

TIME:8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY
ESTIMATES - CORRECTIONS

CHAIRMAN, Mr. D. James Walding (St. Vital): We have a quorum, gentlemen and the committee will come to order. I would refer the attention of honourable members to Page 33 in their Estimates Books, Resolution 64(c) Probation and Parole Services, (1) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Before we broke at 4:30, Mr. Chairman, the Honourable Minister mentioned that under Salaries he had 164 staff man years. Could the Minister inform us as to how many of those people are actually involved in parole work? I don't mean clerical or administrative people, but actual parole people, in dealing with persons on parole.

MR. CHAIRMAN: The Honourable Minister.

MR. BOYCE: There's 104 probation officers, with 62 in Winnipeg and 42 rural. And then there's, as I said earlier, there's 50 voluntary probation officers and 100 volunteers.

MR. STEEN: In reading through the report very quickly before we broke, I did notice somewhere where — I see it in here on Page 14 — about a third of the way down, where the average is a 40 unit workload per officer. Is that for each parole officer? Is that what's meant by that statement, Mr. Minister?

MR. BOYCE: Well, that is something that they strive toward, but right at the moment I'm informed that it is about 65.

MR. STEEN: Can the Minister inform us, Mr. Chairman, as to the average per parole officer, is it gradually going up in the last few years, or has it been roughly 65 for some time?

MR. BOYCE: Well, I guess you could say it's been going up, it's remaining relatively constant with 65, but as I said earlier we added a volunteer component.

MR. STEEN: Well, Mr. Chairman, earlier today the Minister answered the Member for Swan River by saying that, "No, they had not had any staff increases, that the \$330,000 increase in the budget in the Salaries category was through increases in wages which was done through collective bargaining." Has there been an increase in parole officers within the department — whether the department was under its present structure or back in Health or back in Welfare some years ago — has there been an increase in parole officers sometime in the last three or four years? Have we been able to reduce the caseload per worker? Are we making any strides?

MR. BOYCE: Well, last year, the year before, we added six. How many we added before I would have to look up. If you want those figures for 1974-75 we'd have to look up. We added six in 1975-76

MR. STEEN: The Minister has, Mr. Chairman, made some comment earlier about the volunteers and that they are just paid a small honorarium. Did I hear him correctly saying there were approximately 100 volunteers working in this?

MR. BOYCE: Yes, 50 voluntary . . . and a hundred volunteers. A voluntary probation officer is someone who becomes, in fact, a probation officer under The Corrections Act.

MR. STEEN: Could the Minister tell us what type of person becomes a volunteer probation officer and where his department and other agencies find such persons and what type of backgrounds and training they have for that type of work?

MR. BOYCE: Well, the background is varied in that it is someone who the Director is satisfied can handle that job in a community. The range, I can give the member that information of who they actually are and what their involvement is. They may handle from one case to several cases in a community. Most of them are deployed outside the City of Winnipeg.

MR. STEEN: Mr. Chairman, I'm not interested in the names of volunteers because I don't think that information should be public, personally. That's a personal statement, but I just wondered where they are basically working and the Minister has said basically in the rural areas where I am sure it's difficult to get professional people to go and I'm pleased to see that they have been able to strike up a volunteer force.

MR. BOYCE: Well they may well be in other professions. They could be truck drivers, teachers, preachers, blacksmiths, anyone in the community that we can use.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: On that same subject, Mr. Chairman, the Minister said there were 62 parole officers in the City of Winnipeg and 42 in rural Manitoba. Could he give us a brief outline as to the qualifications of these 62 people in Winnipeg?

MR. BOYCE: It'll take a moment to look that up for the meer, however, we are glad to give him that information.

MR. BILTON: Mr. Chairman, are they professionally social workers and with regard to the 42 in

rural Manitoba, where do they emanate from? Are they rural people or are they selected by the department by examination, by their educational qualifications for this type of work?

MR. BOYCE: They are selected by the Civil Service Commission and the positions are bulletined and there is a broad cross-section of qualifications. There are people with all sorts of degrees, Bachelor of Arts, Masters in Criminology, Bachelor of Social Work and there's a combination, usually, of education and experience that we try to attract.

MR. BILTON: Mr. Chairman, the 42 in rural Manitoba, does this include the Indian Metis people and the Indian reserves? Do you have probation officers in those areas?

MR. BOYCE: Yes, it does, Mr. Chairman. The actual provision of social services on reserves is presently under review between the federal government and a Committee of Cabinet.

MR. BILTON: Mr. Chairman, the Minister is telling us that this matter is under review. He is fully aware of the state of affairs in rural Manitoba, particularly amongst the Indian Metis people and the Indian people. Is he telling us that he has no qualified probation officers of that level to take care of those people?

MR. BOYCE: No, I did not say that, Mr. Chairman. But as the member well knows from his experience in the Legislative Assembly provision of social services to native people on the reserves is the prerogative of the federal government. And we're trying to get them to place the proper emphasis on this federal responsibility. And we're providing them with the same kind of services that we provide other people in the community as best we can under those circumstances. They are not picking up their full share of the cost of providing social services on reserves.

MR. BILTON: Mr. Chairman, with due respect to the Minister, what concerns me is: Is he hiring people in this \$2,398,000, of an academic level that are not coming down to the level of the people that we're trying to help under this program?

MR. BOYCE: No, in fact, Mr. Chairman, we have other programs which are related to this such as Native Court Communicators. Then we have people who speak several of the dialects, local dialects, of the native culture. We also have native voluntary probation officers and volunteers also, in addition. We have the same kind of services and we try and attract the same kind of academic qualifications, but yet I agree with the member in the nuance that he brings in that they have to be able to relate, to communicate with the people with whom they are dealing.

MR. BILTON: Mr. Chairman, all I can suggest, and I say this with considerable consideration in view of the facts and figures that we have here, that he's got the wrong kind of people doing the job that has to be done' at the cost of 2 1/2 million dollars. Is a bureaucracy being set up there that can't get down to the local level of the wrong-doers or the people that are in trouble and doing the job that we would expect them to do at this particular stage?

MR. BOYCE: Well as pointed out to this Committee on Friday, Mr. Chairman, the only criteria we can use, to answer the member's questions is how many people that they remove from the criminal justice system in the final analysis because probation is given as an alternative to incarceration. I think that the programs and the people we have deployed are providing an excellent program. By the way, one of the members asked me if I had any more copies of those figures of Statistics Canada, and I have some more of them up front here, if anybody wanted them and I repeat, those weren't my figures.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: I wonder, Mr. Chairman' if I could ask the Minister, is he reasonably satisfied with the personnel that he has under this heading of Probation and Parole Services, that they are doing the job that we would expect them to do.

MR. BOYCE: More so now, Mr. Chairman, than a few years ago. One of the things we have accomplished is a downward turn in staff turnover. I have to admit at the same time, that it is difficult to provide probation services in an outlying place like Churchill, where it is difficult to keep somebody permanently stationed in Churchill who has the professional background behind him. Albeit we are able to provide voluntary people in that community, nevertheless it would be desirable if we could have someone who is familiar with the total legal system and also some experience in probation to locate in Churchill. The last one there has been there two years, but now we have to train somebody else to stay there, so in that area, I'm not too happy; I think we have some more work to do in trying to slow down the turnover in some of these positions.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Mr. Chairman, I don't want to labour this point, but it seems to me that with sixty-two social workers, or at least people under this heading, in the City of Winnipeg, together with Health and Welfare social workers and the effort that is being made by the City and so on, that we should have a much better picture than we've got here. What is going wrong? Can the Minister tell us what is wrong?

MR. BOYCE: Well, the member is holding the figures put out by Stats Canada and we get on to that in the next item when we're talking about people that are incarcerated in the juvenile system. In this particular item, we're talking about probation.

MR. BILTON: I accept the Minister's explanation, but I believe we're talking about the people who administer to these people that require their help and he doesn't seem to be giving me the answer. He either is holding back or doesn't know.

MR. BOYCE: Well, I would suggest neither, Mr. Chairman. If the member will look at the book that I gave him, I explained what these people are doing. If you look from Page 10 on, you'll see the duties of these particular people . . .

MR. BILTON: You could put me in . . .

MR. BOYCE: Well, you know, if the member needs some help to interpret, I'll be glad to help him. But, nevertheless, they are doing their job and they are keeping people out of the system.

MR. BILTON: Mr. Chairman, I don't require the Minister to interpret the contents of this material to me. You put me in a room for a month with a bunch of statistics around me, I could make it three times that size and that's exactly what you did. All you've got to do is read the terminology of it. Everything is plan, plan, plan, and nothing for the people that we're trying to help. The public are being taxed to help. Let's have a few honest-to-goodness answers. And talking about money being spent to hire people to work with these people who need this help, we're not getting the answers. And don't keep referring to this thing.

MR. BOYCE: Well, I don't know what the member would like me to refer to. On Friday when we were discussing this particular item I was advised that we would have, by the end of this year, some 14,000 people referred to the juvenile system; and you will see when we come to the next item that there are only about 4,000 of those who had to be detained for some period of time, so roughly 10,000 of those people are not detained because they're dealt with in a probation situation.

MR. BILTON: Those figures the Minister's given me, how does that tie in with the Department of Welfare? What are they doing as well in assisting people? They're working with your department are they not?

MR. BOYCE: Not on this particular item, Mr. Chairman. This is probation services relative to the courts.

MR. BILTON: Thank you.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. EDWARD MCGILL: Mr. Chairman, when the Minister introduced his Estimates, he made a general statement and then he interjected and he said this: "People who should be in custody, should be in custody." I think the Minister will remember making that statement and it impressed me because it inferred that the Minister had some reason to believe that something was wrong with the parole services and that he was not happy with the way in which this was operating. I would like the Minister to just enlarge upon that statement. Does he recall making that interjection in the introduction of his Estimates and if so, would he please tell me what he meant by that?

MR. BOYCE: I do not only recall saying it, Mr. Chairman, I reiterate it. But nevertheless, parole — you asked the question relative to parole — now, parole is a function of the Federal Parole Board, albeit our staff does provide parole services. If the member means that there are some people who are free in a community who perhaps shouldn't be, then that is another question.

MR. MCGILL: Mr. Chairman, it is not a question of what I mean, it's what the Minister meant by making this interjection, and I'm sure he wouldn't have said that had he not had something in mind which was critical of the way in which parole was being granted in the system.

MR. BOYCE: No, I didn't necessarily mean that I was critical of the system as it was. I meant that society had the right to defend itself, to protect itself, and those people who, for whatever reason are, by sanction of law, to be removed, they should be removed.

MR. MCGILL: Mr. Chairman, then the Minister had nothing other than that in mind when he said that people who should be in custody, should be in custody. He was not making any particular point or any particular criticism of the way in which paroles are being granted at the present time? Are we to understand that from the Minister's remarks?

MR. BOYCE: The member can well understand that from my remarks. I have really in balance no criticism of the Parole Board to the people that they are granting paroles to, albeit there seems to be some restriction of the numbers of paroles that are granted; this is reflected in the statistics which were provided last year also by Stats Canada.

MR. MCGILL: I have no further comments, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister, when I was on the City of Winnipeg Council, I served on the Health and Welfare Committee for a couple of years and one problem that we had with the City of Winnipeg was in the Welfare Department a fantastic high turnover of professional staff. Not only was the case load exceptionally high but the turnover of staff I would think, and I'm guessing now because it's a few years ago, that the average person didn't stay for more than about a year and a half to two years. Do you find that this is the same with people in the Parole Services?

MR. BOYCE: Well, as I said earlier, Mr. Chairman' this was one of my concerns and it was my impression that we had slowed this down somewhat. There is a phenomenon, people dealing with other human beings in an intense situation where they have you know, personal or emotional problems, is that there is staff burn-out, I'm advised that we had a 12 percent turnover rate last year.

MR. STEEN: Mr. Chairman, through you to the Minister, how does that relate to, a 12 percent turnover rate, is that an exceptionally good rate in comparison to other provinces and people that perform this duty in other jurisdictions?

MR. BOYCE: Well of course to give a proper answer to a question like that, Mr. Chairman, I would have to go back and analyse, you know, in some depth and get some comparative figures from other jurisdictions which — if you want me to hazard a guess, then I will suggest that we are above average in this regard.

MR. STEEN: Our retention rate is above average. Mr. Chairman, perhaps you can correct me but I have a question that could be answered under (c)(3) Financial Assistance. I was wondering if that item applied to the training of personnel and this draws me back to the retention rate of staff. Has the Minister a comment in regard to the cost of training new personnel because of a fairly high turnover in this type of occupation or does that item, Mr. Chairman, through you to the Minister, fall under (c)? Should I ask that question at that time?

MR. CHAIRMAN: The Honourable Minister.

MR. BOYCE: Well this item would be better perhaps dealt with under 7(9), but of course it stands to reason that if your turnover rate is lower then your staff training cost would go down.

MR. STEEN: All right, Mr. Chairman, I'll leave that for the time being. Can the Minister inform the Committee as to the numbers of graduates from the University of Manitoba School of Social Work, say last year for example, and how many were hired by his department?

MR. BOYCE: It will take a moment to dig that information up.

MR. STEEN: I have another question then, Mr. Chairman, for the Minister. Could the Minister inform the Committee as to the steps that are taken by the Parole Officer and the Probation Services prior to a person being released on parole. Can he generally tell us the length of time involved, what does the parole officer and the probationary services look for in an inmate prior to releasing them and can he give us some background?

MR. BOYCE: Here again parole is under the Federal Parole Board and they assess whether a person will or will not be paroled. If they do come to a decision that they will be paroled then we are asked to supervise that parole in some instances.

MR. STEEN: Does the Federal Parole Board have jurisdiction over both Headingley and institutions that have persons in for a period of a day, less than two years, and less — Dauphin, Brandon and so on, those institutions?

MR. BOYCE: Parole is a term that is usually used relative to longer offences. People with shorter offences have such things as statutory remission of sentences and other things, which are better dealt with under the next couple of items as far as incarceration is concerned.

MR. STEEN: That's fine for now.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: On this matter of probation and parole, I think it is a well known fact that in our penitentiaries and jails that possibly 50 percent of the inmates are of Indian and native background. A few weeks ago we heard of the fact that parolees were paroled and they had to stay in the city to report to their probation officer from time to time and not go back to the reserves or the communities from whence they came. Someone or some party took it upon themselves to call together the Chiefs of the Province with a view to discussing this matter so that these people could go back to their reserves or their communities and run out their paroles there. From the reports very few turned up and certainly it was related that the Indian Chiefs were not interested. Would the Minister care to comment on that, Mr. Chairman, and where it stands today?

MR. BOYCE: Well, I don't want to give the usual answer that, you know, Stony Mountain is under federal jurisdiction, but to the problem that the Member refers, it is difficult to get any community to accept the transgressors back into it. You know, this has been with us a long time. In the case that you are referring to about the native plan attempting to set up a program whereby they could advise the Chiefs and their Councils about what was involved in the correctional system, there is an apprehension on the part of any community. I am periodically approached when a person is sentenced to take some steps to try and prevent the individual from going back to the community from whence he was sentenced in the provincial system also, especially when it deals with particular types of crime against persons.

MR. BILTON: I realize the problem, Mr. Chairman, through you to the Minister, but I am wondering if there is any liaison going on between your office Mr. Minister and the federal office and the Indian bands themselves with a view to finding a solution, because I think you will agree with me, Mr. Chairman, that there is no sense to a person being arrested 400 miles from here, facing his charge and going into prison' serving his sentence, and then being held in the City of Winnipeg, where he

possibly has never been before, to carry out his probationary period. I wonder if the Minister in his wisdom will look at this matter very very seriously and see if a better conclusion can be arrived at in the interests of those people. Because, Mr. Chairman, this is a very very serious matter, to have a man turned loose from jail that has never been in the City of Winnipeg and have to hang around here, I can't use any better term, getting into mischief in order to answer his probation officer and in many many cases, I think you will agree, they get pretty desperate and get into mischief again and the first thing you know they find themselves in jail. Through you, Mr. Chairman, I am asking the Minister in all sincerity to take this matter under immediate study and something be done about it.

