if you were to take a poll of the average citizen and you asked him what he thought of the RCMP and their general attitude to work and the work they're doing. I think you'd get a very good response. And if you asked the aver- age person on the street, he'd just give you a frank reply if it wasn't going to be com- municated back to his local lawyer or somebody who he thought he wouldn't like to meet on the street, you'd find out that the lawyers have a darn poor image. And that's my opinion. I think they've got a big job to do selling their image to the people. By these remarks I'm not saying that there isn't good conscientious lawyers that are doing a good job, but there's some of them in there that are playing the old game of making every buck they can and using every angle they can. Anyway I'm very happy that we have them here doing the work and I'm happy that I don't live in Wolseley.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I wanted to ask some questions. I first want to express my sympathy to the Attorney-General if he has to hear what we hear today, it must be an awfully depressing job. I think maybe the only way he'd get some respite is to go to Pembina once in awhile to see a change of life.

SUPPLY - ATTORNEY-GENERAL

(MR. AXWORTHY cont'd)

But Mr. Chairman, I have some questions that I want to raise with the Minister under the Law Enforcement. One is to do with the question that was raised in part by the Member for Wolseley about the problem of law enforcement in the city itself. The Minister said earlier in his remarks that he was beginning to have some second thoughts about the financial assistance that could be given from senior levels of government to municipal police forces. I'd like to maybe just spend a moment saying that over the past year we've been working with the police department in terms of developing some neighborhood police activity and one of the things that struck me in doing that kind of research and investigation was that unlike many other countries we're one of the few countries in which there isn't any direct assistance from senior levels of government to local police forces to undertake special activity. I was thinking in particular of the United States where they three years ago enacted the Law Enforcement Administration Program, where they will give money directly to police forces for special programs of neighborhood team policing, the hiring of minority law officers, the development of special training programs, the acquisition of special kinds of equipment. And I really would want to encourage the Attorney-General to see if something could be done jointly with the Federal Government, or unilaterally the Provincial Government, to assist the City of Winnipeg Police Department. Because I think the Member for Wolseley is quite correct, there are some very difficult conditions, increasingly difficult conditions appearing in the downtown parts of our city, of all kinds, not just the kind of crimes that he mentions in terms of gambling and prostitution, but much more seriously in terms of dealing with the crime problems that emerge out of alcoholism and low income problems, and that it does require a very special kind of effort from the Police Department for which they don't receive much assistance from senior levels of government and the city coffers don't seem to be able to come up with the kind of assistance that's required.

It would seem to me that at least at a minimum at this stage, the province could offer to help support some of the new initiatives that the City of Winnipeg police are trying to undertake to deal with problems of . . . not just of crime, but law enforcement generally in the core area, because it's not just a matter of apprehending criminals, it's really a matter of dealing with a full area of activities which are oftentimes ignored by the social agencies and by the other institutions in our community. They just don't deal with them effectively. The police officer is the only one who is there on a 24-hour basis and they are much more concerned with keeping order than they are in many cases of apprehending criminals; that that constitutes in fact about 80 percent of their work, the keeping of order in the whole range of disputes and problems that arise in our core area; again, for which they receive very little help from senior levels of government. And I just wanted to add my voice of concern that I think that the province has been long overdue in offering some assistance to the city police in these efforts.

But beyond that, Mr. Chairman, I really want to deal with the other side of the coin though, an issue that we have dealt with in length in the House over the past session. It's dealing with the problem of wiretapping, and its use by police officers has given me some real cause for concern. I don't think that I have to go through the specifics of the case related to Judge Pilutik, but I think out of that particular incident arose a series of problems that give me some concern about the use of wiretapping in our province. In fact if what's happening here is indicative of what's happening across the country, then I think that we have some real dangers of infringement of individual liberties and rights. In particular, I'd like the Attorney-General at this time to make very clear to members of this House what the position of the department is in relation to the question of authorization of wire taps in terms of when applications are proceeded by the police to the Attorney-General's department, to what degree do they assess each of these applications before they're passed on to the courts? To what degree does the Attorney-General's department itself examine the nature of the wire tap and how closely do they monitor its use?

Secondly, the question of authorization where it has been done in terms of the use of the material that is acquired from it. And one of the anomalies I think of

SUPPLY - ATTORNEY-GENERAL

(MR. AXWORTHY cont'd)Canadian law is that any evidence that's acquired as a result of wiretap is admissible in court, which is different from the American position where it's not admissible unless it's specifically required in that case. And it does give me some real concern that - in fact under the Pilutik case where the taps were applied to a number of innocent parties, at least people who were not directly under investigation, there was the potential, a large amount of material unrelated to that specific case coming into the hands of the police. In fact, Mr. Chairman, I don't know where it's gone. I don't know what's happened to it. I think that we have to provide some, not only guidelines, but I would think very careful monitoring of the use of that evidence, that the potential invasion of privacy that can accrue as a result of wiretaps, is something that I think has plagued us the last couple of years and the Federal law which is now . . . and the change in the Criminal Code, I'm extremely concerned about. I would hope in part that the Attorney-General would be prepared to communicate with the Minister of Justice on the federal level when he's considering these new amendments, to point out that even under the present law there really is very little control over the use of wiretaps, and if the new federal laws are passed then that will even provide a wider licence and a wider potential for misuse and abuse of the wire tap laws. I really think that because of the particular experience we have gone through in Manitoba we should be communicating that information and knowledge directly to the Minister of Justice and say, why don't you just forget your amendments frankly, because the way that the law works now gives more latitude than really is required.

But I, maybe without going much further, would really ask the Minister at this time what he has done since the Judge Pilutik case to change procedures of his own department when it comes to assessing the applications before they are submitted to the courts, what kind of procedures we have for monitoring the use of wiretaps, what might be done in terms of the position of Crown attorneys in the use of evidence that's acquired as a result of wiretaps, and generally if there has been any real serious discussion with the police department in terms of trying to set some guidelines about the restraints and restrictions that should be used. And also I think the sideline issue, the one that gave rise to this issue, was the leaking of such evidence and the seemingly covert transference of that information to the media and to the public, again which I think was a direct invasion of privacy. I would like the Attorney-General to comment on those if he would.

MR. CHAIRMAN: The Honourable Minister.

MR. PAWLEY: Well possibly I could make a few comments now in answer to some of the enquiries. I would like to just make a reference to some of the comments by the Honourable Member for Wolseley, to indicate to him that certainly I appreciate the problems which he has referred to. But again I have to say to him that I find his position inconsistent and very paradoxical, that when we're dealing with an issue of international crime, he prefers to take an ultra-liberal soft position and in fact implores, implores with us to ease up, to restrain ourselves in our efforts to pursue this matter, and that I find most difficult to comprehend. I think one of the most damaging things that happened in the United States to the administration of justice, was the plea bargaining and the under-the-table arrangements that were made involving the former Vice-President of the United States, Spiro Agnew. I think another damaging thing that occurred was the pardon which was granted to former President Nixon by the present President Ford and I think probably this answers some of the reasons that he's in difficulty now in the primaries.