MR. BOYCE: Mr. Chairman, as I pointed out earlier the terms and conditions of parole are set down by the Federal Government and they may put a rider on that particular parole that he shall stay in a certain location. They have got some halfway houses in the City of Winnipeg and like any other operation some of them work well and some work badly relative to any particular individual. I certainly will take the member's concerns to my federal counterparts the next time we are discussing it with them.

MR. BILTON: Mr. Chairman, I wonder if the Minister could give us any idea as to how many people are under surveillance under this particular program in the City of Winnipeg that are not residents of the City of Winnipeg primarily?

MR. BOYCE: Well of approximately 1625 people who are currently on probation — adults — 25 of those are parole supervisions. Now I don't know if my Director could give it to me as to where they are currently located. But if you want that information I could get it for you. I am advised that these 25 parole supervisions are all in rural Manitoba.

MR. BILTON: Just one final question on this subject. Does the parole system of the province, that is your employees, take on this problem on behalf of the Federal Government or do they have parole officers here that look after these people that are having to answer to the parole officers from time to time.

MR. BOYCE: The latter.

MR. BILTON: You look after it? They look after it.

MR. BOYCE: They look after it.

MR. BILTON: How many do they have? You have no idea?

MR. BOYCE: We could conceivably find out through the federal authorities how many they have. I would have to take that question as notice.

MR. BILTON: Thank you very much.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: The Minister mentioned halfway houses in the City of Winnipeg, could the Minister tell us how many such homes the department have and how many persons on average are in each one of these homes?

MR. BOYCE: While the staff is looking up the answers to this question, you had asked how many University of Manitoba graduates were hired last year — five were hired last year.

MR. STEEN: Mr. Chairman, through you to the Minister, do your staff people, Mr. Minister, have any idea what size of a graduating class there is in the School of Social Work. Is it a small class or does it crank out numerous graduates?

MR. BOYCE: I'm sorry I didn't know the member was going to ask that, I was out at the University today and didn't think of asking that particular question. I don't know how many are in the BSW program, but I think about six are on the MSW program. So at the post-graduate level it is relatively small, but what the size of the undergraduate course is, I'm sorry I haven't got that information.

MR. STEEN: Mr. Chairman, the reason for asking that question, I was just wondering how many persons are available of this professional skill for his department to acquire. That is the reason for asking the question as to what is the size of the graduating class in that specialty.

While the Minister is getting an answer on the halfway houses, perhaps he might also find out from his department people are these homes located in such centres as Thompson, Flin Flon, The Pas, Brandon, etc. And if so, perhaps he could indicate.

MR. BOYCE: I am advised that we have contracts with five group homes, four in Winnipeg and one outside of Winnipeg. We also use six other group homes in conjunction with Child Welfare in Winnipeg and five in rural Manitoba. The group homes outside of Winnipeg are in Rivers and in Brandon, in Grandview, The Pas, and Lac du Bonnet.

MR. STEEN: Through you, Mr. Chairman, to the Minister. The Minister in replying to that question said we have contracts with, could he comment a little further. Is this a service club that runs it and you have a contract with it, or are the persons that run these homes your personnel or just what is the mix?

MR. BOYCE: No, they are all community organizations of some kind or other I am advised. They have private boards.

MR. STEEN: So in each case they are non-profit community organizations running the halfway houses and they could be a service club or they could be a church group or something along those

lines then?

MR. BOYCE: It could be any group such as you have mentioned. We also have 12 foster homes.

MR. STEEN: For adults or for juveniles?

MR. BOYCE: For juveniles.

MR. STEEN: I don't want the Chairman to pull you into order, Mr. Minister. We better leave juvenile for a moment.

MR. CHAIRMAN: Resolution 64(c)(1)—pass; 64(c)(2) Other Expenditures. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister, the item is up some \$65,500.00. Could the Minister comment on what is meant by Other Expenditures?

MR. BOYCE: This particular item, to the Member for Crescentwood, includes such things as professional fees and rent on furniture and all the rest of it. Increases are relative to: Transfer of all administrative and accounting staff from Winnipeg Probation to the Directorate in 1976-77; the addition of an Assistant Rural Director in 1976-77 with subsequent increases in long distance telephone charges and a general increase in telephone rates; and the completion of negotiations with the Federal Government resulting in the Government now assuming 100 percent of the wage cost for light skilled programs. So there is a shift in this particular appropriation. To decentralize the provisions of services they are relating it to 15 districts and regional offices.

MR. STEEN: Through you, Mr. Chairman, to the Minister, just general housekeeping items that the personnel function under?

MR. BOYCE: Right and a shift to the District Office.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: I didn't quite catch the Minister's remarks, Mr. Chairman, but I got the impression that he said that this was a share operation with the Federal Government. Is that right?

MR. BOYCE: The Federal Government is now assuming 100 percent of the wage cost for light skilled programs. And light skill really is a program to involve people in developing work habits.

MR. BILTON: Mr. Chairman, this is Other Expenditures I am talking about, \$466,000. We're on that item are we not?

MR. BOYCE: Yes. We have to put the money out first and then recover it.

MR. BILTON: Well, I appreciate the answer but there's no item here indicating that that's coming from Ottawa whatsoever. Why is that?

MR. BOYCE: As the member will recall, when you're budgeting for an item like this you have to estimate for the money in the first instance, extend it and then recover from the federal government.

MR. BILTON: Have you got any more like this in these Estimates?

MR. BOYCE: There are some. In other instances it gives you a net, when you get over to. . . It's printed in the Book on a couple of them . . . when you get down to 7(b) you'll see the recoverable three quarters of a million dollars at the bottom of the page.

MR. BILTON: This is rather peculiar bookkeeping wouldn't you think, Mr. Chairman, that here we have an item of almost a half a million dollars and the Minister says we've got to spend it before we get it back from Ottawa and there's no indication here that it's coming from Ottawa at all.

MR. BOYCE: No, no, no, I didn't say that, Mr. Chairman. Only part of it. That related to \$30,000 as a hundred percent recoverable, the rest of it is relative to decentralization and other expenses.

MR. BILTON: Thank you.

MR. CHAIRMAN: Resolution 64(c)(2)—pass. Resolution 64(c) (3) Financial Assistance. The Honourable Member for Crescentwood.

MR. STEEN: In this item, Mr. Chairman, Financial Assistance, we see that it's up by better than \$300,000. Is this the item, and I did ask a question earlier' about expenditures of training personnel. Is this the item that it falls under or does expenditure of training personnel come under salaries?

MR. CHAIRMAN: The Honourable Minister.

MR. BOYCE: That comes under Staff Development.

MR. STEEN: Which is in?

MR. BOYCE: Down further.

MR. STEEN: Oh.

MR. BOYCE: (g)

MR. STEEN: Can the Minister then tell us what is meant by Financial Assistance and give us an outline as to why it's up by 25 percent?

MR. BOYCE: Well, Mr. Chairman, this item includes Financial Assistance related to juvenile and adult placement programs and offers residential care and treatment for delinquents placed by juvenile and family court, and the program is limited to in-province placements and settings licensed through the Child Welfare Director, previously included as part of Child Welfare e appropriation but it has now been transferred to the juvenile placement of probation cases accounted within probation and parole. So there was a transfer actually from the child welfare appropriation to this in the amount of \$1,234,800.

MR. STEEN: That's fine.

MR. CHAIRMAN: Resolution 64. The Honourable Member for Swan River.

MR. BILTON: Does this item include grants to the 50 private agencies that you assist?

MR. CHAIRMAN: The Honourable Minister.

MR. BOYCE: The moneys in this are for provision of services. There is no grant money in this appropriation.

MR. BILTON: Well, I take it from the Minister then that this money is expended in the interests of the people we are trying to serve through the parole system; the 104 officers or the 62 in the city and the 42 in rural Manitoba. It's their cost factor and their general operations?

MR. BOYCE: For the placement of youngsters in different facilities, yes.

MR. BILTON: So we're talking about \$4,500,000 in that particular project alone? Right?

MR. BOYCE: The whole operation is \$4.1 million, yes, Mr. Chairman.

MR. BILTON: That's a heck of a lot of money. Thank you very much.

MR. CHAIRMAN: Resolution 64(c)(3)—pass. (c)—pass. Resolution 64(d) Care and Treatment of Juvenile Offenders(1) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, on Friday last we spent considerable time on this business of juvenile delinquents and the Minister released some statistics that showed Winnipeg as having the highest rate of juvenile offences in all of Canada. In today's paper there is a release that indicates that perhaps the Minister erred in giving out those facts and over the supper hour I heard the Winnipeg Police Chief, Norman Stewart, say that Winnipeg has the second lowest crime rates in Canada and he presumes that the juvenile rate parallels the adult rate. He did not speak on the juvenile rate but he was speaking on the adult rate. I've done some checking with Statistics Canada and they tell me that the figures and the facts that were released by the Minister the other day are accurate and correct as far as they are concerned. I, therefore, ask you, Mr. Chairman, is the Minister giving us misleading information as of last Friday and painting a very blue and gloomy picture for Winnipeg as far as the juvenile crime rate? And are the people with Statistics Canada correct or is his news release of today, when he says that the picture isn't nearly as bad correct?

And I further would like the Minister to also comment on what the City of Winnipeg Police Chief has said. I'd like to find out from the Minister, if I could, as to how many first time offenders are involved in these juvenile rates of crime that have been reported, and if he could at some time have his staff also indicate to us how many persons qualify as second and third offenders, and how many hit the category of habitual offenders.

Much attention has been paid to Saturday's news release that appeared on the front page of one of our daily papers painting the picture of Winnipeg having the worst juvenile crime record in all of Canada and I've had, over the weekend, calls from constituents, and many of them have talked about the permissive society that we are living in today. Many of them are wondering if our detention authorities, within the juvenile ranks, are handling these young people in the proper manner and are we unable to zero in on the first-time offenders and try and make the corrections so that these first-time offenders are not ending up in the category of repeaters? I've had people, and I know it's not correct because I did ask the question to staff people, say to me that there's a swimming pool at the Kenaston lock-up location that the juvenile people have. I've checked and found out that a swimming pool does not exist but I have asked the question to staff people; Do you have dances there on the weekends for the young offenders? I'm led to believe that this is true, that there is a social program, a very active social program. I think a social program is necessary. I think that it would be very bad to have these young offenders locked in their rooms like animals in a cage day in and day out, but are we getting so liberal with our social program that it is no longer a deterrent to be placed in such a detention home, that it is becoming a luxury. Perhaps, Mr. Chairman, through you the Minister could make some comment on the recent statements that seem to contradict one another, and in time perhaps his staff people can give us a breakdown as to the offenders, as to first, second, third and what we call habitual offenders in the juvenile area.

MR. BOYCE: First of all, Mr. Chairman, someone had asked me for the population figures in the juvenile institutions, what they are currently. In the Manitoba Youth Centre there are 187 with a capacity of 150. In the Manitoba Home for Boys there are 74 with a capacity of 80. In the Manitoba Home for Girls there is 26 with a capacity of 45.

In response to the Member for Crescentwood's comment about the figures of Statistics Canada that I distributed on Friday. I'm sorry I'm not responsible for what the Winnipeg Free Press prints. The information was provided to our office by Stats Canada in response to an inquiry, and we received this information on March 14, 1972 on the letterhead of Stats Canada.

Nevertheless there is not any substantial disagreement between the City of Winnipeg police figures and our own. This item—we just got into this and we were completely out of order—why the particular reporter chose this particular time to take part of the information and attribute those

statistics to me as if I had released them, that is a question perhaps he should answer not me.

In fact tonight in the Tribune, he missed out a word, and it appears on the front page story of the Tribune that I had vouched for the validity of these particular figures, which I did not. But the numbers — I have a report from the Chief of Police file relative to last year — and his figures are in agreement with the figures that we have at the Youth Centre and they certainly don't reflect the problem as set out by Stats Canada.

Your question about social activities, I am advised that they did have two social evenings there, dancing, two in the past six months. To the question of whether these people are being pampered, as you well know, we do get these criticisms once in awhile, and I too get phone calls periodically about the non-existent swimming pool. But I would suggest here, once again, Mr. Chairman, we're dealing with youth in some difficulty, and if you recall the Youth Centre was built initially as a position of . . . in that the people would go in there for short periods of time and be assessed. We'd have staff deployed to assess them and then place them back in community residences; place them back into the community. We're just starting to move to acquire some of these county resources so that really, relative to the Youth Centre itself, it's still not functioning as it was designed in the first instance.

To the members question, about 34 percent of those who are involved are first offenders whom about 90 percent that is a one-involvement experience. Approximately 11 percent of those involved require some kind of community supervision, such as probation, and less than 1 percent require provincial institutionalization, and less than 1 percent are transferred to Adult Court.

MR. CHAIRMAN: Resolution 64(d)(1). The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister. The Minister commented about the two social evenings that had been held at the Youth Centre. On the occasion of a social evening are persons from outside of the Youth Centre permitted to attend those social evenings or is it just for those that are residents?

MR. CHAIRMAN: The Honourable Minister.

MR. BOYCE: I am advised that it is restricted to people that are involved with the Youth Centre itself. The people in the institution or people from the community who are serving there in a voluntary capacity.

MR. STEEN: Mr. Chairman, I have been informed that there have been young people held in the Youth Centre for more than a year at a time. Is that true, Mr. Minister?

MR. BOYCE: It could be, yes.

MR. STEEN: Maybe I could be a little more direct and not get an answer, "It could be." Have there been persons in the past that have spent more than 12 months in the Youth Centre at a time.

MR. BOYCE: Yes.

MR. STEEN: So, therefore, as the Minister said and admitted, that the Youth Centre is not working out to the extent that the department and he had hoped it would as a stopping-off spot so that you could analyze the young offender and then properly send the young offender, or slot him into his proper category. So, you're still going through some growing pains at the Youth Centre?

MR. BOYCE: Relative to those who are held for the period of time that the member mentioned, I can't go into the specifics of any particular case because of the federal statutes but nevertheless some people are held there, and it is done by sanction of the court, that this is the best place for that particular individual to be.

MR. STEEN: Through you, Mr. Chairman, to the Minister. Were there any juveniles within the last 12 months that have been sent out of the province and kept at a location outside of Manitoba?

MR. BOYCE: Yes, Mr. Chairman.

MR. STEEN: Mr. Chairman, the figure of 64 juvenile offenders being sent out of Manitoba to either serve their sentence or to be housed has been given to me. Can the Minister comment on that figure?

MR. BOYCE: I'm advised in our area we only had three placed outside of the province last year, and we have none placed outside at the moment but there were three placed outside of Manitoba last year.

MR. STEEN: Mr. Chairman, through you to the Minister. Why would we have sent three or placed three juvenile offenders outside of the province last year? Have we not the facilities within Manitoba to cope with those types of offenders?

MR. BOYCE: In the judgement of the people that are involved, no. We didn't have these facilities available. The other alternatives in other provinces were deemed better for those three individuals.

MR. STEEN: Through you, Mr. Chairman, to the Minister. Another province has better facilities than we have? Is this what the Minister is referring to when he says that we had three offenders outside of Manitoba last year?

MR. BOYCE: No, I didn't say that, Mr. Chairman, in fact one of the Wilderness Camps in Saskatchewan, as you will recall, was closed recently. This was one of the facilities that was thought to perhaps be of some utility in treatment of young people. But nevertheless they were forced to close it down.

MR. STEEN: Mr. Chairman, then if it was deemed advisable by the Minister and his staff people

that three persons in the past should have been at a Saskatchewan Wilderness Camp, what are we going to do when such a juvenile offender comes before us in the future that would be better off in a Wilderness Camp? Obviously that is a person that needs treatment in an isolated wilderness camp. What are we going to do with such an offender in the future if the Saskatchewan camp has been closed?

MR. BOYCE: In co-operation with the Child Welfare people, we're opening our own.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Mr. Chairman, this item of salaries (1), could the Minister outline to us the number of staff that this covers and the possible location? And categorize?

MR. BOYCE: There are 130 located at the Manitoba Youth Centre; 54 at the Home for Boys; 33 at the Home for Girls; 8 in charge of the Group Home Care Program — for a total of 225.

MR. BILTON: The 130 at the Local Treatment Centre, could you give us the categories of . . . I realize there's probably a 24-hour shift there of 8-hour shifts. Could the Minister break that down for us or is that too much? How many directors have you got? How many superintendents have you got and so on in that 130?

MR. BOYCE: The gross breakdown as we keep it, there are 80 cottage staff and then there's 50 support staff. I guess the

easiest way for us to deal with it would be to give you a breakdown of a shift. There's a superintendent, then there's a supervisor of institutional program, one administrative officer and one administrative assistant.

MR. BILTON: That's for every shift?

MR. BOYCE: Yes.

MR. BILTON: Why is that?

MR. BOYCE: Well, no I'm sorry, this is for the day shift. Excuse me, for every day shift.

MR. BILTON: Yes okay, you're excused.

MR. BOYCE: There's one administrative assistant, one program resident co-ordinator, one supervisory secretary, a switchboard operator, two clerk-typists, those would really be in the supervisory category that the member asked me. And then there's one woodworking instructor, one recreational instructor, one special program supervisor, one special program staff, 2 ½ escort staff, one chaplain, one court liaison officer, one courtroom supervisor, a nurse, five unit directors, five cottage supervisors, ten teachers and ten counsellors. That's on the day shift. That's how they're broken down.

In the evening shift, you have one special program staff, two administrative staff a nurse and twenty counsellors.

The night shift is one special program staff, one administrative staff and ten night supervisors.

MR. BILTON: Mr. Chairman, I understood the Minister to say that there's one courtroom supervisor. Does he work with the parole officers, or what goes on here? It looks as though there's a lot of top-heavy staff in the Treatment Centre, and in the courtroom you've only got one man, is that right?

MR. BOYCE: I'm advised that this person just supervises them while they're waiting court appearances.

MR. BILTON: Supervises whom?

MR. BOYCE: The people who are in the Youth Centre as they move back and forth from the courtroom, the residents of the Youth Centre. It would be somewhat comparable to a sheriff in an adult court, in that context.

MR. BILTON: Mr. Chairman, I wonder why there is an increase in this item of over \$500,000.00? Or approximately \$500,000 in salaries?

MR. BOYCE: Well, if the member will note, the increase is relative to salaries. There is an additional two staff man years in the negotiated agreement with the Manitoba Government Employees' Association. The other expenditures, you will note that it has actually decreased from \$730,000 last year to \$600,000 that they're asking for this year.

MR. BILTON: Could the Minister explain the reason for the \$750,000 recoverable from the Federal Government? What's that all about?

MR. BOYCE: Well, some of the programs are cost-shared with the Federal Government. Specifically, the Home for Boys and the Home for Girls are cost-shared with the Federal Government, the costs of operation of those two facilities.

MR. BILTON: Mr. Chairman, with these youngsters, are they expected to make their own beds, keep their rooms clean, do the general janitorial work around, or what do these youngsters do whilst they're confined there? Do they work in the kitchen and this sort of thing?

MR. BOYCE: Yes, Mr. Chairman.

MR. BILTON: No maid service?

MR. BOYCE: I'm afraid not. No, they do, they keep their own cottages clean and all the rest of it. Excuse me, the Department of Public Works mows the lawn.

MR. BILTON: Mr. Chairman, do they run a small laundry to do all the laundry for the inmates? Or is that put out?

MR. BOYCE: No, Mr. Chairman, they don't.

MR. BILTON: That's put out?

MR. BOYCE: Yes.

MR. BILTON: Through you Mr. Chairman, could the Minister give us some idea of a day's activity, what happens throughout the day with these youngsters?

MR. BOYCE: Well, as you are aware, Mr. Chairman, these are youngsters who are in school, so most of their involvement during the day would be in trying to upgrade them academically with the teaching staff that we have available. In the evenings there's counselling sessions, they talk to counsellors and they have group sessions and other types of programs like that.

MR. BILTON: And they have fully qualified teachers for the several grades?

MR. BOYCE: Yes, yes.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister, earlier I mentioned the figures that the Winnipeg Police Department and the Minister seem to agree upon as to our juvenile crime rate. I therefore ask the Minister why he introduced the Stats Canada figures on Friday that show the picture to be twice as bad as it is. Was that a political error in judgment or did he want to try to mislead the committee or does he agree with the Stats Canada figures and not the comment of the City of Winnipeg Police Chief?

MR. BOYCE: Mr. Chairman, I won't react to that because it doesn't behoove the member to attribute motives. Nevertheless, time will tell whether it was an error in political judgement or not. That wasn't my intention. I will repeat what I have said about three times: When I introduced my Estimates, I circulated — perhaps I shouldn't have circulated the two documents, the Member for Swan River doesn't think it does any good anyway, it's just a bunch of gobbledey-gook, — that particular set of statistics, I thought might be of interest to the committee when we were reviewing my Estimates. What other people choose to reason to it, I have to leave it with them.

MR. STEEN: Through you, Mr. Chairman, to the Minister, are the figures released by Statistics Canada in the view of the Minister, incorrect?

MR. BOYCE: All the information that I have, Mr. Chairman, they certainly are incorrect. The Winnipeg Police, I think that their figures would show that in the same year, they had some 4,049 people charged for some 10,000 offences. I don't have to look the figures up; I'm quite familiar with them.

MR. STEEN: Mr. Chairman, I would hope that the Minister could have some of those figures at his fingertips. He is a full-time Minister and he is heading up a department and it's not his first year in that particular role. I would hope he'd have some answers to some of these questions.

MR. BOYCE: If I may finish, the Winnipeg Police reflect 4,049 cases charged; our figures reflect something like 4'582 or 5, I'm sorry I don't recall that specific figure, difference being that those people who appear in the Winnipeg Family Court are those that are referred by the R.C.M.P. But there's really no disagreement, I repeat between the City of Winnipeg's figures and ours.

MR. STEEN: Well, I would just conclude, Mr. Chairman, that I find it rather strange that the Minister would introduce to the committee figures as he did on Friday by another agency that he disagreed with. I usually thought that those opportunities were for the Members of the Opposition. My colleague, the Member for Wolseley, is very good at throwing in red herrings and this is very strange and odd when the Minister throughs a red herring into his own Estimates.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Well, my point was exactly that. The Minister has given us these figures and, as you know, it was reported that I was rather shocked and I certainly took it upon myself to say in glowing terms what a great job our police establishment has been performing. I wonder if the Minister might care to comment, why would the authorities in the Winnipeg Police Department become so upset with the Minister? I thought you two gentlemen would have common goals and if you did have a very large arrest ratio or detention ratio, wouldn't this be something that the law enforcement agencies would be proud of rather than getting into a dispute with the media? I wonder if the Minister might care to comment on that portion of it.

MR. BOYCE: I don't think I should comment on the member's suggestion that the operation of the Winnipeg Police Department is under the aegis of the Winnipeg Police Commission. Nevertheless, our goals are common in that we are trying as best we can to provide peace and security in the community.

MR. WILSON: Well again, because — and I apologize, I have to be in two committees at once — it's just that the Minister of Health is . . . of course, mind you, here's the Minister of Corrections, we're talking about a juvenile problem that has been announced is one of the worst in Canada. Hansard isn't ready but I hope to be able to look tomorrow and it should point out that the Minister indicated to

me that these were 1975 figures and in fact, the figure to the end of 1976 might be as high as 14,000. Do you recall saying something in that area?

MR. BOYCE: I definitely do, that we would have dealt with 14,000 young people in 1976.

MR. WILSON: Mr. Chairman, my point is this: If the Winnipeg Police become very upset about a figure of 7,963, what are they going to be when the news becomes known that it's going to be 14,000 to the end of 1976? Maybe the Minister would care to comment on that. Where does he get his estimate of 14,000?

MR. BOYCE: That is the best advice of staff when they start bringing the figures up to the end of this month which is the end of our fiscal year.

MR. WILSON: Well, then I'm still at a loss. I was rather concerned yesterday that Winnipeg was leading in the juvenile Criminal Code offences, in other words, they were actually charged. Now someone in another enforcement agency says that these figures aren't correct. The thing that concerns me is . . . you know, you're both working to a common end but they seem to take offence to the fact that they are No.1 in Canada and I can't see why any people with a common goal wouldn't want to let this committee know what the exact figures are. In other words, while we don't want to be proud of the fact that we've got a lot of juvenile crime, maybe if it's driven home that we are the leaders in Canada — if these figures are correct and if the Minister's projections to the end of 1976 are correct, then I can't see why the public can't be given the facts. Certainly they should be given the facts under this Minister's Estimates; it is his second year under this full-time position and, while he does specialize and has done a great job under alcoholic situations, what does he estimate under juvenile charges that he can give us before his Estimates are over; maybe under his Minister's Salary that will give us these true figures, or if not true, then maybe an estimate of what they might be.

MR. BOYCE: I sympathize with the member, Mr. Chairman, that he can't be in two places at once but nevertheless I think I'd be discourteous to the committee itself if I spent the time rehashing just exactly what we've been talking about for the last hour and a half. The member has indicated, so that he intends to read Hansard I would suggest that he reads what we've been talking about for the last hour and a half and what we're doing in this particular field.

MR. WILSON: Well, then I assume that by reading Hansard I will get the exact figure. In your previous comments when I wasn't here, did you mention where you arrived at the figure of 14,000 from?

MR. BOYCE: I just gave it to the member a moment ago where I arrived at the figure from. It's what the staff advises that we will have been involved with for the year when the books close. You know, it's a matter of public record. It is regrettable that these figures are almost a year behind but they do put out a departmental annual report. Each member of the Legislature gets it and it gives you a breakdown table by table just exactly what is involved, what the offences are, how many are charged, the age breakdown; all these pieces of information are public knowledge and the breakdown of figures that we used 14,000 or 10,000 will be reflected in this particular document when it's released.

MR. WILSON: Well, I'm sorry if I missed it but are you now stating again I say I apologize, but did you state before that Winnipeg was not No.1 in Canada?

MR. BOYCE: No, I did not. I stated I didn't know where Winnipeg was. I know that my figures don't disagree substantially with those presented by the City of Winnipeg Police.

MR. WILSON: I see. Well then . . .

MR. CHAIRMAN: Order please. I would remind the honourable member he should address his remarks to the Chair, and not directly to the Minister. The Honourable Member for Wolseley.

MR. WILSON: Well then, could I ask one more question? In this registry that you have, and you may have given this answer to one of the other members: What is the length of time before these juveniles can have their slates cleared? What time are they able to go out into the work force without having their juvenile crime records thrown up against them? I'm particularly thinking of what happens if we 400 of these charges happened to be drug-related charges for possession of marijuana and three years down the road marijuana might become legalized. What happens to their criminal record for these 400 young people? under the Juvenile Delinquency Act, if

MR. BOYCE: Well' a person is charged as a juvenile, that is privileged information and is not released to the public, but as far as a person's record being expunged, the person can when they've decided they have a chance of having their record expunged, they apply for a pardon and oftentimes they get it and then their record is expunged. But as far as the public having access to juvenile records, that is not the case because it is privileged information so it is not given out holus-bolus if somebody should apply for a job, the record is not public knowledge.

MR. WILSON: Mr. Chairman, what I'm trying to get at is, it seems that a juvenile offender at age 16 could go to probably age 23 and appear in adult court, at what point in time is he able to appear in that court as an adult and not have his juvenile record brought up and the biases of the court then appear against this man because he is then considered a two-time loser. Is there no definite line between juvenile and adult? In other words, like a driver's license, is there no time limit where he gets some points for good behaviour?

MR. BOYCE: At the present time there is no such provision unless a person, as I said, applies for a pardon and then the record is expunged. There has been some suggestion in conversations across the country that there be established an automatic expunging of records after five years, relative to any one, but at the moment there is no such provision.

MR. WILSON: Mr. Chairman, will this Minister, if he continues in this portfolio, press for a five year expiry mandatory cleaning of the record? If somebody stays out of trouble for five years, they shouldn't have to hire a lawyer to get their record cleared off.

MR. BOYCE: Well, of course, the member should make his views known to the Federal Government who is responsible for the Criminal Code in this regard.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. LYON: Mr. Chairman, under the care of juveniles, could the Minister tell us about what holding facilities he has for juveniles at The Pas?

MR. BOYCE: Right at the moment it is a temporary situation. I don't know — well anyway, even if I have said it before — the old jail at The Pas was closed down several months ago and we moved all of the population into Adco trailers and the juveniles regrettably are housed in the Adco trailers. There are plans on the drafting board at the moment. Hopefully we should be able to go to tender this fall on a new facility for The Pas.

MR. LYON: What would the average length of stay of juveniles be at The Pas?

MR. BOYCE: At The Pas? It is generally two days; if a person stay is longer, they can ask for a transfer to the Manitoba Youth Centre in Winnipeg.

MR. LYON: Mr. Chairman, how many juveniles, if any, are held at the facilities at The Pas after disposition in the Juvenile Court?

MR. BOYCE: It will take me a minute to get that information. I am advised that none are held in The Pas after disposition of the Court.

MR. LYON: That's invariable. I presume. None are ever held at The Pas.

MR. BOYCE: That is what I am advised, yes.

MR. LYON: If sentenced in The Pas to, say, a term under six months, they would then be sent to the Home for Boys or the Home for Girls or whatever eh?

MR. BOYCE: Yes.

MR. LYON: Mr. Chairman, would the Minister have any indication of what the travel and the custodial charges would be on a fiscal year basis for transportation of committed juveniles to the southern facilities?

MR. BOYCE: I can get that information. It will take a moment to dig it up.

MR. LYON: It might as well include everything North of '53, if you could in that category, because they tend to be disposed of through that chain of courts on the Bay line and so on.

MR. BOYCE: I may not be able to provide it tonight. That would be under travel generally but doubtless they have it broken down finer than that so that the member . . .

MR. LYON: Mr. Chairman, what are the facilities, the holding facilities for juveniles in Brandon at the present time?

MR. BOYCE: They too are held in the adult facility in Brandon.

MR. LYON: That's in the old jail?

MR. BOYCE: Yes.

MR. LYON: A separate wing of the old institution that's hived off for this purpose?

MR. BOYCE: Yes.

MR. LYON: How many cells or what accommodation . . . ?

MR. BOYCE: Part of it is hived off and I have to ask the staff just exactly how many cells are involved.

MR. LYON: The Home for Boys at Portage la Prairie I notice, according to the latest figures, Mr. Chairman, that the Minister has given us, is operating roughly four to five within capacity. Who is the present superintendent of the Home for Boys?

MR. BOYCE: Mr. Terry Rempel.

MR. LYON: Mr. Terry Rempel?

MR. BOYCE: Yes.

MR. LYON: Mr. Atkinson, the former superintendent, is gone where?

MR. BOYCE: Through you, Mr. Chairman, to the Leader of the Opposition, I know he left before I was in the ministry, about four or five years ago I'm advised.

MR. LYON: I see. Is he in the . . . ?

MR. BOYCE: He went to B. C.

MR. LYON: He's not in the correction system in Manitoba any longer?

MR. BOYCE: Not in Manitoba, no.