I say to the Honourable Member for Wolseley, if you're going to take a hard line position, then ensure that that hard line position is consistent throughout, from the small to the big, and from the rich to the poor and from the weak to the powerful, rather than establishing two sets of rules in a hard line position in respect to these various issues. I think if we're going to take a strong hard-line position anywhere, it should be with the big and powerful even more so than at the lower rung of the ladder, because we certainly have seen the direct results I think of the type of compromise that occurred at the top rungs of American society.

Now in answer to the Honourable Member for Fort Rouge, I would just like to run through the procedures. No application for an authorization - these are recent

SUPPLY - ATTORNEY-GENERAL

(MR. PAWLEY cont'd) tightening up in order to try to make these rules more stringent . . .

MR. AXWORTHY: Are these new procedures that have been established since . . .

MR. PAWLEY: Yes, since the Pilutik case. No application or authorization to intercept a private communication shall be made without the approval of one of three persons within the department, either the Attorney-General himself, the Deputy Attorney-General or the Director of Prosecutions. Where an application is made in writing pursuant to Section 178(12) of the Code, the Attorney-General has specifically designated in writing the following persons to make applications for authorizations to intercept private communications. This is of course after the request from the police. And the application to the court can be made either by the Deputy Attorney-General, by the Director of Prosecutions, the Deputy Director of Prosecutions, Mr. Dangerfield, Crown Attorney, Commercial Fraud Section, Mr. Bowering in Brandon, Mr. Guy, Crown Attorney here in Winnipeg, Mr. Rampersad, Crown Attorney, Mr. Newcombe, Crown Attorney and Mr. Nozick. These have all been authorized to make the individual applications on behalf of the three individuals earlier referred to that can authorize the application. No Crown Attorney is authorized to make any application without the approval of either, as I said, the three of us. Only the following police officers will be permitted to contact the Attorney-General or one of the aforementioned agents for the purpose of making application for authorization. Police . . .

MR. GRAHAM: Mr. Chairman, on a point of order.

MR. CHAIRMAN: What is the point of order?

MR. GRAHAM: I think we're dealing with Law Enforcement, not constitution, and I would suggest to the Minister that he confine those remarks to his Minister's Salary rather than Law Enforcement.

MR. PAWLEY: I was trying to answer the Honourable Member for Fort Rouge's questions.

MR. GRAHAM: I think his questions were out of order too.

MR. CHAIRMAN: The Chair is of the opinion. . .

MR. AXWORTHY: Mr. Chairman, I'd like to . . .

MR. CHAIRMAN: . . . that the questions and the answers fall within the ambit of this particular section. The Honourable Minister.

MR. AXWORTHY: Thank you, Mr. Chairman.

MR. PAWLEY: The police officers that may make the request to the Attorney-General's department are the Chief of the Winnipeg Police Department, the Deputy Chief, the Assistant Deputy Chief, the Commander, the Deputy Commissioner or the RCMP "D" Division, the Commanding Superintendent in charge of the RCMP and the Chief Constable for the City of Brandon Police Department. No application for an authorization can be made by the Crown unless he is personally contacted by one of the six police officers. Six police officers are the only police officers to make applications for an X party in an emergency situation pursuant to Section 178(15) of the Code, and we haven't had any of those emergency situations. However, before emergency application may be made, approval must be obtained by one of the six police officers from either the Attorney-General the Deputy Attorney-General or the Director of Prosecutions.

Now in addition, one other point should be mentioned, that insofar as the applications for the order for wiretapping that is presented to the courts, the Crown Attorney has been requested to limit the scope of that order that vague or general terminology not be used, such as all places customarily used by the party that is in the process of being investigated; that the order would spell out the addresses at which the wiretapping is to take place rather than the general sort of terminology that could occur if there's too wide a latitude provided. So that has been an additional instruction which has been issued.

Insofar as the leaking of information, it's covered for I think as stringently as possible under Section 178(20), Subsection 1 and 2 of the Criminal Code, where if private information obtained by way of the wiretap is in fact leaked or released, there are very stringent provisions, it's very much of course a breach of the Criminal Code and is an indictable offence.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

SUPPLY - ATTORNEY-GENERAL

MR. AXWORTHY: Mr. Chairman, I'm certainly pleased to understand that there's been some new guidelines and procedure set forward. I think that some of the questions still remain unanswered though. One of course is, is this particular province going to be taking any stand in relation to the new legislation based upon our own experience here where we have had to come to grips with the difficulties of trying to apply the law as it now stands and the kind of licence that that present law allows. Is there not some concern that in fact the new or proposed amendments that the Federal Government is considering would vastly increase that licence and allowance and therefore would make the application that much more difficult and the potential uses or abuses much more widespread. I would be interested to know if the Attorney-General has communicated with the Minister of Justice or plans any form of communique with him while the present amendments are being considered.

MR. CHAIRMAN: The Honourable Minister.

MR. PAWLEY: I have communicated with the Minister of Justice and have asked him to provide for me justification, particularly in reference to the extension of the criminal offences for which wiretapping can take place. As presently exists, the number of offences are limited, conspiracy, murder, rape, attempted murder, treason, etc. The proposal is to open up the door and to extend to all indictable offences. I have written to the Minister of Justice indicating reservation about this intent to broaden it to take in all offences and I've requested him to provide me with an explanation or rationale for broadening. Now I must say, contrary to his usual manner, because generally he has been very responsive on matters raised, I don't believe we've received any answer yet from him in that connection. So that is certainly very much an area that does concern me. I hope to have the Minister's response so that I could see what side of the argument is, because I have not been convinced before I take a definitive position in connection with that, but I have serious reservations about extending the grounds to take in all indictable offences.

MR. AXWORTHY: I'd also like to ask the Attorney-General if he has met with the police departments in the province, particularly those that would make use of wiretap provisions, to discuss with them the way in which the information is acquired through taps is in fact applied? And I guess the nub of the question I'm getting to, is to what degree is the information that is acquired through a tap used for purposes other than the specific case or the specific charge that they're investigating? I know that there is a grey area of the law in terms of the use of that evidence, but I would really like to know from the Attorney-General whether in fact his department has investigated or has a fairly clear understanding or picture of how police departments in their use of information, how widespread it is, who uses it, where it goes, and whether in fact it becomes the basis for a whole multiple series of investigations or charges arising out of that information.

MR. PAWLEY: Does he mean, is the information that's obtained by way of wiretap being used for other purposes?

MR. AXWORTHY: Yes. Mr. Chairman, in specifics, the concern that was raised as a consequence of the Pilutik case was that you had lines of some additional members of the judiciary tapped, there may have been several other taps that we don't know about involving people perhaps in the legal profession, a great deal of confidential communications would have been listened into or would have been acquired which could have affected a number of cases. I would really like a clarification of the law in this case and to what degree can the police use that information as evidence for further cases they may want to charge or whether there are some very specific limits set upon the use of such information.