MR. LYON: I see. And the program Mr. Chairman, that the Minister has noted in his background notes for the department, the program of — for want of a better term — co-educational facilities at the Home for Girls, how is the hiving off achieved as between the girls and the boys? I'm familiar with the

general structure of the place. Any new facilities built to accommodate this experiment or not?

MR. BOYCE: The answer to your former question is: In Brandon, there are two dorms on the second floor which are completely separate from the rest of the institution. There are four juveniles. That's in Brandon. And then at the Home for Girls, they're in a separate unit by themselves. There is no new construction since . . .

MR. LYON: I see. That's all for the moment, thanks, Mr. Chairman.

MR. CHAIRMAN: Resolution 64(d)(1)—pass; (d)(2) Other Expenditures. The Honourable Member for Swan River.

MR. BILTON: Yes, could I have an explanation from the Minister of this expenditure in detail?

MR. BOYCE: Mr. Chairman, to the Meer for Swan River, I have it broken down in very fine detail and it's broken down in three . . .

MR. BILTON: Well, just give a . . .

MR. BOYCE: . . . but what the reduction actually is, it's from the \$730,000 to \$600,000, a decrease.

MR. BILTON: Yes.

MR. BOYCE: . . . is primarily in subsistence. As the astute Member for Swan River hit me with an Order for Return as far as meal costs in the institutions across-the-board are concerned, you'll see there's a wide variation in it with the programs that they are instituting with the food services off, they intend to make it more uniform and are setting a much lower target as far as subsistence is concerned for this fiscal year.

MR. BILTON: I just have one more question, Mr. Chairman, in totality of this item before we leave it, and it's just occurred to me: Do the parents take any part in the rehabilitating of these youngsters in this institution here in the City of Winnipeg? And where do they fit in, or do they fit in at all? Are they encouraged to assist the authorities with these youngsters that are under detention?

MR. BOYCE: Yes, of course, the primary goal with this institution is to try to integrate these people back wherever possible with their families and by and large, it is through that effort that the youngsters are moved back into the community. There are some that, you know, because of the circumstances, those kind of arrangements can't be made, but nevertheless one of the aims of the whole juvenile system is to try and integrate these people back into their families, in co-operation with the parents.

MR. BILTON: No, but the point I was trying to make: are the parents invited into the institution for the purpose of rehabilitation of their particular youngster or youngsters before a probation officer or what have you? Are they invited into the institution to work with their own children?

MR. BOYCE: Yes, Mr. Chairman, they are.

MR. BILTON: Thanks.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: I wonder if in this breakdown which we didn't get, if the Minister has a section under which he deals with special purchases. What I'm interested in is: Would this be the section under the different youth centres where, for instance, how much money — would you have it broken down this fine that, say you had to buy 100 T.V. sets, would it show up in this section?

MR. BOYCE: If I was buying one T.V. set, Mr. Chairman, it would show up under this section yes.

MR. WILSON: Then would the Minister be able to tell me how much he spent for T.V.s and tape recorders? How would it be packaged together; what would it be called, special purchases? Or would it be broken down into . . . ?

MR. BOYCE: It would appear under such an item as equipment. I can give the member on notice that kind of detail if he desires it I can give him that, how many T.V. sets, egg beaters, or whatever.

MR. WILSON: Well, then is there another section that deals with replacement for willful damage. I mean, do you keep track of people that might be sniffing or doing something in one of these youth centres and go off their tree and damage something? Is there any item in this \$600,000 that says, last year there was \$30,000 for willful damage, the year before there was 60, and maybe the final question would be: Is it less or more than the year before?

MR. BOYCE: Well that particular — as far as ongoing maintenance was concerned, Mr. Chairman, this appears in the expenditures of maintenance. If the member desires the specific expenditures relative to any job we could get him the details. He could make the assessment whether it was as a result of willful damage or just ordinary wear and tear.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, is there any way that the Minister could tell us in just general terms how this \$600,000 is made up. This is the same question that the Member from Swan River asked only I just wanted just a generalizing so that I can see how you are spending the money as it pertains to juveniles.

MR. BOYCE: Mr. Chairman, the Member has asked for this particular question. This is incidental wages and other assistance \$7,100; professional fees \$1,300; other fees \$3,000; furniture and office equipment \$3,700; bringing in stationery \$6,500; postage, , telegraphs and telegrams \$9,600; furniture and furnishings \$8,400; building maintenance supplies, that includes wax and cleaning

stuff, \$28,200; utilities, heating \$40,000, gasoline and lubricants - \$1,200; medical equipment \$15,400; auto mileage charges and related costs is \$9,000; materials and routine maintenance is \$12,800; \$200 for timber; advertising exhibits is \$2,500; publications and subscriptions is \$100; light express and cartage is \$4,100; travel \$700; and miscellaneous \$11,000; clothing \$3,200; educational systems \$1,300; and fees, services for subsistence are \$224,400, this of course is the biggest item; seed and garden supplies, there is none budgeted this year for that. This is relative to the Youth Centre.

MR. WILSON: Yes.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Could the Minister then explain two things. He has got fees and professional fees, I believe he said \$1,300 and then he said other fees \$3,000.00. Why would it be necessary to hire a lawyer if you have staff lawyers in government?

MR. BOYCE: That is an assumption that it is for a lawyer. I can get a breakdown of what the money was spent for. You see, for the Member's information what this money was spent for in the last fiscal year is up for examination in Public Accounts. When you are budgeting for the ensuing year you take what you had spent last year and extrapolate it in the next year. And you know what is anticipated, what they are going to spend that \$3,000, that is a decrease from \$11,000 that they spent in Other Fees last year that is down to \$3,000 for next year. And what the \$11,000 was spent for, I could get that information for the Member. But it is a decrease for that particular amount from \$11,000 down to \$3,000, so it is an anticipation of a need of some professional services. Whether it is lawyers or not, I don't know at this time.

MR. WILSON: Well, in other words you wouldn't know what those fees were for. However, then could I ask the Minister would he know what the auto allowances of \$9,000 would be for?

MR. BOYCE: The Youth Centre is occupied by residents who have to be transported from there to the nearest courts and the rest of it is for transportation costs relative to the people that are resident in the Youth Centre.

MR. WILSON: I notice there was another item for travel lower down. Would this sort of the defining it in a difference between travelling by auto and the other one travelling by plane? You had an item of \$800 I believe for travel farther down.

MR. BOYCE: That I am advised is for staff travel.

MR. WILSON: Staff travel.

MR. BOYCE: When you mention aircraft you mentioned the Leader of the Opposition, we will provide the figures on what the transportation costs are for those necessary to use air services.

MR. WILSON: Well, I have no further questions. I think he has given us some idea of how he arrives at \$600,000.00, except that, to just say that on one hand last year it was \$11,000 and this year it is only \$4,300, I'd like as a new member examining these Estimates, I'd like to know what the fees are for and I am sure the Minister will get us the answers.

MR. CHAIRMAN: Resolution 64(d)(2)—pass; (d)—pass; Resolution 64(e) Care and Treatment of Adult Offenders: (1) Salaries. The Honourable Member for Swan River.

MR. BILTON: Again could I ask the Minister to give us a breakdown as to where these salaries are going to the tune of \$5,000,000, which is an increase of some million and a half over last year? Does that indicate an increase in staff and what are the number of staff?

MR. BOYCE: Mr. Chairman, the staffing pattern for the Adult Corrections is: At Headingley Correctional Institution we have 166, at the Vaughan Street Detention Centre 4, at Bannock Point, this is a rehabilitation camp, 11, and the Community Release Centre 9, and Winnipeg Remands 41, Egg Lake Camp 8, Brandon Correctional Institution 39, Spruce Woods Camp 5, the Portage Correctional Institution 19, and in Administration we have 11' for a total of 348 and we are asking for approval for 363, 24 of which is relative to the negotiated takeover of the Public Safety Building.

I would give the member the following information also — that currently in Headingley we have 355 people sentenced, 59 on a remand situation, 19 are on weekend sentences, for a total of 433, and the capacity at Headingly is 325. In Bannock Point we have 34, the capacity is 40. In Vaughan Street we have 59 and the rated capacity is 52. In Brandon we have 87 and the rated capacity is 106. Spruce Woods we are opening up, there is no one there at the moment, it has a capacity of 21. The Pas, currently there are 34, it has a capacity of 52. Egg Lake we have 27, it has a capacity of 28. In Dauphin we have 40 with a capacity of 18. In Portage we have 29 with a capacity of 45. So the current population is 743 and the rated capacity of our facilities is 687.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Thank you, Mr. Chairman. It looks Mr. Minister as though you are crowded to say the least. Are you suggesting to the Committee that these figures that you have given us are consistent month by month throughout the year or is this just in the winter months when your load is heavier?

MR. BOYCE: This is right at the moment, as of last Friday.

MR. BILTON: I beg your pardon?

MR. BOYCE: This is as of last Friday.

MR. BILTON: Could the Minister indicate to the Committee as to whether or not this is the sort of thing that goes on every month for twelve months of the year or is it somewhat lower in the summer months as opposed to the winter?

MR. BOYCE: No, but this figure has been steadily rising over the past year.

MR. BILTON: I notice that the Minister is going for a 15 increase, that is in personnel, is he considering the personnel in these camps that he mentioned earlier that he was going to set up around the province for juveniles?

MR. BOYCE: No, this is relative to adult offenders, this appropriation, Mr. Chairman.

MR. BILTON: I appreciate that Mr. Chairman, but I am just wondering, the Minister did mention that in view of the close down of the Saskatchewan layout that he had in mind that we were going to set up our own camp or camps. I realize I'm a little off the beam, but what are his plans for personnel for that if I might ask him at this time?

MR. BOYCE: Well, as I said, Mr. Chairman, that particular program is in cooperation with the Department of Health, Child Welfare Division, and it is contemplated that it will be with a community-based organization, such as we alluded to with some of the programs for juveniles.

MR. BILTON: The Minister has given us the high note insofar as the inmates are concerned in Headingley Jail as of last week, I think he said, what is the lowest number and the month?

MR. BOYCE: The lowest total population would be, in January of 1976 it was 344 or no, I'm sorry, in April it was 337.

MR. BILTON: It is more or less fluid all the way through the year, would you say that Mr. Minister?

MR. BOYCE: Our past experience is such that it goes up in the summertime.

MR. BILTON: Thank you.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister, could the Minister tell us — I understand that the Provincial Government is taking over a greater degree of the responsibility of the Public Safety Building in downtown Winnipeg in the lockup, as far as the costs involved in the lockup facility there — could the Minister inform us as to the provincial government's responsibility and what role the provincial government is now playing in regard to that institution?

MR. BOYCE: Last year, well for the current fiscal year which expires at the end of this month, we had undertaken with the City of Winnipeg that we would pay them up to \$500,000 relative to those services that they provided for people in a remand situation. In other words, not all of the people who were on remand were in Headingley, some of them were held for short periods in the Public Safety Building if it was a short period of time before their court appearance. We had announced that we would be accepting responsibility of the administration of that as of the first of the next fiscal year, which is April 1, and we will be picking up the operational cost of that facility.

MR. STEEN: Mr. Chairman, through you to the Minister, is that half a million dollar figure shown in (e)(1) Salaries or is it shown in the (2) item, Other Expenditures? It's obviously a new item, is it, Mr. Minister, a new expenditure?

MR. BOYCE: It was carried last year. You will see that when it was printed there was half a million dollars printed relative to this item for 1976-77. But in 1977-78 that's down \$62,800, so that the other costs are spread through the other appropriations. Where, you know' the salaries of the staff for the operation of the Public Safety Building are included in the Staff, and the costs of operation are included in the Other Expenditures, which is one of the reasons why it increases from \$1,600,000 to \$1,900,000.

MR. STEEN: Through you Mr. Chairman, to the Minister, in years gone by when the City of Winnipeg was in full control of this Public Safety Building lockup centre, occasionally a person was held in that detention facility for up to months at a time. Now that this has been incorporated into the provincial government's scheme, when a person has got to be held for some months pending trial and retrial, and as the Minister and others well know how lawyers jockey for positions in court, can we foresee in the future where persons who used to have long stays in this lockup centre will be removed from this lockup centre and put into a facility where there is a degree of recreation and other activities for that type of person?

MR. BOYCE: It is contemplated that those people that are bound over will be held in Headingley, not in the Public Safety Building. As the member is aware the facility never was designed as a remand facility, it was designed as a lockup, and a lockup implies it is just for a short period of time. In fact, Judge O'Sullivan ruled that it was cruel and unusual punishment to hold a person in there for too long a period.

MR. STEEN: Mr. Chairman, through you to the Minister, the Minister does agree with me that the facility has been misused in the past and has been used as a lockup facility, and where persons have had stays up to two and three months at a time within that facility. Correct?

MR. BOYCE: Regrettably, that is the case, Mr. Chairman. I'm sorry, because of demands on space,

we have no other alternative but there are physical changes being made to the building itself, in addition to this taking it over physically.

MR. STEEN: Mr. Chairman, perhaps the Minister could tell us that if a person is on a remand what is the number of days that that person is waiting when you make, or your department makes a decision as to whether the person should remain in a lock-up facility within the city or go out to Headingly, for example?

MR. BOYCE: Well, it will be dependent upon how quickly we can renovate the place. If it is as it is at the moment, it will take some time to renovate it. The advice that I have is that eventually, when it is modified so that it will function as a remand centre, that they could possibly be in there three months, if they are on remand for three months.

MR. STEEN: Did I hear you correctly, that if a person was remanded and it's a matter of months, that they would be detained in the Public Safety Building facility, rather than sent out to Headingly Correctional Institute?

MR. BOYCE: After it is renovated' yes, Mr. Chairman. But I repeat that there is capital available for the renovation of that. It is not as it is currently known. I'm sure that the member has physically seen the facility and it is a lock-up, but once it is renovated and is functioning as part of the remand capacity of the province then people could conceivably be held in there for that length of time.

MR. STEEN: Mr. Chairman, perhaps the Minister could tell the Committee what renovation changes are going to be made that are going to make it more pleasant or acceptable for the person to stay there for lengthy remands, because as the Minister said, a judge said that that was the cruelest form of punishment being locked in cells day in and day out. And I would agree with whoever that judge was. I missed his name when the Minister made the comment. But what magic are you performing in the way of renovations that it will be a suitable holding location?

MR. BOYCE: Through you, Mr. Chairman, the comments that were made by the judge in making the decision will be rectified. As I said, the cells are small and they have bunks in there with no mattresses and the rest of that sort of stuff. As best we can, we will provide some amenities, such as exercise yards and proper feeding facilities and there will be more space per resident.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Thank you, Mr. Chairman. Would the Minister have a similar document to this prepared by his staff from federal figures that would indicate that Winnipeg has the highest adult crime in Canada? Would we have a document that would give us what percentage Winnipeg might be in Canada as per criminal code offences under adult crimes charged? Would the Minister have a document similar for dealing with adults?

MR. CHAIRMAN: The Honourable Minister.

MR. BOYCE: Well, to the Member once again, I didn't prepare the figures. Stats Canada prepared the figures. If the member wishes figures from Stats Canada, I would suggest with all the aggravation that I've caused in even giving you those figures, that you contact Stats Canada and get your own figures.

MR. WILSON: Mr. Chairman, with all due respect to the Minister I did not ask for this particular document, but since we are dealing with his Estimates and if his staff prepared one pertaining to juvenile offenders, really there should be one prepared dealing with adult offenders as well. So maybe by arriving at the two charts and comparing them with the different police departments and enforcement agencies throughout Manitoba, we could get some idea as to what we are up against.