MR. PAWLEY: Under Section 178(20)(1) there is a prohibition as against using information obtained by wiretap for any purpose but for that for which it was being obtained. There are exceptions. The exceptions are spelled out under Section 178(20) Subsection 2, purpose of giving evidence in civil or criminal proceedings; purpose of criminal investigation of private communications lawfully intercepted, etc. We interpreted this Section 178(20) Subsections 1 and 2, for instance, to prevent us from providing to the Law Society the information obtained specifically from the wiretap itself, that to do that would in fact

SUPPLY - ATTORNEY-GENERAL

(MR. PAWLEY cont'd)be a breach, and I understand the Law Society's legal counsel concurred with our opinion that it would be a breach to the Criminal Code to provide that particular information to the Law Society.

MR. AXWORTHY: One final question, Mr. Chairman, and that is: Could the Minister indicate without dealing with specific cases, what in fact wiretaps are used for in this province? What kind of investigations are the taps applied to and what kind of crimes are being used as a way of . . . well, I'd like to know if the Attorney-General can give us some . . . I gather under the Criminal Code or the wiretap legislation, there's a requirement every six months to make a report. I'm not sure of this, but it seems to me that if there's an extension on wiretaps in terms of informing somebody whose telephone lines or something are being hooked into, that those extensions then advocate that requirement to be informed. I'd also like to know if you could give us some idea, based upon these reports, the kinds of situations the police are likely to use wiretaps in. Is it especially in drugs, or gambling, or is it fraud, what sort of areas do we use wiretaps for?

MR. PAWLEY: They're spelled out in the Code as to which offences wire-tapping can be done.

MR. AXWORTHY: Mr. Chairman, I'm more interested though that are to be issued in the province in terms of . . . Does not the Attorney-General have to issue a report every six months?

MR. PAWLEY: Yes, and in that report it indicates the particular offence for which the wiretapping was done. It's so extensive that I wonder why the need to broaden it beyond what it is, because I could race through all the offences if members of the committee would like to hear. There's about 30 different offences for which wiretapping is permitted, from treason, violence, violence to Parliament or Legislative Assembly, sabotage, forge or utter passports, sedition, highjacking aircraft, possessing bombs, explosives, bribery, fraudulent dealing with government, forgery - and it can go on and on, murder, attempted murder, etc. I could read all this into the record if honourable members would like.

MR. AXWORTHY: No, I'm just wanting to know. . . Can the Attorney-General give us an indication based upon the reports that are public or that have to be made public by him, are all these offences the areas in which police departments in the province use them, or are there certain areas where wiretaps are more likely to occur than others, that sort of thing? Is there any breakdown he can give us as to what areas. . .

MR. PAWLEY: Yes, there is a breakdown in our last publication which was required by law in the Manitoba Gazette, March 27th, 1976, Criminal Code Sections 108(7), 109(7), 218 Subsection (2)(1), 302(3), 306(3), 312(4), 338(4), 389(1) . . .

MR. AXWORTHY: Mr. Chairman, I don't want to interrupt the Minister, but I don't know what all these numbers mean. I mean, they're in the Criminal Code but I don't have a copy of the Criminal Code in front of me to, and I'm not trained in the law sufficiently to make a quick connection between what 308(3) means.

MR. PAWLEY: We'll just check them out. There was 7 under Section 108, which is bribery of a public officer; then there was Section 109, it deals with the same; Section 218, Subsection 2, murder - there was one there; Section 302, robbery, three; Section 306, break and enter, there were three; 312 possession of stolen property, number was four; 338, fraud, there were four; 389, arson, one; 408, possession of counterfeit money, four; 421, there were two; and then Section 423 there were 14. Mr. Pilkey is just checking. Attempt to commit an offence, 421; 423 conspiracy to commit an indictable offence, 14 under that section.

MR. AXWORTHY: Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Thank you Mr. Chairman. I too was quite concerned about wiretaps during a criminal investigation. I think the Minister has allayed some of the fears I had by telling us the changes that have taken place within his own department. The one question I had to the Minister: When there were wiretaps and there were three or four other judges tapped at the same time, has that been corrected? I wonder if that

SUPPLY - ATTORNEY-GENERAL

(MR. PATRICK cont'd)has been corrected or is that happening again that somebody else's line will be tapped when you're tapping on the line?

MR. CHAIRMAN: The Honourable Minister.

MR. PAWLEY: Well I wouldn't like to say that would never happen again. In this particular case it, I think, happened because the police were dealing with a common switchboard line. I think the experience there will cause it not likely to occur again, because as I mentioned earlier, the order that is obtained from the Court of Queen's Bench will be much more specific than it was earlier, so that it would have to spell out the telephone numbers themselves for which the wiretapping was to take effect for. So it should not happen again.

MR. PATRICK: Mr. Chairman, I have another question to the Attorney-General. He gave us the statistics, and there's quite an increase in the rape cases in the Province of Manitoba. My question to the Minister is, perhaps there'd probably be many more and the statistics would be higher if they would be all reported. There's new legislation that's proposed, I believe by the Federal Government. Has the Minister any communication with the Federal Government where there would be a prohibition against cross-examination of a victim regarding moral integrity, previous sex life and so on? Is there any progress made in that direction, because I believe if the rape legislation was changed there probably would be a higher percentage of rape cases reported.

MR. PAWLEY: I'm sorry, I was distracted.

MR. PATRICK: Excuse me, let me pose the question to the Minister again. The Minister gave us the statistics this morning on rape cases in Manitoba and they've increased quite a bit, and I believe the percentage would be much higher if all the cases were reported to the Minister, I don't believe that all are reported to the police as well. And the reason for that is because of the present legislation and the kind of cross examination that takes place. Now my question to the Minister is: Is there any progress made with the Federal authorities of changing that rape legislation where there may be some prohibition against the cross-examination of a rape victim regarding the moral integrity, previous sex life or police procedures, if there would be a change in that.

MR. PAWLEY: There's amending legislation now before Parliament, it should be law shortly, which restricts the cross-examination of a complainant to material which is relevant or material. So that a complainant cannot be, like put on trial as she has been in the course of a cross-examination previously, so there is that amendment. And there are other amendments to the Code. For instance, change of venue legislation in small communities where there is a rape case, making it easier to obtain a change of venue, and some other amendments which I think will improve the Code legislation pertaining to rape cases.

MR. PATRICK: What about any changes in police procedures as well?

MR. PAWLEY: I wonder, in what particular respect did the . . .

MR. PATRICK: Well the same thing, interrogation of the victim.

MR. PAWLEY: No, there's no legislation on that.

MR. PATRICK: Because I believe the same interrogation takes place about the previous sex record or sex life of the victim and so on.

MR. PAWLEY: No, there's no legislation pertaining to that.