MR. BOYCE: Well, Mr. Chairman, I'll try again. I don't know, maybe with the Meer for Wolseley, I have to walk on my hands before he can hear me but I'll read the letter into the record. This letter is letterheaded Stats Canada. It is dated March 10, 1977. It is addressed to Mr. S. M. Hunter, Juvenile Director, Building 21, 139 Tuxedo Winnipeg, Manitoba, R3C0V8. "Dear Mr. Hunter, This is in response to your letter dated February 28th, 1977. Please find enclosed data for 1975, by cities and the total for Manitoba. Statistics for 1976 are not available at this time. I am sorry that I cannot provide you with more detailed information. Yours truly, Mr. E. J. Freduck, for R. Cantin, Project Manager, Uniform Crime Justice Statistics dated received in my office, March 14' 1977.

My staff did not prepare these particular figures. And I repeat, that if the member wants to get Stats Canada figures then I suggest that he get some from Stats Canada.

MR. WILSON: Did Mr. Hunter request these figures for the juveniles only, or has he got a letter pertaining to the adults as well?

MR. BOYCE: Mr. Hunter is the Director of Juveniles and I would imagine that he requested them relative to his responsibilities.

MR. WILSON: So then it was in a response to a request from somebody on your staff?

Next, Mr. Chairman, I was wondering why the delays in renovations to the Public Safety Building? I understand the sixth floor now is being used as a Museum for old police artillery and weaponry of the past. I wondered if that floor is empty, why if you are overcrowded like you claim you are, that it wouldn't be a priority of yourself to put a little emphasis in caucus or Cabinet to have them renovate that sixth floor instead of building garages and other questionable priority items in the downtown

area. What is the delay in the renovations? Is that where the renovations are taking place? Is there any thought to taking over the sixth floor?

MR. BOYCE: We have no plans to take over the sixth floor of the Public Safety Building. There is no delay in carrying out the

renovations. The province is not in the practice of renovating buildings which they have either under lease or which they own outright. As soon as the agreements with the City of Winnipeg are finalized then the renovations will commence.

MR. WILSON: Where will these renovations take place?

MR. BOYCE: In that place which has traditionally been known as the Winnipeg Public Safety Building Lock-up which is comprised of the third and fourth floors.

MR. WILSON: Will the Minister now entertain to have his staff look at the sixth floor as to the feasibility of expanding those facilities if it really only being used as a museum now?

MR. BOYCE: No, Mr. Chairman.

MR. WILSON: Mr. Chairman, I wonder if the overcrowding as reported by the Minister's staff, if it's just coincidence that judges are now expressing a concern of a 1963, '64, '65 report saying that native prisoners and suspects are different than other people when it comes to alcoholic related crimes and that something is going to be done to treat them differently. Or is this just a concern expressed — maybe the timing was just coincidental.

MR. BOYCE: I'm sorry, Mr. Chairman, I don't understand the member's question. Is he asking me to comment on the comments of the judges or his particular comment? I don't understand his question.

MR. WILSON: What I'm concerned about is, we seem to be extremely overcrowded in our institutions with no possible end in sight. So all of a sudden the judges are coming up with these suggestions that we treat a certain segment of our population different because of a mid-sixty report. I'm wondering why it's taken 7, 8, 9 years for them to all of a sudden re-open this study.

MR. BOYCE: Well, Mr. Chairman, I still don't know where the member's going. I know various people make comments from time to time including some of the members of the judiciary, but nevertheless what I'm responsible for is the administration of the staff under my jurisdiction and I really don't see the relevancy of some comment of the judiciary about the point the member is raising.

MR. WILSON: All right then, my concern is that we're dealing with adult offenders. The prisons are overcrowded, and today on one of the radio programs they were talking about the effect on sentencing, the effect on paroles what-have-you. So I'll leave it at that, but basically, I'm worrying about the number of things that are coming to light all of a sudden and it's just very coincidentally happens to be the fact that our prisons are overcrowded and all of a sudden we're going to have a change in the Legal Aid Program, that people are going to have lesser qualified lawyers, which means obviously more people to be sentenced and then reports coming forward. So I'll leave it at that and speak about it on the Minister's Salary after I've heard all the different views.

MR. CHAIRMAN: Resolution 64(e)(1)—pass. Resolution 64(e) (2) Other Expenditures—pass. Resolution 64(e)(3) Community Agencies. The Honourable Member for Wolseley.

MR. WILSON: Very briefly could you explain why there is such a drop here?

MR. CHAIRMAN: The Honourable Minister.

MR. BOYCE: As I explained just a few moments ago, on that line was included a half a million dollars that we agreed to give the City of Winnipeg for the operation of the Public Safety Building relative to '76-'77 fiscal year. That no longer appears in that item. What does appear is \$30,000 to the Native Halfway House, \$24,000 to the United Church Halfway House and \$8.8 thousand to Grosvenor Place.

MR. WILSON: Is that United Church Halfway House in my riding?

MR. BOYCE: I'll have the address for the member tomorrow.

MR. CHAIRMAN: Resolution 64(e)(3)—pass; (e)pass. . The Honourable Minister of Agriculture.

MR. USKIW: I move the Committee rise.

MR. CHAIRMAN: Committee rise.

ESTIMATES - HEALTH AND SOCIAL DEVELOPMENT

MR. CHAIRMAN: Before we proceed this evening, I'd like to draw the attention of the honourable members to the gallery where we have 12 members of the 53rd Charleswood Scout Troop under the direction of Mr. Dan Wiwchar and Mr. L. Goldsborough. This group is from the constituency of the Honourable Member from Charleswood. I bid you welcome on behalf of all members this evening.

MR. CHAIRMAN: When we rose at 4:30, we were on Resolution 58(a)(1). The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman and members of the Committee, as we move into the lottery concept, I again become very concerned about the management of lotteries of this government and this Minister which is certainly suspect. And I recall back to the days of the late Maitland Steinkopf and the Centennial which brought lotteries into this province. And the concept was in those days, of the need of funds to promote our Centennial and other matters. And so it was agreed by this House, and most people of this province, that maybe this was a source whereby certain funds could be raised to do certain things on behalf of the people of the province. And that's history, and now we're into lotteries like it's going out of style. The part that concerns me, Mr. Chairman, is the fact that this government hasn't proved yet they can run anything, let alone a lottery. And their record is on the book, it's well spelled out, they can't run Crown Corporations, they can't run land, they've turned their policy around on land, now they're 180 degree shift, so they recognize they can't handle the farmland issue, and the list goes on and on.

I have in my hand a directive dated March 25, 1977 from the Rehab Fitness Centre planned at Concordia, and this Minister and this government is now trying to take credit for lottery funds for another program. And the day, Mr. Chairman, and members of the Committee, when the government wants to get into the lottery business at this level and take credit for the people, they allocate the funds, not the opposition, not the people, this Minister, this Minister makes the decision of where the lottery funds shall go. So, our whole trust is in this Minister.

I know the critical history of this Minister, Mr. Chairman. I can recall the Autopac debates where he changed coats about three times, and switched over from point A to point B. He used to sit over there, he was a hard-nose Liberal. And I would suggest to you, Mr. Chairman, read some of his speeches of those days about how this province should be run. Then all of a sudden, he kind of changed around. He took off one coat, he put on another, and he put on another coat and he put on another, then the Premier put another coat on him. I don't know where he stands on credibility, not only as a politician but as a Minister, somebody that's honest and a credit and worthy to the people of this province. And I don't see in my wildest imagination how the people of this province can trust a man like that, who has worn several political coats in his lifetime, with lottery funds where it's suspect. He stands up here today and comes with a Rehab Fitness Centre planned at Concordia and saying the government will allot up to \$250,000.00. Mr. Chairman, when we get into that state in lottery business where the government is taking credit for the lottery profits and the lottery dollars of this province, I say it's time to stop and pack it up and get out. Get out!

I am sure the Mines Minister will agree with me, and there are many other members in that caucus who'll agree because these are not government funds and that kind of a directive should never have been sent out and it's ill time, sure it's an election year, and they can plow these goodies across to the people of this province and say, "Sure, it's government dollars' it's government policy." Mr. Chairman, I would much sooner go with the Saskatchewan plan. I would much sooner go with this, where it's so far away from government and it's run by the sports people. And all they do there is audit the funds. But in this province, the lotteries now have got to a state where I think we have to reassess our position from the days Maitland Steinkopf suggested that maybe lottery was a possibility, and take a look at the hard, bare facts, because when the day in lotteries that it says, "the government," it doesn't say the people, it doesn't say these agencies are selling these lottery tickets, or all the people that are buying, it says, "No. The government, the government of this province is now going to take credit for the lottery funds, and the government will allot up to \$250,000.00." How do they make the judgment "up to"? Why didn't they say "more than \$250,000?" Why could it not have been a million? The government made the decision. So, I'll read it. "The government will allot up to \$250,000 from lottery revenues on a formula of \$1.00 for every \$ 3.00 raised from outside sources. Now, isn't that a farce? Especially with this Minister who has been running around this province, riding all kinds of political horses, making all kinds of political judgments. Created the Autopac, what we've got on our shoulders today, he's all part of that same plan, this Schreyer plan, and there is a lot of other if's and but's about that which we will deal with another day.

So I say, before I sit down, Mr. Chairman, I think it's time that the people in this province took another look, especially at the Minister that is running lotteries, I said the second thing, let's get it out of the hands of government. This was never intended to be government funds. Let the sports people run it, let the province audit it, but not this Minister, not this government, especially when they're

falling at this time, Mr. Chairman, and using lottery funds as some kind of a gimmick likely to get votes as they fall on their faces and say, "We're sorry, boys, we just can't manage the affairs of this province." So, before we get to that stage, Mr. Chairman, I say, we should remove this in this Committee if we can from that Minister.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Chairman, it really wasn't my intention to join in the lottery discussion but I was egged on by my friendly amiable seatmate.

It seems to me that when the vote was held on the lotteries there was a division of opinion that crossed party lines. And they people who voted, and to my embarrassment, I can't remember how I voted at that time, but I do ... —(Interjection)— Yes, yes I believe the Minister of Labour is correct that I voted against it because the feeling I have now is going to express that, and perhaps offend some people because I consider gambling and lotteries, and in this case we're talking about lotteries, as a tax on fools. But it's up to them, it's freedom of choice and I must plead guilty that I've bought many lottery tickets but I still consider it a tax on fools. It's a free choice, a majority of this House voted for it. From time to time there has been criticism of the Minister on the way it was operated but I must give the Minister credit that when he saw an abuse he tried to correct it and I think he did a reasonable job of correcting what could have been a possible laundries whenever possible, for one purpose only is to save funds. That doesn't mean that you should necessarily have only the one laundry in all Manitoba.

The Commission has decided it is going in that direction. It has a laundry in the Dauphin area and the Brandon area that takes care of some of these smaller institutions. There has been a laundry started in Selkirk; it's too early to tell what the result will be, it's not finished, the building is finished but the rest is not finished.

As far as St. Boniface, there was a committee in that area of the city, there was a laundry committee set up to look at St. Boniface, the Tache Geriatric Hospital, the St. Amant Ward, and I think at that time Misericordia was looking at it. These people were looking at the situation and discussing this with the Commission. There has been no commitment made. I think the direction seemed to be that there would be some kind of a centralized laundry in that area and that is still being discussed at this time because of the facilities in Selkirk, apparently it can handle more than they thought that it would.

I would like to switch to the Lotteries. My honourable friend that spoke is in the habit of doing that once in a while, he gets a piece of paper and looks around like a pitcher watching second base, third base, and so on. He's got nothing to say but he's going to make something out of it. I suspect that he was killing time, not knowing what the hell he was talking about, Mr. Chairman, but killing time for the fellow behind him who is actually the critic on Lotteries.

My honourable friend forgets a few things. It is true that the first time this was brought in the House, that it was for one year, one shot only. —(Interjection)— Under Mr. Steinkopf and it was left with the Association. Then the following year there was a bill passed, and I had one voice, one vote, not 57. It was passed very clearly establishing a fund, revenue to the government that was earmarked for sports, community recreation, the arts, and culture. Now, I didn't make those rules, Mr. Chairman, the members of this House did, very clearly.

And today I'm chastised because I dare tell the people where we're going to spend the money of the Lottery. You know, the speech over a sheet of paper announcing where some of the money will go. I didn't hear anything before when there was an announcement that there was a capital project in community recreation, in that very year, and that was started when I was responsible, when I was Minister of Tourism, Recreation and Cultural Affairs and also when the list came in, it was a very good program.

Nobody is trying to take credit where credit isn't there. Of course, when you say the Lottery Fund, you don't need to draw pictures, the Lottery Fund means the revenue from the Lottery accruing to the province. And by law, they have to spend it. The province cannot put it in the Consolidated Fund to use it for hospitals, use it for this and all kinds of other things, it is very clear in the Act that the people voted for.

When that bill passed, when it was my turn to get up, I supported the Lottery. I said last year, I said this year, that since I have had to administer this, and believe me it gives me practically as much trouble as the rest of the department and I have over one-third of the total budget, it hasn't been good and when I saw the greed and the way the people have worked on this in promoting their own, then I said last year, and I say this again this year especially, now, when there are so many lotteries, when you have lotteries all over the place, there is competition, it doesn't make sense any more. I have said that repeatedly. I said it before 5:30 and I'll repeat it now, that I don't like lotteries the way the things are going now, when you have the Federal Government who are subsidizing the lottery and I think they will lose money if they didn't already on the first draw, the first Loto Canada where the taxpayers are subsidizing a lottery, I think it's time to stop. I agree, and especially when you go out in competition with other lotteries in your own country where there is an obvious battle now between

the provincial lottery and the Canadian Loto Lottery, where you have five, ten, twelve prizes of \$1 million, it doesn't make sense.

So my honourable friend is not going to fight with me on that because I stated that earlier, I don't like it that much. But I have a mandate to try to do the best I can with a very difficult situation.

Last year there was no backing from a single member of this House when I was trying to clean it up, and the press either. I wasn't getting anywhere because there was too much of a lobby being made by people that had something personally to gain on that. So there was a lot of lobbying with my friends and so on. So what have we done that's so bad that my honourable friend gets up, is all excited, all exercised about this? What have we done?

First of all, the lotteries run by the association, were originally, even under Mr. Steinkopf, where that money, some of it was going to the province, there is not one cent that goes to the province. That lottery is run by, it is licensed by the Lottery Licensing Board, it is run by the association and I think they call it Total Community Involvement Incorporated, and they keep everything providing that they are careful and they follow the policy of the government.

The Sports Federation were also given two lotteries that they run also. There is not one cent that goes to the province.

That leaves us now with the products of the Western Canada Lottery Foundation. A few years ago when it was obvious that there would be all kinds of competition, the four Western provinces got together and decided to see if they could help each other and this is exactly what they did and it is the best thing that ever happened, maybe the next best thing, maybe they should have stopped the whole lottery then, that's a possibility.

But now, you have decent return to the people who are buying the tickets, which you didn't have before, you have full accountability which you didn't have before, at times you had up to 70 percent unaccountability. Besides the revenue to the government, you also have a partnership of three, the United Way, the Manitoba Arts Council, and the Advisory Council on Fitness and Amateur Sports that are partners and they have the profit accrued to them as distributors and wholesalers of these products.

I stated and I'll read it carefully for my honourable friend, because he can take this and make another speech after, I'll read the statement that I made before 5:30, but now I'll read it to make it clear where the government is going in the lottery or where I would like the government to go: "As I have explained on several occasions, Mr. Chairman, it is my preference gradually to remove government from the direct operation of lotteries and to restrict its involvement through the Manitoba Lotteries Commission to regulatory functions. Over a year ago, announcements were made describing an alternate organizational structure that was designed not only to move toward this end but also to provide for improved monitoring and accounting as well as better returns for ticket purchasers.