MR. PATRICK: Okay.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Starting in no particular order, I wanted to respond to the Minister's comment that he said that I might be inconsistent pertaining to my plea to halt the spending over and above the \$2 million mentioned. I just simply had said restrain ourselves. . .

MR. PAWLEY: Mr. Chairman, just on a point of order. I have never at any time indicated that there was \$2 million spent on the CFI criminal prosecution matter, at no time.

MR. WILSON: Well I was referring to the article by Robert Matas. However...

MR. PAWLEY: Well that is incorrect, if the article said that there was \$2 million spent in criminal prosecution work pertaining to CFI.

SUPPLY - ATTORNEY-GENERAL

MR. WILSON: I'm glad the Minister has corrected that. But irrespective of that, I just felt since 1971, and I realize things take time - back in 1971 and probably 1972 I would have supported the Minister, but I think when we talk about what's going on now because of fiscal restraint, that we're talking about commercial fraud dollars on one hand and we're talking about beatings and flesh on the other hand; we're talking about human beings versus the white collar fraud on the other side. And I think the man on the street is looking for protection at the street level, he's looking for protection in his community. So I just felt, whatever the figure is - if it's not \$2 million - that's what we're talking about when we talk about prioritizing. I hope that I'm wrong, I hope the Minister is successful in bringing Dr. Kasser to justice, but I just really was looking for an evaluation and I still maintain my stand that I have a very strong personal feeling that we're not going to be successful and so I was asking the experts in this community to have the same evaluation and express their same feelings on it.

Now pertaining to the matter of wiretaps, I wanted to support the Minister because I think we've got to roll up our sleeves. I'd like to put on record anyway that you can carry this nonsense too far and I'm sorry, the white glove and sort of the limp wrist attitude that members of one of the opposition parties have taken in criticizing the Minister pertaining to wiretaps. I would encourage that his department use them in whichever way, shape or form that they have to to help solve some of the murders and violent crime in our community.

I also wanted humorously to talk about another law that I call taxpayers' law. --(Interjection)-- Well, because I had the Member for Morris come in here and say there's two people have phoned and said that the tenants of the Imperial House are up in arms because apparently there's 20 Rent Review Officers there partying it up, or whatever they're doing, making a noise, and they have nothing to do. And they're all on the public dole, they're all making administrative salaries, and I think that's the kind of thing that should be checked into. And I wanted to put it on the record. I don't know how many there are, but the other tenants in the building at Imperial House are complaining that there's rowdyism going on there. That to me is also enforcement of some type of law, whether it's a taxpayer's law or whatever.

In support of the Minister's new stand on per capita grant for - we're talking about policemen - I think, and my experience on city council dictates that we've got to give the law enforcement section of the city the money and the tools to operate, because politicians somehow or other treat law enforcement. . .there doesn't seem to be any vote in crime prevention and so the result is when you give the city the money on a holis-bolis situation, they have a tendency to spent it on low priority situations, and so if you give them a per capita grant then the onus is on the police chief and the administrators of justice in our city to perform. So I think if we could turn around and do what the Minister is suggesting for the first time and give the money earmarked to protect us from criminals on the loose, the ones that are repeaters and possibly first-time offenders, I think that we'd end up having the money for team policing. Because what happens you talk to the man on the beat. He says, I don't want to go to the hotel when it's closing hour, what am I going to get, my head beat in? What I'm saying is, if you have two or three policemen go together then they don't mind earning their pay cheque, and this is what I'm talking about. I'll wrap it up by saying that it seems that the kids are on a high and the degree of policing determines how far that high will carry them. In other words, they all are on this great trip today and that trip will carry them so far, there's a fine line between serious breaking of the law and others. And what happens if you don't have some education, or if you don't have some responsibility, and I refer to hotel owners as an example. That, as I say, becomes very complex, because then the citizens of the area I think - and I'm trying to educate them - if they're dissatisfied with the way a local hotel is run, they've got to get on the phone to the Liquor Commission, on to the Minister of Tourism, and register their complaints, because whenever it hurts the pocketbook the businessman always seem to respond.

I'd like to be able to try to finish the Estimates today so I won't belabour the fact and I'll close with those remarks, except --(Interjection)-- I wanted to refer to an

SUPPLY - ATTORNEY-GENERAL

(MR. WILSON cont'd)October 3rd, 1975 comment made by the Minister in which he said: "The rise in commercial crime is because of the greater availability of credit." I noticed that he talked about at least 100 percent increase in his new commercial fraud section and I think that's a step in the right direction.

So I've been able to get those things on the record and I just hope that things improve.

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

MR. GRAHAM: Mr. Chairman, it was not my intention to ask any questions on wiretapping under this section, but seeing as how the Minister has chosen to deal rather extensively with it, I would like to ask him one further question. The Superintendent of the RCMP has indicated that there was some 70 cases that they chose not to proceed with wiretap proceedings because they felt that the 90-day limit before notification might in fact jeopardize their case rather than enhance it. I would like to ask the Attorney-General if any of those cases occurred in the Province of Manitoba.

MR. CHAIRMAN: The Honourable Minister.

MR. PAWLEY: Mr. Chairman, I'm afraid that there would be no way that we would know. Certainly we have not been informed that any of those cases occurred in Manitoba.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Mr. Chairman, on the same subject. I just wonder what the people of Manitoba would think if they heard the discussion that has gone on in the last few moments. All of it is to the good. So far as I'm concerned I think this wiretapping is for the birds, and I say this --(Interjection)-- Order please. I have the microphone. You'll get your chance later.

MR. CHAIRMAN: Order please.

MR. BILTON: Mr. Chairman, I don't wish to create any criticism insofar as the Attorney-General is concerned. It's written into our law books, unfortunately, and I want to compliment him on the caution he is showing with the Federal House with a view to limiting this type of activity. We find ourselves - and politics aside - we find ourselves with the people of Manitoba owning the telephone system and the telephone system being used at the behest of those individuals in authority that is dispensed by the Attorney-General. And here again I would hope that he would use it with a great deal of caution. But it's a very very serious situation when our society in the province of Manitoba should have this harnessed on them. You can tap my line, I can't do anything about it. How do I know? And the man on the street - the man on the street, Mr. Minister, we've only touched the tips of the iceberg on this particular item; and I am sure the people of Manitoba would be alarmed to think that this sort of authority is available to an organization such as the Manitoba Telephones, which belong to the people of Manitoba. I know they will be used with discretion, but it seems to me that somehow or other, Mr. Minister I would prevail upon you to see to it that it is used in a most limited stage, the most limited stage. And insofar as the police are concerned, I believe you said that the assistant commissioner which is the officer commanding for the Province of Manitoba, I believe you said that he had authority to wiretap, does he have that authority without your giving him authority?

MR. PAWLEY: No, he hasn't. He has the authority as an individual to make a request on behalf of the force to the personnel, or his designated official. Only the Court of Queen's Bench can actually authorize, which is made as a result of an application to the court for . . .

MR. BILTON: And the same would apply to the Chief of the City Police?

MR. PAWLEY: Yes.

MR. BILTON: And they cannot do any wire-tapping unless that authority is given by those individuals?

MR. PAWLEY: No, by the court.

MR. BILTON: By the court. How many cases have been handled in this way over the past year in the Province of Manitoba?

MR. PAWLEY: I believe it's 18, if I recall from the . . . 18.

SUPPLY - ATTORNEY-GENERAL

MR. BILTON: May I go a point further, Mr. Chairman. I take it that the Attorney-General has reviewed all the material to do with those 18 cases and he in his wisdom considers that each and every case was justified.

MR. PAWLEY: Mr. Chairman, if the question is to the office of the Attorney-General, yes, each and every one is reviewed. Certainly I do not review the individual case files. Officers within the department are designated to handle those. Three individuals receive the requests, eight individuals within the department review the particular files prior to the application to a judge of the Court of Queen's Bench, prepare the material and submit the argument for a wiretap permission to a judge of the Court of Queen's Bench. The judge of the Court of Queen's Bench then determines whether this should be allowed. Now last year there were 18 applications and 18 authorizations so that in each and every case the judge of the Court of Queen's Bench felt there was sufficient material submitted under the provisions of the Code to warrant the issuing of an authorization.

MR. BILTON: I thank the Minister for his opinion, and I have every confidence in him, he may be assured of that. But this is on the way in my humble opinion to a police state and I would remind you, Mr. Minister, that this was the secret of Hitler's success and let's keep it at the lowest level we possibly can.

MR. CHAIRMAN: The Honourable Minister.

MR. PAWLEY: Mr. Chairman, I would like also if I could - the Honourable Member for Swan River would be interested in the grounds, what must be shown to the court prior to the authorization being granted is spelled out in 178 (13) subsection (1) of the Code: "The judge must be satisfied that it would be in the best interests of the administration of justice to do so and that (a) other investigative procedures have been tried and have failed; (b) other investigative procedures are unlikely to succeed; or (c) the urgency of the matter is such that it would be impractical to carry out the investigation of the offence using any other investigative procedures."

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Just one more question. In case I'm tapped, could the Minister tell me what sound I must listen for to be sure?

MR. PAWLEY: I'm not going to announce it.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, in listening to the remarks of the Member from Swan River and the explanation of the Minister, I'd like to know how the Member for Swan River figures we can ever catch these people if we don't do something like this. Has he got any ideas? He's a policeman himself in fact...

MR. BILTON: Putting the boots to him in the good old fashioned way.

MR. HENDERSON: Mr. Chairman, I think it's all right for a joke, you know, but you don't put the boots to those fellows, and you don't catch them unless you play their own game. So I think it's quite sensible under the conditions that the Minister listed.

A MEMBER: What are you saying?

MR. HENDERSON: I'm saying it's quite sensible under the conditions that the Minister listed, and if you try by putting the boots to him, you'll never even see who he is.

MR. AXWORTHY: Mr. Chairman, could we let the Tories have a caucus?

MR. CHAIRMAN: Order please. Resolution 26 - Resolved that there be granted to Her Majesty a sum not exceeding \$8,257,500 for Attorney-General--pass. Resolution 26 Public Trustee (a) Salaries - the Honourable Member for Birtle-Russell.

MR. GRAHAM: We're dealing with 27, are we?

MR. CHAIRMAN: Resolution 27(a).

MR. GRAHAM: Under Public Trustee, can the Attorney-General give us an accounting of the changes that are taking place within this department and how fast those changes are occurring?

MR. CHAIRMAN: The Honourable Minister.

MR. PAWLEY: Mr. Chairman, this was a department of the Attorney-General that was certainly in pretty bad shape. Honourable members will recall that two years ago the Ombudsman in his Annual Report condemned the handling of certain cases by the

SUPPLY - ATTORNEY-GENERAL

(MR. PAWLEY cont'd)Public Trustee's office, and as a result of demonstrated negligence and unbusinesslike procedures the department felt required as a result of the ombudsman's recommendation to pay out substantial sums of money. Since then there have been a number of changes made. First, Mr. J. D. Raichura is now acting as Public Trustee and has brought about a number of tightening of various procedures to avoid conflict of interest situations, to require for instance the obtaining of Estimates prior to the sale of property. Also with us today is Mr. Surman from the Public Trustee's office who is dealing with the administrative functions of the office. Before there was no division of responsibility, Public Trustee had to handle both trustee and legal matters and the administration, too much grouped within the capacity for one man to handle, so that there has been an improvement there. And there have been some other improvements, the reorganization of caseloads to increase their efficiency; there's been improvement made in the accounting system to improve management information and controls, and there's been issuance of procedures and controls throughout the Branch. So there has been a tightening - quite a tightening within the last two years of procedures within the Branch.

MR. CHAIRMAN: Resolution 27(a) - the Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Chairman, can the Minister then outline what course of action is open to members of the family of one whose affairs are administered by the Public Trustee. If they are unsatisfied with some of the actions that are taken by the Public Trustee, what course of action is open to them?

MR. PAWLEY: Mr. Chairman, it would depend I suppose on the nature of the complaint. But one of the advantages of the Ombudsman vis-a-vis other forms of trustees is that since it is a provincial office, provincial public servants, the Ombudsman comes within the jurisdiction of the Public Trustee, and certainly that has been most beneficial to members of the public because really credit here must go to the Ombudsman for exposing some pretty gross inefficiencies in this office and having brought about the payment of large sums of moneys by way of settlement. Of course the Public Trustee is also accountable to the courts like any other citizen and as well as to the Ombudsman, to myself as Attorney-General, so that complaints can be lodged Ombudsman, the Attorney-General himself, or through court procedure if necessary.

MR. GRAHAM: Mr. Chairman, we all realize that the Ombudsman does serve a function in this province. Unfortunately whenever a case comes to the Ombudsman, it is usually 12, 15, 18, up as high as 24 months after every other avenue has been exhausted, usually the Ombudsman is the last resort. I'm just wondering what procedures are presently in effect, and if there are none, does the Attorney-General plan to provide for members of those whose estates are handled by the Public Trustee, some expedited method of dealing with aggravations or grievances towards the action that has been taken by the Public Trustee on their behalf.

MR. PAWLEY: I believe that the improved reorganization that I referred to earlier has effectively come to grips with this problem in itself. It's pointed out to me, information given to me by staff, that the last report of the Ombudsman unlike the previous reports relates to only one complaint involving the Public Trustee's office. With that particular complaint the Ombudsman found that the Public Trustee had acted properly and had acted within his authority. So that it appears compared to previous years there has been a vast improvement here, that the reorganization and the tightening up of procedures in themselves has apparently effectively eliminated much of the earlier difficulties.