"I believe that the structural changes have gone a long way in accomplishing these goals. I am pleased to announce yet another step aimed at reaching this overall objective. Western Lottery Manitoba Distributors Incorporated is the exclusive wholesaler of Western Canada Lottery products in Manitoba which constituent members include the Manitoba Arts Council, the United Way of Winnipeg, and the Fitness and Amateur Sports Advisory Council. The government has proposed to this corporation, subject to certain conditions, it receive an additional dollar in revenue from the \$5.00 Provincial Lottery ticket retroactive to January 1st, 1977. Under this arrangement, the province would accept only a few cents in revenue to cover handling charges.

"The conditions under which this proposal has been made, include: 1) The establishment by the Corporation of a reserve fund of half-a-million dollars to offset any future liabilities; the assumption by the Corporation of all necessary supplementary advertising and marketing expenses; the continuation of current revenue share with respect to the \$1.00 Western Express ticket; the provision of detailed quarterly financial statements by the Corporation to the Manitoba Lotteries Commission; reconfirmation by the Corporation that it will abide by the policies of the Manitoba Lotteries Commission and an agreement that all agents and sub-agents will be subject to the approval of the Manitoba Lotteries Commission and regulated as to maximum earnings; agreement by the constituent members of the Corporation that each will apply its share of net revenue against past and current deficits of organizations they separately fund before each considers providing financial support to new programs.

"We feel that this proposal will assist in removing government from the direct operation of lotteries while providing greater flexibility, independence and improved revenue to those organizations representing the activities for which lotteries profit have been reserved."

If that's not clear, Mr. Chairman, I can't make it any clearer.

Now, what did we find. We found, as I say, we fought the members of this House, we fought the members of the press last year and many others who were doing a lot of lobbying, a lot of lobbying because they had an awful lot to lose. And I'm not going to start again. I think I made it quite clear, my concern for the middle man, last year. But I can tell you that I have a contract in front of me, I have a contract, I don't want to table it so I won't pull it out, I'll tell you what's in the contract because I'm not

looking for any witchhunt but if you wonder why I was worried.

Now, there is an association that made over \$282,000 and, Mr. Chairman, we have heard so much about these organizations, you know what they kept out of that, what their revenue was after it was all over? Nine thousand dollars, Mr. Chairman. Now, is it any wonder that I'm concerned, that I'm trying to put a ceiling, especially when these things are licensed by government? Should you have middle men who will have non-profit organizations fight their battles, they won't come in the open. I don't want to start the battle all over again because this is improving. —(Interjection)—

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

MR. GRAHAM: You had some concern about the accountability. At that time did you refer the matter to the Provincial Auditor?

MR. DESJARDINS: That is not my responsibility. I advised the Attorney-General. This is not one that comes under the Manitoba Lottery Commission, it is licensed by the Manitoba Lottery Licensing Board, the Lottery Licensing Board knows about it and they are going to ask more information before there is any more licensing to be done.

Now, I said last year that I did not want to start to set up districts where there would be patronage, it would become a political pork barrel. —(Interjection)— And it is not political, Mr. Chairman, and I defy anybody to say that it is political, I defy and I challenge anybody including the honourable friend that's got up, to say that there is anything political in the administration of this lottery. —(Interjection)—

MR. CHAIRMAN: Order please.

MR. DESJARDINS: Mr. Chairman, in certain other provinces, and they had a survey in Quebec, as I said before the dinner hour, there was up to \$900,000 that a middle man made, and out of that it would be estimated that at least a half of that was profit. And the provincial police in that area, I am told, found that for every district there was, there was a kick-back or call it what you want, I call it a kick-back or a donation to the former Liberal government in the Province of Quebec.

So now, what have we done here, what have we done? We have the Express that we share in, we have tried to put this on a sound basis and it is on a sound basis, and we have said to the partnership of these three groups, if that's political to say that part of it will go to the United Way, part of it will go to the Manitoba Arts Council, and part of it will go to sports through the Advisory Committee on Sports, if that's political, well then I'm political.

Mr. Chairman, these people were told, and I mentioned that earlier, there will be a survey, and now I'm talking about the part that I'm responsible for when it comes to the disbursing and it is the one partner of that, it's the Advisory Committee on Fitness and Amateur Sports, and I invite the members to look at the members of that Advisory Committee to see that you will see well-known and in fact former candidates of different parties and I think that if you were to try to find the members, the known people that supported this party, you would have a very difficult time. Because I have always tried and I have always insisted that this should be kept above partisan politics.

Now, as stated earlier, these people will sit down and get the guidelines of what they want to do with this fund, it will be going through probably the sports groups. This Advisory Committee is looking, as I said earlier last week, at the programs, the actual programs that we have now and also the money from the lottery.

Now, the share that's coming to the province, and I will not defend the whole thing because part of it, three-quarters of it, 75 percent, is spent in the Department of Tourism, Recreation and Cultural Affairs, therefore I have 25 percent. Twenty-five percent of that, like everything else, is earmarked for sports, that 25 percent is sports and fitness. And before I can spend a cent, you know, my friend who is fond of talking of a dictatorship and people you can't trust and so on, before a cent of that is spent, it has to be approved by the Cabinet. Not only that, but there has to be an Order-in-Council. —(Interjection)— Mr. Chairman, I have never seen anybody so ridiculous as my honourable friend is tonight. Now he is condemning government, he is condemning democracy, duly-elected people do not have the right to make decisions, that's exactly what he is saying and you can laugh all you want. Duly-elected members do not make decisions, they don't make decision, they haven't got the right to make decisions. What else? What better safeguard than if everything has to be approved by Cabinet, and it has to be done by Order-in-Council which is public knowledge?

A MEMBER: It's political.

MR. CHAIRMAN: Order please.

MR. DESJARDINS: Yes, it's political. Anything that is done in here when you look after the affairs of the people of Manitoba is political, but it is not partisan, my friend. It is not partisan and that is the important thing. You know, if people don't know what the hell they are talking about, they laugh and they turn around. I'd like to tell my honourable friend, I challenge him again, I defy him to try to get something that will prove there is any wrong-doing in there, anything at all. He can scratch all he wants, because I think that we have done a darn good job under very difficult and trying conditions. —(Interjection)— Well, of course it's my opinion, I can't talk for you, you can cry later on.

Mr. Chairman, there is another thing, I have gone over and above the call of duty to give you and

the members of this committee the information. You know, I could go ahead, and by the way, I want to tell my honourable friend that if we compare the statement that I gave, it's not necessarily the same as this, this is another approach to look at the progress that has been made, I didn't have to give that to my honourable friend at all. This is the only thing that by law I must table, the only thing. And I've given him all kinds of information, I worked all weekend to try to give him the information, to see where it was going, but some of them, not all of them, a few of them who don't know what it's all about would like to introduce politics in there. I think they would try to introduce politics no matter what the subject, even if you were talking about motherhood.

Mr. Chairman, for those that are interested, I would like to look at the sheets that I have passed on and on the first sheet is an idea of what the gross value of tickets were, the percentage and the expenses and other forms of revenue for the years '71 - '72, '72 - '73, and '73 - '74 when there was only the Golden Sweepstakes; in '74 - '75, July of that year, the Western Canada Lottery Foundation took over but not with bearer tickets, and it was in '75 - '76, in October, that the bearer tickets came in and there was no doubt that last year was a very bad year and again, I'm not going to pad the account, I'm not asking you to look at the total excess of revenue expenditures which I could have been satisfied in providing to you, but I'm showing in the middle of the page the net revenue from ticket sales which is \$1,080,000 compared to the year before, \$1.5 million.

If you go on, the estimates for this year will be, even though you have the Corporation "B" or Total Community Involvement that keeps every cent of it which they didn't have in the first year, and you have the Manitoba Sports Federation with the Sports Toto that keep every cent of it, there would still be \$2 million, close to \$3 million of net revenue from ticket sales. Now, this will be modified, as I said, because part of that, the Provincial Fund, most of the profit, all of the profit will go to Corporation "A", so that will have to be changed.

On the second page, I've tried to give you an idea of what happened since the start of it. The excess of revenue in the first year, '71 - '72 was \$962,000; funds transferred to Trust and Special Division Consolidated Fund, \$900,000; that left a balance at the end of the year of \$62,000.00. Then you can start all over and keep on going.

There is something that I must explain because Friday we had a good talk about sports but one member, again, only one, decided that he would play politics and in an interview certainly misrepresented things and — at least, I want this thing to be understood and I'm referring to The Tribune of March 26th, "Government Holding \$300,000 Steen Says" and again it was a question that we were keeping that and just before the election all this money would be spent and so on. — (Interjection) — Political, my friend says, because that's the way he thinks and that's the only thing he knows what to do, and he knows nothing else and he judges everybody by himself.

Let me tell you that first of all, on this thing, as I said in the sheets that I gave you yesterday, that it is true, that there were \$300,162.81 that was not committed, but out of that, \$107,504.84 is the money that they will decide, it's the Advisory Council on Sports and Fitness that will decide where that will go and I told you they were looking at that. That left a balance of \$192,000 and that paper that my honourable friend read about \$150,000 or it was \$250,000, \$100,000 was committed somewhere else, the other \$150,000 was committed from the Lottery for this ReFit, if this could be worked out — and by the way, I took a lot of trouble to say that most of the credit for that thing belonged to the Kinsmen, but my honourable friend wasn't in the House yesterday, or Friday. Now, therefore, that will leave \$42,000.00. Now, I'm going to go through the same thing because my same friend, or this one in front here will grab this paper and say, "Balance at year-end, \$2,384,000 and what are they going to do with that?"

First of all, this is an estimate. When this thing was prepared, we were trying to project for the year. There was \$661,000 that wasn't there, so that breaks it down to \$1,723,000.00. Out of that there will be a certain amount of money, \$140,000 of this money, that's part of the \$661,000 that will go to Corporation "A" and another \$70,000 out of that because the month of January wasn't involved in that we already had the money, so that cuts it down to \$1,653,000.00. Then there is administration, there has to be a reserve fund because some of the lotteries, like he says my friend in Saskatchewan . . . it is not in the hands of the government, the government is not as interested as it was, and the Sports Federation is doing one thing, it is make money at all costs and they tried to impose on the Western Canada Lottery Foundation a guaranteed minimum income, that is, that the province would have to buy tickets if they like it or not, and eat them if they didn't sell it and that is not the kind of operation we want in Manitoba. So we had to reserve — (Interjection) — well, let me finish this, if you don't mind, I'm nearly finished it. — (Interjection) —

MR. CHAIRMAN: Order please.

MR. DESJARDINS: Well, that's not my fault if you're confused, ask your friend in front. So that left about a million-and-a-half which, in a couple of days it will be the end of the year, and that will be turned over. In the meantime, this is in a special fund provided for sports and the arts, eight-and-a-half percent. I had better be careful, if the Minister of Finance heard me say that, I might not be able to

do that very long.

Mr. Chairman, then 25 percent of that, which is what would go for sports, is \$375,000 and that is the maximum. I am saying, I said and I will repeat again, that the Sports Advisory Council is looking at the ways — you're not going to go because you've got money, you're not in this money keeps coming regularly. We had a very bad year last year, we had to keep the reserve, now it's going, now it's on its feet and I think that we can foretell pretty soon a kind of a steady, although there is always going to be that competition because it's going wild. We're trying not to have it go wild here in Manitoba and the only participation of the province then will be on the Express because we won't get the money from the Provincial, it will go to that Corporation.

So, Mr. Chairman, this gives you an idea and there will be policies made and suggested by the Advisory Committee, some of it dealing with the funds that accrue, the revenue to the province, then this recommendation will be discussed in Cabinet and we'll see what happens then.

There has been some money, what do we do with this money? What do we do that is so bad? The share of the province of Manitoba. Well, most of it, we do things that normally we wouldn't be able to do if we just took the tax money, and we're spending more by population in this area than the other provinces and I'm talking mostly about Manitoba Games and coach training and that kind of thing, and this is where the money — I reported on that when I reported on fitness and amateur sport, so I explained then what the Games were all about, what we did last year and what we intend to do in '78.

So, Mr. Chairman, I hope that this will, I know that I won't satisfy everybody, some of them, not too many but a few, have got it in their mind that they can make a lot of politics on that, they can make a lot of gain and they are trying to bring it into politics which I've tried for two years to get it out of the partisan field, and I defy anybody to say that there's anything — I'm not saying it's perfect, but I say we have come a long way and certainly without the assistance of some of the people, the same people who do most of the yelling from the other side.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: A question, Mr. Chairman, for clarification. I wonder if the Minister would back up to where he started the balance at the end of the year, \$2,384,000.00. Then he said that was only an estimate so we end up with, what did he say, \$1,723,000.00?

MR. DESJARDINS: I said, Mr. Chairman, I said that part of it was estimated because this is not the financial statement, you'll get that at the end of the year. This is to try to give the members of this House something that I certainly didn't have to volunteer, an idea of what has happened in the lottery since we started. We got this as close as we could, this was done at the end of January so we had to estimate for the last two months. And that's not audited. — (Interjection) — The money will be there, in fact, most of the money is there now but when this was prepared, the money wasn't there. That was money to come and we were judging, because we have been fairly regular in selling the Express, I think it's about four-and-a-half, five series.

A MEMBER: Is this close, that's what I want to know?

MR. DESJARDINS: Yes, very very close, it's practically dead on but at the time that this was prepared, two months were projected, estimated. It wasn't an after-the-fact budget.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I have listened with keen interest to the Minister for some time and he still hasn't proved to me that lotteries are non-political in Manitoba and I hope that the Minister doesn't think that we in the opposition are trying to prove any wrongdoing. That's not the intent of my entry into this matter. I am just trying to tell the Minister that there are citizens from every political stripe in this province buying lottery tickets and some of them don't like the funds being allocated to one Minister and one Cabinet. Will the Minister agree now that Cabinet makes the decision, that these lottery funds are political because when you sit around the Cabinet table If the Minister, in his wildest imagination can prove to me all these people that are being allocated these funds, that that's not a political decision, then I would like to know what the function of Cabinet is all about. It's a political machine. It's a political vehicle. That's what the Cabinet is there for — to run the province and allocate funds. And certainly those lottery funds end up on his desk or in his pocket. And they are making decisions in Cabinet and a lot of people, not only in the city but out in the rural areas that don't believe in the NDP or the political philosophy that they buy in . . .

And I'll go on in my remarks and prove to you, where they think you've made a bad deal, you've made a bad judgment. Certainly, we are trying to chastise the government. I am trying to chastise them, yes, because people think lotteries are a fair thing. But I wonder. When is the day the government is going to listen to the sports people, the man on the street, about lottery funds. And the fact that the Minister makes the decision in the Cabinet room. He doesn't call in my hockey team nor does he call on my rink crowd, nor does he call them in from Neepawa. That decision is a political decision, it's made in that Cabinet room how those funds are going to be allocated.

And let's look at another example. Who makes the decision where these various games are to go? Again, another political decision. — (Interjection) — That's right. It's political. Does the Minister ever come over and ask us where you should have these various games? No, they don't. He says it doesn't

make any sense. He says he doesn't like us raising the issue and the fact that it should be debated? He also brings out the fact that there's competition now in lotteries between the provinces and the Government of Canada. Well, I tell you, that is a sick system to have our lottery funds being allocated where they're wheeling and dealing between Canada and the provinces' because look, in Western Canada, anytime you negotiate with the Federal Government, you know where Western Canada comes out, we come out the losers. I tell you, it's a concern. The Lottery Licensing Board. Who appoints that Board? Do we over in the opposition, does the Member for Minnedosa or the Member for Birtle-Russell have any input into who is on that Board? — (Interjection)— Yes, I know. They never do' because they put all their next-of-kin, and their card-carrying NDP friends, they run that show. And we know how they operate, Mr. Chairman.

MR. CHAIRMAN: Order please. The Honourable Minister on a point of order.

MR. DESJARDINS: I would like the honourable member to either prove his point or withdraw it and shut up. He is not stating facts. I'll mention every member on this Board and he can tell me which one of them has a card of the New Democratic Party.