MR. GRAHAM: Mr. Chairman, that may very well be, but that is because of the fact that this has been brought to the attention of the Attorney-General through the office of the Ombudsman. The point that I am trying to make is that at the present time the members of a family that is administered by the Public Trustee in effect have no available means of recourse to adverse decisions made by the Public Trustee acting on their behalf. They have no place to complain other than to the same person that is administering their estate. Can we not build into this department some means of settling disputes or providing those that are aggrieved a third party so that their complaints whether they are legitimate or not can be heard. At the present time all that we have is the Ombudsman.

SUPPLY - ATTORNEY-GENERAL

MR. PAWLEY: The only thing I could comment is that parties feeling themselves aggrieved certainly would have recourse to independent legal counsel and would have recourse to the courts if they feel that the Public Trustee has acted unlawfully in any respect.

MR. GRAHAM: Mr. Chairman, that may be true, but the Honourable Attorney-General also knows that before anyone can sue the Crown and an agent of the Crown they have to have the approval of the Crown.

MR. PAWLEY: No, Mr. Chairman, that's no longer the case. The Public Trustee here has no more protection insofar as suits or actions than a private trustee. In fact there's one additional element here that the private trustee does not enjoy and that is the existence of the Ombudsman, an Ombudsman who would have no jurisdiction to be involved in a dispute involving a private trustee.

MR. GRAHAM: Mr. Chairman, in almost all of the legislation that we have dealt with in the past several years, since I've been a member, we have usually built into legislation appeal procedures, the establishment of third party tribunals etc., which can handle matters that require adjudication. All I'm asking the Attorney-General is; would he consider putting similar type legislation on the Statutes of the Province of Manitoba to deal with cases that come under this particular department?

MR. PAWLEY: Mr. Chairman, I think that The Trustee Act in itself establishes certain procedures and the Public Trustee is bound by The Trustee Act as is a private trustee so that the procedures contained within The Trustee Act are applicable in the case of the Public Trustee.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Chairman, I only had one question. Has the caseload become heavier for the Public Trustee's office. I'd like to know how many people were being processed in one year previously and how many now? Has the caseload become larger?

MR. PAWLEY: Mr. Chairman, the caseload has remained pretty well constant from one year to the next. There is more activity though in each case file because of the Property Tax Credit Program, the Cost of Living Rebates, etc. More forms have to be completed. But insofar as the number of case files, they've remained pretty well constant.

MR. HENDERSON: Thank you.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, I have a question to the Attorney-General. Can the Attorney-General indicate if the Trustee is involved more in the disposition of estates or is he involved more as a guardian for infants of estates. What would involve more?

MR. PAWLEY: The areas of responsibility of the Public Trustee would be - and I should mention this pamphlet will be distributed shortly spelling out the areas of responsibility of the Public Trustee. Reading from it a very concise summary: "Power to act on behalf of the estates of the mentally disordered, the estates of deceased persons, minors as official guardian and trustee of their funds." And in all three cases the Public Trustee comes into action either through the court when it is shown that there's no one else to look after the affairs of the person involved or as a result of medical finding of mental disorder at the request of relatives who either cannot or do not want to become involved in the handling of the estate.

MR. PATRICK: I appreciate that that's three areas of responsibilities, probably the largest areas. Mostly would it be disposition of estates?

MR. PAWLEY: Eighty-three percent of the cases would involve mental health and administration of those estates and the remaining 17 percent would relate to the other two functions, trustee and official guardian functions.

MR. PATRICK: I see. Then there would be, Mr. Chairman, quite a bit of work as far as administering estates. In many cases, I believe, the Minister indicated at one time where we ran into difficulties where we didn't get any appraisals on some of the properties that were disposed and this is where the difficulties arose. What is the procedure now? Do we get one appraisal from a credit appraiser or do we get two appraisals? Because even if we get two, the cost still comes out of the estate and it may

SUPPLY - ATTORNEY-GENERAL

(MR. PATRICK cont'd) be worthwhile to spend \$50 for an appraisal, if you get two that's \$100. Then you know you have a complete record and an almost accurate evaluation. But there may be a time if you only get one, there could have been an error in judgment or something. Can the Minister indicate what is the procedure?

MR. PAWLEY: The property is appraised either through the Land Acquisition Branch or through private local agents, particularly if it's in the rural area. Then the property is listed and is generally sold by public auction. But if the bid is not high enough then there is the right reserved to not permit the property to go to the bidder but to be sold through a private means for the appraised value.

MR. PATRICK: Do most properties sell within the appraised value when you ask for public auction, or is it sold very much below.

MR. PAWLEY: Usually, I'm informed, the Trustee has been able to obtain a higher price than the appraised.

MR. PATRICK: He's doing a good job, Mr. Chairman.

MR. CHAIRMAN: Resolution 27(a)--pass; 27(b)--pass; Resolution 27: Resolved that there be granted to Her Majesty a sum not exceeding \$528,400 for Attorney-General--pass.

Resolution 28. Legal Aid: (a) Salaries - the Honourable Member for Wolseley.

MR. WILSON: Mr. Speaker, my first comment is to go back only about three years ago when I looked at a very modest budget. Today we are looking here in front of us, exclusive of other charges, of \$2.7 million which to me is at a time of restraint a very substantial increase. I look at last year's Hansard in which the Member for Sturgeon Creek in the space of about six or seven lines wrapped up this resolution and similarly was called Resolution 28.

I feel duty bound because of the fact that there doesn't seem to be anything stopping this legal lava from flowing into every section of our province in a very expanding rate. I find it very disturbing that the growth of Legal Aid coincides with the number of increased cases we have in the courts, the number of capital construction, the increased crime, the increased financial write-offs by companies. I find that it seems to be the general consensus that everyone pleads not guilty today because a lawyer is available. I would have much preferred a leaning towards, rather than a universal legal care system, to one that everyone should have their day in court pertaining to criminal action. It's interesting to note that in the 1974 report that 55 percent of the cases handled by Legal Aid were for civil actions.

The intention of everyone should have their day in court and not be railroaded into jail has now been shifted over to civil cases. Before too long probably corporations will be given Legal Aid and we'll have a universal Legal Aid program. I'm very very concerned where we are going in this area. Every few months you pick up the paper and without them going to the AIB, they're increasing the Legal Aid ceiling so that pretty soon every one will qualify, if they choose to be slightly less than honest, for Legal Aid.

I would like to know if under this system there is the type of thing that was reported in the Globe and Mail where under certain systems - I believe it was March 23rd, 1976, where it was suggested that a list of lawyers was kept on the basis of their electoral efforts rather than on their legal skills which are used for business in this regard. I just throw that out because I think the Minister should respond because if this happens in Quebec it may not happen in Manitoba and I would like the Minister's assurance in that regard.

I'm very concerned because it seems that everyone thinks it's morally acceptable to accept Legal Aid and I must say that the administration of legal aid by and large and certainly, the director has been more than helpful at any time I've written to him or sought information. I have told him that regardless of where we stand that I am against the expansion at this particular rate.

The Federal Government has given the Minister a 25 percent increase to \$750,000 a year and that, to me, doesn't seem to be a licence to go out and expand in the area of civil action.

I am concerned also in the area of family law where in the old days the

SUPPLY - ATTORNEY-GENERAL

(MR. WILSON cont'd) marriage counsellor used to save marriages. It seems now that marriage counsellors are really just agents for Legal Aid. I have a very strong feeling that the dollar motivation - and it has been reported to me in several cases where there's a possibility, it's been suggested that lawyers are immediately appointed to the domestic problem of the family and I wish that this area, to the director and to the Minister, that this area would be looked at so that the marriage counsellors were there to save marriages and not to appoint each side a Legal Aid lawyer.

I'm very concerned because I had several personal experiences where Legal Aid in my opinion was used for political purposes in which, as a member of city council, I received a letter from a gentleman pertaining to the cost-of-living increase for welfare. I supported it without the letter from Mr. Larson on Legal Aid stationery but I thought it was rather odd that we had this program of which I had to receive a letter from Legal Aid telling me how to vote on a political issue. I raised heck when I was wrongfully named in the Metropolitan Properties case in which a number of political activists attempted to hire legal aid. The Minister might tell me if those people were ever successful in getting a certificate because I was given the assurance that in light of information that I supplied to Legal Aid that this particular active group would not be given legal aid. I'm wondering how many other cases against other politicians have been able to receive Legal Aid for what I consider political purposes.

I'm also concerned about the moonlighting because in my opinion - like I've suggested for court reporters - the Legal Aid staff is on a very large salary; they're very well paid. When I went to the legal staff of city council because a member of the staff was taking the city to court, as suggested under Section 87(3) there was a definite conflict of interest. Nothing was done.

I'm also concerned that there's no recovery, no recovery, and I repeat, for the victims. It's a very strong term and I sometimes use them but I say the victims of the system, the victims of the system, the victims of Legal Aid, when someone is able to get Legal Aid on a suggested frivolous or possibly borderline case, that the courts do not award costs to the person who is taken to court and the result is he loses either way. He loses because even though he wins the case he's subjected to his large legal bill.

I suggest to you that many small businessmen and businessmen in this community that Legal Aid is the cause, one of the underlying causes of inflation. Because all these legal costs and time in court are passed on in the goods and services whenever these justified or frivolous, or whatever you want to call them, cases are taken before the courts. This is a fad of the 70s which never existed before, and I'm very concerned because many businessmen, many of the top corporations in this city, are simply writing off their bad debts and passing them on to the people that pay their bills. Manitoba is becoming a debtor's haven because of the availability of Legal Aid to throw road blocks in the way of collections.

I also wanted to find out, and it takes quite a bit of detective work sometimes, how much the consolidated fund receives from the lawyer's trust accounts. It would seem to me that if the lawyers are doing such a land office business, why has the amount of the money to the consolidated fund not increased drastically. I noticed here, if I may read this into the record, that \$1,353,546 went in 1974-75 to the consolidated fund from the lawyer's trust accounts. The former Attorney-General, Mr. Mackling, in a public record, indicated that at no time would the taxpayers of this province have to pay for Legal Aid, that it would be entirely paid for out of the trust funds from the lawyers of this province. And maybe I wouldn't be such a strong advocate of holding the line, because there is some things in the educational field that Legal Aid is doing on a positive side. I particularly am impressed with the community Legal Aid offices in which they're dealing with preventative law, and they get together with communities and tell them how to behave themselves and avoid some of the pitfalls of the shady side of life.

I also refer to the Minister's comment when he says our Legal Aid program is the best in North America. Why does it have to be the best? We're in the centre of Canada, we have an excellent chance because of our geographical location to have one of the lowest crime rates in Canada, and we could have one of the lowest Legal Aid budgets

SUPPLY - ATTORNEY-GENERAL

(MR. WILSON cont'd) in Canada if we so chose. But I can't help but feel that the government in their wisdom and this is no reflection on the Minister, feels that every person that receives Legal Aid might give a vote to his party. I suggest that there may be in some cases a politicized motive behind some of these situations. I know that's a fairly strong term but I've had reason to believe that that takes place.

I wonder if I could quote from the Minister the other day of May 11, when he said that he was pleased he could indicate most areas in Manitoba are now covered by the services of a Legal Aid clinic. In other words Legal Aid has truly become universal in Manitoba. He also thanked the co-operative efforts of the Manitoba Bar and the private bar and I wondered if the private bar is being truthful with the Minister. Can the Minister indicate that all the lawyers in this province are supporting the Legal Aid expansion? Are they pleased about the end of the road situation where they may all become lawyers of the state through a liticare program.

It's funny, when people think something is for free they have a tendency to use it more freely. I think if somebody had to buy a pair of glasses under a social program of free glasses they're liable to have three pairs a year. But when they have to pay for it themselves they have a tendency to look after things. I'm of the same opinion that this is discriminating against the people that are willing to work, the work ethic is gone. Surely we could keep the ceiling down so that truly only the poor people of this province are given free lawyers, free legal situation. I don't mind legal advice. What I resent is the increased court cases that are going to court. I read figures where only 10 percent of criminal cases end up in court. I can tell you if we continue with this Legal Aid situation that courts will be jammed up and we won't be able to build the court rooms fast enough.

I'm very pleased that after a particular platform that I ran on in Wolseley, despite the area - there was many poor people in the area. I promised them that I would some time put on the record that Legal Aid has got to be slowed down. I'm not interested in out-socializing the socialists by taking all the lawyers and having them employees of the Provincial Government or an autonomous situation. It's funny, it's always easy to have these arm's length societies of which the government can simply say, we're not responsible because they're autonomous. I think the government is responsible for the actions of Legal Aid.

I'm very disturbed that many lawyers in this province can't afford a Portage Avenue store-front operation. They're being discriminated against because they have to pay their own secretary, their own office, their own phones, their support staff and they're held down to a fee schedule. They can't afford store-front operations.

I remember the old days when they were in a particular grass roots type of office. Today it's wall to wall carpeting and a massive barrage of pamphlets and people that are on the support staff or whatever, and I notice that they're very proud of the fact that they handled, it says here, 105,000 cases. They're very proud of their expanding role.

Another article on June 16, 1976, which comes from the New Democratic News Service or the Manitoba Government News Service, which says that they're opening new offices to replace the old quarters on Isabel Street. Again, everything has to be brand new. The cadillac image. I tell you in this type of restraint it's time we got off of Portage Avenue and got into some economic restraint. They talk about all the particular offices they are opening up throughout the province and they seem to be exceptionally proud of this fast moving expansion. I've noticed here that they now have a new schedule of allowable gross income of which it goes from \$6,600 to \$12,125. To me that is beginning to include almost everyone and all certainly everyone's wife unless they're professional people, who would be able to get Legal Aid. Again I refer to cases where - and this may be a congratulation to the director - but a man because he owned a house was thrown out bodily, apparently according to him, from the Legal Aid Offices on Portage Avenue, because he didn't understand English and because he owned his home on Spence Street. He was thrown out and the result was he was fined \$251.60 in court because some tenant demolished his suite and he had the nerve to throw him out.