MR. MCKENZIE: Isn't it interesting, Mr. Chairman, how the Minister, when he gets in a hot seat

MR. DESJARDINS: Go ahead. Prove it or withdraw it.

MR. MCKENZIE: Naming names and challenging me. I didn't say that. I only asked the Minister was: did he come over and ask us about any of those people that he was appointing on that Board? Well, my friend here from Portage la Prairie who's a Liberal . . .

A MEMBER: I don't want to be on it.

MR. MCKENZIE: Well, I know. But did he ask you? No, they didn't ask us at all. So therefore those are political appointments. That Licensing Board is political. Just look at the names on it. And Mr. Speaker, let's go on and on and on. But the one that really brings me to my senses was the resolution that the Honourable Member for Minnedosa placed on the Order Paper, I think was it Friday, about where this Minister and all his lottery funds has got all these rural rinks into this artificial ice, all these buildings — but all of a sudden, no planning, which is par for the NDP. You know this NDP arithmetic, it only goes about two steps. You never told those people, "You're going to be nailed on a cross with this demand billing." You never told these people they're going to have to close up their rinks. And that's how you're allocating lottery funds. In their wildest imagination the other day, the Member for Radisson, who sits on the Hydro Board and should know better, and should be able to tell the people of this province because he sits on that board, "you people in rural Manitoba and this city are going to nailed on demand billing on your rinks and your skating rinks, lottery funds are coming." And that again is a sick government. A sick government doesn't know arithmetic or can't tell people where they're going or what's going to face me tomorrow. And there we are. Now what they're going to do, the Minister is going to take more funds out of the lotteries and give them grants to pay this stupid billing.

What a sick government, Mr. Chairman and members of the Committee. What a dying government. A government that has run out of ideas, a government that should never have been governing this province in the first place because they don't have the courage, nor do they have the audacity nor they have the ability. And this Minister is going to stand up here and tell us that he, in his wildest imagination, a former Liberal, a traitor to the Liberal Party, a traitor to this government because has never been able to manage lotteries and said, "Leave it to me, boys. I will manage it. I will handle it. Go back home, it's non-political' and there's nothing to worry about." Well, Mr. Chairman, I know the background of that Minister and I know the history of this government and their arithmetic, and I say to the people of the province tonight, don't trust them with lotteries. They can run nothing. Let us get the lotteries out of this Minister's hands at the earliest possible date and put it back in the hands of the sports and let them manage the lottery funds people who are non-political' of this province and we will have the government auditors audit the money, and when the shooting is all over, Manitoba will be a lot better for that experience, Mr. Chairman.

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

MR. DESJARDINS: Mr. Chairman, a lot of hot air but not too many things that he can prove, in fact, not one damn thing that he can prove. First of all, he said there was no planning, there was no planning for community recreation projects. — (Interjection)— I am not talking about Hydro, what's that got to do with this? I've got one-third of the total budget, I'll be go to hell if I am going to start talking about Hydro and that kind of thing. If that's what you want to talk about, fine. Mr. Chairman, he is not going to pull me away from this subject. He said that we have no planning in the program of capital construction. That was started exactly with planning in 1973 or something. . . He can turn around and laugh because he knows he is not paying attention to what he is saying. It's a big joke but he's going to get that information anyway. He said there was no planning. In 1973 before that program was announced, there was a study made, the Federal Government participated and I have charts in my office — or certainly the Minister of Tourism, Recreation and Cultural Affairs has, where they knew exactly where every sporting facility or cultural facility was pinpointed on the map. This is the way we started.

Now the program, he said, "You are not telling the people that you have to pay for that." That is absolutely wrong, it's absolutely false. That program was started but the sponsor of the program, and everybody on that side, can anyone tell me that I played politics with that program? Can anyone of them tell me that I played politics? I could have, I could have. Can anybody tell me that I played politics? — Because they told me the opposite.

A MEMBER: But you played politics with Hydro.

MR. DESJARDINS: What have I got to do with Hydro? Now he's talking about Hydro. I knew the Minister's Salary.

MR. CHAIRMAN: Order please. Order please.

It is definitely a breach of rules of order of this House for a member to interrupt another member when he is speaking, to the detriment that the Chair can't hear what's going on. Now I'd ask the honourable members to keep quiet and try and let the Chair hear what's going on. The Honourable Minister of Health.

MR. DESJARDINS: All right, Mr. Chairman. Then the sponsors of the programs were to apply. Before applying, they had to send us a resolution of council, if it was unorganized territory, telling us that it will not be a white elephant, that the municipality agreed; and the government paid a maximum of 20 percent, I think it was 25 percent to a maximum of 20,000, I should say, and it was very clear in the application that the government would not pay operating costs. The government, after that, changed their policy to try to help them out. But it was made very clear. So to say that there is no planning is wrong, to say that it was political or implied that it was partisan was wrong, and to say that they were lead to believe that the operating costs would be paid is absolutely wrong, it's exactly the opposite.

Now my honourable friend talks about — and he makes a big thing, that's supposed to be wrong, you know, democracy is a great thing when you're in power. But all of a sudden, you've got to save the people against themselves if they turn you out of power and that's very bad; and it's an accident and the people were stupid or the people didn't know.

All right. Democracy might not be perfect but it's the best system that we have. I think that it's proven that it's the best — and the people will have a chance, my friend might be right, to change the government. But in the meantime, this is a duly elected government, and they make political decisions. My honourable friend is saying that the government decides on everything, all the revenue from the lottery. But my honourable friend is not listening, either that or he is not sincere, he is not interested. There was a Golden Boy lottery before, Golden Sweepstakes, I should say, where they had to pay part of it to the government to pay for these things. Now there is not a cent that goes to the government, not a cent, so that must be an improvement. Sports Federation have two lotteries that they run themselves, they decide what they do with the funds. There's not a cent that goes to the government. There's two of them. What is left. There is the five-dollar provincial ticket which I stated this afternoon that the government is trying to . . .

First of all, let me explain Corporation A. Corporation A, the seller gets so much, the wholesaler gets so much, and each little hockey team is better off now, they can sell for Corporation A or Corporation B and make more money than they ever

if they are interested sellers get a certain amount, the wholesalers get a certain amount. Who are the wholesalers? The wholesaler is a boy of Corporation A. He said they were appointed by the government, again that is wrong. They were names given to the Ministers by the United Way and by the Arts Council at the time and the Sports Federation were invited to do the same thing. They preferred to run their own so therefore there were two people taken from the Advisory Committee. Yes, I selected them for the first time to get the thing going because we weren't going, and then from now on they have been told that they will submit the names also. So this is how these people ... there again he said they were decided by the government. Now, that money earned by that group is — this information that money given by that group, they decide themselves what is going to be done within a guideline so there won't be any duplication and they help us set up our guideline. So all corporation B, all sports Toto, nothing to do with the government the government used to keep a profit. Now that leaves the Western Canada Lottery Foundation product. I announced today, I announce again to my honourable friend, that we will not participate in the five-dollar ticket. That will all go to this group so that leaves the one-dollar ticket which has a commission to the seller, a commission to the wholesaler, and revenue for the government. The government will derive revenue from one lottery.

And then they are going mostly in games. Now the next thing, the government decides in the games. There is a Manitoba Games Council—my honourable friend, at least if he'd ask and if he'd find out what goes on before making these wild, stupid, arrogant and untrue statements, it would be a heck of a lot better. There is a Games Committee who are independent, under the chairmanship of Sam Fabro and I never heard that he was an NDP okay. The — (Interjection)—All right. So Sam's all right, Sam's other guys are all dopes but Sam's all right. At least we've got one guy that's all right. Then, they had a sub-committee to go ahead, there was a meeting inviting the people to submit bids; there was a sub-committee named mostly of the Sports Federation and nobody, but nobody can say

they're supporting this NDP government. They classified and gave recommendations of those that could have the games. And this is how the games were chosen. Chosen that is their recommendation, goes to Cabinet and then yes, Cabinet makes the decision. There is no point in having an election, there is no point in having a Cabinet, there is no point in having ministers, if you're not supposed to make any decisions. But my honourable friend would have us believe that the profit that goes from the lottery — you know last year, it was joke, we were going to lose our shirt and everything, now, we've got credibility, we've got more accountability, we've got this protection to the people and we're going to make a little more money. It was obvious that we had a very bad year, but even with all these new lotteries and all this competition, we've got things solid that we will not be accused — maybe we won't make as much as other provinces, but we won't be accused of having exactly the thing that I've tried to prevent and it would be the easiest thing in the world for me to say, "You get this territory and you get this territory like was done in the Province of Quebec." And maybe a nice donation to the party on the side. This is what gets me mad, Mr. Chairman, not being criticized. That's what we're here for. But I bend over backwards not to let these things happen. And the facts are facts, and the facts are there and the honourable member doesn't know a thing about it and everything he said, every statement that he said, not one of them is correct, not one of them is true. All right, he can talk about that I've changed party and so on, I'm not the only one who changed party, there is lot of people that changed party because this party became the government. It was a difficult thing to do and I went through hell on that. My conscience doesn't bother me and I'd do it again because I think that the Schreyer government, this government, gave us a good government, gave the people of Manitoba a good government. And I try to run my department the way I think it should be run, the best possible way that I can — sure with limited capability as my friend would say, and I try to run an honest department and I don't think that I have to be ashamed of any party or anything like that. I've never tried to introduce partisan politics in this. And this is what gets me. Everybody does it to a certain point if everybody is equal but I have bent over backwards not to do that. And I didn't set up middlemen or set up different areas and place a friend there that would owe me for life because he can make a small fortune. We didn't do that and this is what we're fighting and now we're being ... we're not being criticized! There is a bunch of untruths that are coming out, things that my honourable friend does not know anything about. Every statement that he has made I've just demonstrated to him that he was wrong but he is going to get up again and he is going to talk about Autopac and Hydro and I want to talk about the lottery. If he thinks that it's a picnic to have it, he can run it any time he wants. He can run it any time he wants. It is not the best thing to have and there's no way that I want to create that kind of empire. So, Mr. Chairman, I think it was a challenge. I am satisfied that it is set. It's not perfect but it's improving all the time. I would hope, as I said in my statement, that some day fairly soon and I can only say I hope, because this will be up to Cabinet, this will have to be discussed, that eventually this, the last lottery that is left, that Express, but no profit goes to government' that it will go and be run by these corporations, and then we'll be out of it completely, but we've been going in that direction very rapidly, very fast, Mr. Chairman.

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

MR. GRAHAM: Well, Mr. Chairman, I just wanted to ask the Minister one or two questions. First of all, when the lotteries was set up' is it true that the funds from the lotteries were supposed to be divided between cultural affairs and sports?

MR. DESJARDINS: When the funds were started, it was between cultural affairs and sports, community recreation, well the arts, yes. And fitness.

MR. GRAHAM: Well' Mr. Chairman, then when the Minister and I believe it was the Minister that set up Corporation A as he likes to refer to it — the United Way — the United Way is involved, is it involved on the side of cultural affairs or is it involved on the side of sports?

MR. DESJARDINS: That was a terrific question. He's really got me, Mr. Chairman. The sports, culture, fitness gets the funds, the revenue from the province. He is talking about a corporation that does the distribution, the wholesaling and they decide themselves, there is nothing in the Act that says they can't do what they want with those funds. That is not the revenue that accrues to the province.

MR. GRAHAM: Mr. Chairman, I just wanted to know who it was that got the United Way involved in this.

MR. DESJARDINS: When we set up this Corporation A to do the wholesaling, it was either getting individuals like in Quebec and Ontario, getting individuals that probably could be very friendly to the government where I said in Quebec that setup there's one that makes up to \$900,000, it is nothing to get clear without lifting a finger, \$100,000 and \$200,000.00. We decided to give this to a non-profit organization, to a good cause, and not to let politics get into this. Maybe we sold less tickets by doing that and we established a corporation that represents the three partners that I figured are very worthwhile partners and they are the ones that get this money. Yes, I was instrumental with the rest of the Cabinet of inviting the United Way to participate. Yes.

MR. GRAHAM: And they derived some revenue as the wholesalers in this business? Well then, Mr.

Chairman, is that consistent with the terms that were set up when the lotteries were set up in this province?

MR. DESJARDINS: I'll try to repeat again: The only thing that the bill says, that the revenue, that the province, that the share of the province, that it could not go into the Consolidated Funds and pay for hospitals or anything like this, that it would have to be spent on sports, culture and so on. The revenue. It doesn't say anything about other lotteries and it doesn't say anything about the profit, the commission of the seller and the wholesaler and now he is discussing the wholesaler's commission.

MR. GRAHAM: Well, Mr. Chairman, I just want to get a few facts straight before I made any general statement. And I think, Mr. Chairman, it's only fair that we should go back and review the progress that has been made in lotteries. First of all, Manitoba I think was the first province outside of probably Quebec that was involved in lotteries. It certainly is the first province in Western Canada that was involved and the original concept of the lottery in Manitoba I think was a very good one. It certainly derived a fair bit of revenue for those communities that wanted to take part in Centennial celebrations and for people that had a great deal of pride in this province. From there, the lotteries have progressed to the point where we have certainly made available to the arts and to sports and recreation in the Province of Manitoba, certain amounts of money from the carrying on of lotteries and the first lotteries that we carried on were very very successful and I believe that other provinces in Western Canada and in fact throughout Canada attempted to copy our example. But where have we gone wrong, Mr. Chairman?

The Western Canada Lottery which encompasses more than one Western province has now reached the point where Manitoba, who was the leader to start with, is now the low man on the totem pole. Our record in lotteries is the worst record of all participants and the Minister had better be able to give us the figures that will refute that because the figures that I received, indicated that Manitoba has now progressed from being the tops, it is now down at the bottom as far as the revenue that is generated from those types of lotteries. And I don't think that that was the intention, that was the intention at all.

The Member for Roblin, I think was quite correct when he pointed to the Minister and he said that the interference that has occurred in Manitoba, the confusion that has occurred and the frustrations that have existed in those that were involved in the beginning is now evident in the sales that are occurring in the province. The Minister made some fairly — I would consider them to be damaging statements. I think he said he had a contract before him and he pointed a finger at a particular participant that, if I recall correctly, it was something in the neighborhood of \$270-some odd thousand, \$282,000 of gross revenue, was it, that netted them a \$9,000 profit. And yet the Minister, at that time I think there were numerous organizations involved or was there just the one? But at the same time, Mr. Chairman, he hasn't identified and yet anyone that is involved in lotteries must wonder if he is pointing the finger at them. He hasn't told us, he said there was as high as 70 percent I believe he used, unaccountability. Has that accountability improved now? I asked him before when he was concerned about unaccountability if he had referred the matter to the Provincial Auditor. He didn't indicate that he had, and yet I would say that in the Province of Manitoba our Provincial Auditor, I sincerely hope, rates as high as any one in judging accountability of not only individual corporations or Crown companies, but even governments themselves. I think he is a man who is well qualified to judge the accountability but the Minister didn't refer the matter to the Provincial Auditor.

So, having made those decisions, then I think that he had better become accountable himself and give us a pretty fair accounting of what has transpired. And I'm quite willing to sit down and listen to his version of the accountability in this province.

MR. DESJARDINS: The first thing that my honourable friend says, that Manitoba is the lowest one of all the provinces. If that was the case I wouldn't have a worry in the world because my honourable friend in one minute talks a certain way, then they turn around and talk another way. I don't want us to necessarily sell the most tickets and we are not geared to do that. If we had an individual who represented territory, they would make money, they would sell more tickets. I don't want this because all the provinces have it; I want to make it accessible, available — I'm not saying that I'm not happy with the profit that comes in, but not at all cost.