SUPPLY - ATTORNEY-GENERAL

(MR. WILSON cont'd)

So I'll defer to other members. As I say, there's other things I wanted to talk to about Legal Aid, but I think I've covered the waterfront and given the Minister an indication that I'm against it. I want to hold-the-line situation on Legal Aid. I want some of the loopholes plugged. I want the people who work for Legal Aid, staff, to give us full time and no hanky panky with moonlighting and other side jobs.

Again if you would examine and tighten up and really examine some of the cases you're handling because we're not interested in how many cases you're handling. You've all got a job, you're not going to be replaced. Stop creating a lot of these frivolous cases and be prepared to give any member of both the government and opposition an open report as to what is really going on not just a very glowing thing of all the accomplishments. I am sure that if I was given the information - and again I was told because the Legal Aid Society is autonomous from government that this information is not available to me. I was told a very wealthy lawyer from Toronto, that his daughter walked in with an \$8,000 ring on and was given Legal Aid and this is the type of thing where I think that we have to be able, as members of the opposition, say where is our taxpayers' dollars being spent? It's not a witch hunt, I can assure the Minister, it's not a witch hunt. It's just a concern that somebody that cares, not just elected officials, but other taxpayers who may want to form groups in Ralph Nader style and want to see that we are getting, through an examination, value of our tax dollars. I'm sorry I took so much time but I did not want to happen what happened last year and only have a \$2.7 million item go through with only six or seven lines in the Estimates.

MR. PAWLEY: Mr. Chairman. I'd like to deal with a number of the specific items raised by the Honourable Member for Wolseley.

First he made reference to 55 percent of the cases involving civil. I would like to point out to the honourable member that when he refers to civil as though they were the type of party to party actions that within the heading "civil" is family matters, and of some 6,000 cases in the civil area last year, only 309 were not in the domestic field. So that really 95 percent of the cases under civil are domestic and family matters. I'm sure that the Honourable Member for Wolseley would not suggest for a moment that we get out of the Family Court, the Juvenile Court. This is certainly a very crucial area, I think, for Legal Aid to be involved in. Single parents and others certainly have no way of affording expensive lawyers.

Secondly, the member referred to increasing the ceilings. I would like to assure the member that the increase in the ceiling relates only to the consumer price index increase, that there is no increase in the ceiling at all except to keep up with the changing costs of living, which I think is quite natural. Because if there had been no change in the last five years, the criteria for entry was left exactly as it was dollarwise, then we would be down to very few that could apply. I believe 75 percent of those obtaining legal aid, 75 percent, 70 percent are earning less than a \$1,000 a year, less than a \$1,000 a year. So that we are looking at the vast bulk of people that are applying for Legal Aid being certainly those that are receiving less than \$1,000 a year.

MR. WILSON: Would the Minister permit a question? When you say 70 percent are making \$1,000 or less a year, does that mean to say that this also includes the wife of somebody who may be working, making \$40,000 a year in a family problem? Does she fall into that category of \$1,000 or less.

MR. PAWLEY: Yes, because she is in a family dispute and she has no way that she can bill her husband. She's commencing that family action on her own and even if her husband is a \$40,000 to \$50,000 a year man she can't send her own legal bill, no way, to her husband for payment.

MR. WILSON: I noticed that you have \$79,374 accounts receivable. Does this mean to say that you have people that owe you money under this program?

MR. PAWLEY: There are agreements in which people agree to pay part of the costs. There are recoveries when it comes to the straight civil matter. The five percent, for instance, that are not family matters, but are civil matters, there's recovery agreements where some of the fees can be recovered to Legal Aid. Even in family

SUPPLY - ATTORNEY-GENERAL

(MR. PAWLEY cont'd) matters, I'm informed that happens.

Now if I could just carry on. The reference to the Federal Government increasing by this year the sum allotted to Legal Aid, in the nature of \$250,000. I'd like to point out to the Honourable Member from Wolseley that this is an increase only after four years of existence of Legal Aid. It's not a huge increase in one year from the Federal level of government to Legal Aid in Manitoba. It's after four years. There has been a modest increase in the amount of money that has been available to Legal Aid.

I want to say to the honourable member that I don't comprehend his accusation that Mr. Larson is engaged in some form of political activity. Let me say to the honourable member I don't know what Mr. Larson's politics are, and to my knowledge he's never been involved in municipal, provincial or federal politics. So certainly he's not interested in pursuing any course of action for political reasons. I think he's referring to a letter that was sent out by Mr. Larson, but I'm advised it was pursuant to a case file which he was working on in which he was disputing the existing provisions in respect to municipalities not having to establish a minimum level for welfare. Now part of that is a political question at the level of the municipality but also there was some legal issues that were involved and I am not sure whether he has yet determined whether to proceed to the courts on the matter or not. There is certainly a legal issue involved as far as Mr. Larson was concerned in sending out the letter that the reference is made to.

I might just say to the honourable member that certainly Manitoba has not become a debtor's haven insofar as Legal Aid is concerned. Although the Osler Commission Report in Ontario said that our plan was among the best administered in Canada, it's not that our guidelines criteria is much more liberal than other provinces. I would think that there is great similarity from Quebec to Ontario, to Saskatchewan, right through Alberta to B.C. in the criteria by which Legal Aid is offered. There is no way that Manitoba is grossly out of step with other provinces in order that it should become as the Honourable Member for Wolseley suggests, a debtors' haven.

The no recovery for those that are awarded costs as against clients who are Legal Aid. The Legal Aid is concerning at the moment some arrangement by which some costs can be paid out of the funds of Legal Aid in instances such as that and that is being examined.

Also reference was made to former Attorney-General Mackling saying that no Legal Aid would be paid from taxpayers' money. I am not aware of any statement and I question the honourable member whether any statement was ever made or ever uttered by Mr. Mackling. I was in the House at the time and certainly I think it has always been understood that Legal Aid would be a combination of contribution, interest from lawyer's trust accounts, and from Consolidated funds. It was never expected that Legal Aid would be paid entirely from the interest from lawyer's trust accounts.

MR. CHAIRMAN: Order please. We will come back to the Legal Aid issue when the Committee next reconvenes. It's time for Private Member's Hour. Committee rise.

Mr. Speaker, your Committee of Supply has considered certain resolutions, requests me to report progress and beg leave to sit again.

IN SESSION

MR. DEPUTY SPEAKER: The Honourable Member for Churchill.

MR. OSLAND: Mr. Speaker, I move that the report of the committee be received.

MR. DEPUTY SPEAKER: The honourable member please give his seconder.

MR. OSLAND: Seconded by the Member from Flin Flon.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Acting House Leader.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, I gather it is the general disposition to adjourn instead of going to Private Members' Hour, in which case I would move, seconded by the Minister of Health, that this House now adjourn.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The House is accordingly adjourned and will stand adjourned until 2:30 Monday afternoon.