Now to say that we're the lowest is not correct. We were the lowest in one game — one game — but there are other games. We are selling the Express now and we're doing quite well. First of all, you've got to look at population and you've got to look at total lotteries. Now, this is something, and I don't blame my honourable friend for that because it is complex, it is difficult.

Now if he takes the trouble of reading what he has in front of him, and it was at his request that I prepared that, as I say I didn't have to prepare that, he told me that he wanted some information and I've got it. Now look at your Page 3' the Manitoba Lotteries Commission, review of operation current year for 1976-77. Now the Express, the Express started April 21st. There were 21 draws and there were 6,833,735 tickets sold and that is not counting February and March. If you'll look lower, after where it says "anticipated", you'll find another four draw for another 1,680,000 so that makes over

eight million tickets sold, just the Express and it started April 21st, there was a new series. All right? For the year.

Then it sold, of the \$3.00 Western ticket it stopped in October, that wasn't that successful, there were practically 133,000 tickets sold at \$3.00 each. And then the \$5 Provincial that started only in November 1976, you'll see the third line, you'll see one draw there was 171,109 tickets sold and then there was another 1 ½ draw another 165,000. — (Interjection)— Well, I wish you had been here earlier, I'm sure they would have believed because you'd understand. So, the total tickets sold, just under this, is 8,982,793 so nine million tickets. I don't know if I want to sell many more than that. I don't know. And that's not talking about the Corporation B, which is the one that run their own, which is exactly what we had before under the Sweepstake, the Golden Boy Sweepstake, I don't know how many they're selling, that doesn't come under the Manitoba Lotteries Commission and that is not the Sports Federation and that is not the \$10 tickets that are purchased' because I haven't got those here, that are purchased from the Federal Government and the Loto, the Olympic Lottery.

So, Mr. Chairman, I don't, apologize. If I do apologize it is maybe we're buying too many tickets, not that we're not buying enough. You know you can't have it both ways; you can't start the discussion and say we should stop this, it's awful and so on and then say you're not selling enough. All right. The situation is this: we have a lottery and if we don't have a lottery here, we'll be robbed the way we were doing with the other provinces, we were sending our tickets all over the place and everybody was mad at me because they thought that would last forever, that the other people wouldn't wake up, and if we were the only province not selling lottery, you know what would happen, we would lose this revenue. So that gives him an idea.

Now my honourable friend wants to know where we're at, well he can keep that sheet, that same sheet, and he will see that the projected year end, the net revenue should be in excess of \$3 million. That's only part of the lottery. Now if he goes back to Page 1 ' he will look, when we were the only one, no competition from the Olympic Lottery, only Quebec and in the first year the net revenue was 940 and the second year was one and a half million and the third year was \$1,860,000 and then after that \$1,566,000 — of course other lotteries came in — and this year \$2,921,027. So we can see that the government is making more money, the association are running their own and then you've got this partnership of the three partners.

Now the next thing that he wanted to know, accountability. I'm not, you know, I tried to give you an . . . because there was some change, a . . . that you have here and you can know, and you can ask questions and you can scrutinize me as much as possible, because I think that's the only healthy way to stay on your toes and run this properly, and I think there's too much danger when you're dealing with this kind of thing, there's so many scandals all over the place, that's the last thing I want, so I want everything in the open.

Now, accountability. I said last year in this House that there was some Association that had up to 70 percent unaccountability on a certain draw, and that is true. Now my honourable friend said what did we do with accountability. Well the product of the Western Canada Lottery Foundation is 100 percent accounted for under the bearers' tickets. This is what I spent, during the last session, talking about the value of the bearers' tickets. Now the Corporation B, and I will repeat this because I said it last year, there was a report by somebody that we commissioned to try to help them setup — I might as well tell you, well the Member for Roblin is not here — but anyway he was a former Liberal candidate, not an NDP. He did a real good job and he talked about tightening things up and he did but they still have no bearers tickets and there's still unaccountability, but they are policing themselves and they are improving that. Last year if you will remember in this House, I disassociated myself, I said that in Cabinet I received permission to say that I wanted no part of that, because I don't think that you should play games when you're talking with this kind of money. I think that there should be 100 percent accountability. Now there's not 100 percent accountability in that corporation but they are improving and they're trying every day to do their best to improve that. This is what I stated. Was that all the questions or are there . . .

Oh, excuse me, there was one other thinggggggg and he ' referred to authority. Well the example that I gave him is something that crossed my desk and it doesn't — and I'll repeat that again — doesn't come under the Manitoba Lottery Commission. It is another corporation that is licensed' they have the authority to run their own affairs and, they are licensed by the Manitoba Lottery Licensing Board. I refer them to the Minister responsible to the Lottery Licensing Board and also to the Manitoba Lottery Licensing Board' or at least members on the Manitoba Lottery Licensing Board, and they were told to tighten up before issuing any license, that they should make sure that everything is on the up-and-up and look at that. But this is the point, this was at the heart, this was the start of all this discussion last year. To do that when they had all these associations that it was felt that all the Associations were making a fortune. I think we have to determine how much these Associations are making, and I cannot see somebody grossing \$282,000 to net \$9,000 — I think that doesn't make sense and I don't think that we should allow this kind of set-up because what are we doing. We're licensing lotteries under the pretext of helping associations, and we're creating some people — and

I'm not against the free enterprise system, if this was something that wasn't licensed — but we are limiting these licenses. The danger is to do like Quebec and other provinces where you're licensing certain people; you're giving them districts and they can make a fortune and especially if a government makes that selection. Who are they going to choose?

As I said at Westmount, and I'm not talking out of school, but in Quebec they had a kick-back to the then government and it was the government itself that decided — (Interjection)— You say it so much plainer than I do. Wave to him. I think I answered or I tried to answer all the questions of my honourable friend.

He challenged me to tell him what we're doing and where we're progressing. He's got this in front of him. The first sheet will give him as I say . . . which was done since we started lotteries, and this in the middle there is that revenue. Then he'll have an idea as it's transferred to the Manitoba Lottery Commission. I explained that page. And this will give him, although it's not audited but it'll give him a good idea where we're going this year, just for products of the Western Canada Lottery Foundation.

MR. GRAHAM: Mr. Chairman, I've just used mental arithmetic here, in 1971-72 according to the Minister's figures that he has given us, the administrative expenses were approximately 15 percent. In '72-'73 again they're about 15 percent. They dropped a little in '73-'74 and they rose in '74-'75 and '75-'76 and now they're down to about 12 percent. One million one hundred and thirty-six thousand out of a total of 10 ½ million. But then we go over to Page 3 which he himself has referred me to and you have a figure of — this is projected, \$8,982,793 — (Interjection)— Ah, well, this is on Page 3, your Express, your first column here, \$8,982,000 Well you've got a total gross value of \$10,593,000 and then you get down to less your costs from the Western Canada Lotteries fund of \$5,370,000. Out of that amount you don't tell us what the Administration Expenses are.

MR. DESJARDINS: First of all it's just like if you were buying cigarettes or any products. We buy those products from the and if you look at — want a Western Canada Lotteries Foundation' cigar, here have a cigar — you wanted a cigar Harry.

If you look at your first page you'll have a better idea. You look at the year, you look at the percentage. Now the prize fund in '71-'72 was 16 percent and then this year it's 41.4 percent. Then the commissioned seller and the administration expense was 42 and 14. Now it's 20.3 and the administration is 10.7. Now the total expenditure and the net revenue is approximately 27, the same amount. There was more money for the prize fund because 16 percent for prize fund doesn't make sense; 16 cents on the dollar. We've changed that.

Now the administration costs — don't compare apples and oranges here— you're buying tickets and the prize fund, the expense that we have now we buy certain tickets from the Western Canada Lotteries Foundation, the prize fund, their part of the administration is in there. All right then we have a mark-up. We've been having a mark-up. That's the profit that is derived to the province and we will stop this mark-up on the provincial then we in turn sell it to Corporation A, partnership of these two and they have their commission and they have the commission to the retailer also. Excuse me there is an error there, the Manitoba Lottery Commission that buys it and then sells it. They mark up but they also have some expenses and they help in further advertising and so on.

MR. GRAHAM: Mr. Chairman, we did get one little piece of information out of the Minister where he said that the percentage that goes to the purchaser of the tickets has now been increased from 16 percent upwards but he didn't tell us what that final figure is. Could you give us that figure?

MR. DESJARDINS: Well it's per dollar. It's a percentage so figure it out for yourself. If it's 41.4 percent of every dollar that's what it is. Figure out your tickets sold and that's an average of the different kind of tickets that you have.

MR. GRAHAM: Mr. Chairman, quite obviously, I believe that change must have come about after an article that appeared in the Canadian Magazine — (Interjection)— It occurred before that time, did it?

MR. DESJARDINS: It's been increasing all along as you build it up. Last year there was less on some of them. It was 13 when the Western Canada came in. It went to 23 and then 41. The Express is a new game. That article is misleading. I had a critique of that. I forgot it. I haven't got it here but that is misleading because there is more. You have two choices in the lottery. The best way to look at it is what is the return, what the percentage is and 41 is a pretty good percentage. You can either keep all the money and have one big prize and we've tried that on the Western. It didn't work in Manitoba but it worked in other provinces. Then started the Express, there were more prizes, something based on the Olympic Loto. In that you have a fairly decent prize, the top prize is fifty — there's some a hundred for the whole Western — but in Manitoba fifty, twenty-five, ten and there are some 25 prizes. You've got a pot, you've more little prizes or a big prize. In Quebec they've got four different kinds of lotteries. Some people like small prizes and other people want that million dollars. If you've got too many million dollars then you won't have much left.

MR. GRAHAM: Mr. Chairman, I'm glad the Minister's realized that eventually lotteries would eventually die unless there was a greater percentage of the money returned to those that purchased

the tickets and this is one of the things that has concerned me and it is, as far as the Western Canada Lottery is concerned then, if there is more coming back to the actual purchaser of the ticket then I think there is a better chance of success than there was the way it was being run because lotteries in the province here were just being run into the ground. We were on a steadily diminishing scale. Now this has only been in operation just slightly over a year so it is a little too early yet to find out, —or maybe not quite a year yet, from April 21st, it's almost a year— so we can't really assess what the impact will be with that one particular lottery for probably another year or so. But at the present time the other lotteries have not shown, as far as I was concerned anyway they haven't shown any long term future. This one might but only time itself will tell.

MR. DESJARDINS: Mr. Chairman, there is no doubt that there is an awful lot more competition. And as I say it's kind of crazy competition. How are you going to compete, a province like Manitoba — I think that again we see the value now the only chance that we have is united with some other provinces because what could we do alone like we were before. I hope you can see now what I was saying last year that you'd die, especially when the federal government is subsidizing, ready to subsidize lotteries which I think is an awful thing for any government to do.

MR. GRAHAM: Mr. Chairman, at the same time we do recognize that there are two other lotteries in operation in the province that are entirely self-operated and while one of them did have trouble before, it seems now that they are improving.

MR. CHAIAN: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON: Mr. Chairman, I would like to ask the Minister —I've been reading over this sheet that we have here which gives a run-down of moneys— I think one of the most important things about the lotteries is —I don't recall receiving lately, in fact I don't recall receiving at any time, any list of the grants that have been given out by the government to different organizations out of the lottery profits. I am very aware that the people you have selling we have really no right to tell them what to do with their commissions as the Minister has said, but are we going to be given a list of where the money has gone to the different organizations in Manitoba?

MR. DESJARDINS: I would like to refer my honourable friend to the sheets that I gave you on Friday, and that is all spelled out. I went through that through Fitness and Amateur Sport; the part that is under the responsibility of my department. The rest should be taken up with the Minister of Tourism. But I did give you some sheets on Friday that would go into detail on that.

MR. CHAIRMAN: The Honourable Member for Portage La Prairie.

MR. G. JOHNSTON: Mr. Chairman, I'd like to ask the Minister, and I refer now to the Manitoba Lotteries Commission Annual Report, signed by Mr. Dario Perfumo, Chairman of the Board. I'd like to know who the other Members of the Board are?

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

MR. SAUL CHERNIACK: While the Minister is looking up his answer I just want to take enough time to put on the record that I am opposed to lotteries. I do not think that they are a proper way of fund raising. I regret it when I see the stands lined up and down the streets and in the airport and other places. I think they appeal to the dream-world of people who can probably ill afford to gamble on lotteries —(Interjection)— Well, I'm glad I have some support. I am one of those who wish to remove the revenue from lotteries from the general purposes of government. I don't feel that they ought to be used for a substitution for taxation. I think that they are regressive and I think that the community would be better off without lotteries of any kind. Having said that I accept the fact that they seem to be very popular. I am sorry about that. If I had my way I would certainly, and I do, urge all people to whom I have an opportunity to speak, not to invest in lotteries. They are a bad gamble. The odds are against them as necessarily must be so because I do agree that the funds received are used for a good purpose but I do not approve of the manner used to collect them. Now that the Minister may have his answer, I appreciate the opportunity . . .

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I cannot help but to rise just for the briefest of moments to suggest to honourable members that for the very same reasons that motivated, not only the Member for St. Johns to make the few remarks that he just made with respect to his opinion about lotteries *per se*, that despite their popularity, despite their obvious appeal, that in essence, and I share his belief that it is not a proper way of encouraging this government, and future governments, to depend on this form of fund-raising for the kind of programs that, if they deserve the support of the public should rightly come from duly and recognized, more progressive methods of taxation. Mr. Chairman, having said that I would remind the honourable Me, and er for St. Johns it is precisely for the same reason for the same gut feeling that I feel that no matter how popular the land-lease program may be, no matter how many people you entrap in that, I feel for the same reason that it is not in the interests of a viable agricultural community to pursue that program. Thank you.

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

MR. DESJARDINS: Mr. Chairman, I don't mind the honourable members making a statement such as my friend from St. Johns and my friend from Lakeside, but there is one thing I hope they'll

remember, if we lose that revenue I hope that sports and the games will not be punished and that we will get the same revenue that we would be getting. —(Interjection)— All right, with that commitment I hope that the Honourable Member for St. John who is waving his head also, so I can point in Hansard and say, all right.

Mr. Chairman, the Members, I am told, the Chairman, Perfumo, Mrs. K. Dyck, Mr. Fred Law, and Mr. Nick Ursak. I'm sorry that it wasn't in there. It should have been.

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

MR. G Mr. Chairman, now HAM: that we've got through with the philosophy and the general arguments on lotteries, I would like to ask a few specific questions of the Minister.

Number 1, who pays for the advertising in the lotteries? Can the Minister give me that information? —(Interjection)— Well, we have seen advertising for the various lotteries. We've seen it for the Provincial. We've seen it for the Western Express. Is that all paid for out of one advertising account or are they all separate accounts? —(Interjection)— Well, I want to ask about advertising, first.

MR. DESJARDINS: We look like a couple of yo-yos, up and down like this. Some advertising, depending on the decision made, some advertising are made by the people producing the product, the Western Canada Lotteries Foundation and some could be done by the province, in other words the Manitoba Lottery Commission, which we are phasing out and some by the Corporation themselves and in fact some of their retailers can advertise. So there are different levels that that could be done. I don't know exactly where it's at now. But of course when the government, and if the government, as it's getting out of the profit, they will run their own things. We would just make sure that the policies are adhered to, and then they would be responsible to do their own advertising.

MR. GRAHAM: Mr. Chairman, we'll deal with the Western Express specifically. I notice, and the reason I notice it is that my constituency is right on the Saskatchewan boundary and we do get T.V. from Yorkton, probably better than we get it from any Manitoba stations and the advertising for the Western Canada Lottery in Saskatchewan is vastly different from the advertising in Manitoba. This is why I was wondering whether the advertising is paid by the Western Canada Lottery Fund which I understand covers all four provinces, so the advertising must be done by the provinces themselves. Now, does that come out of provincial coffers or out of the revenues that transpire from the sale of the lotteries?

MR. DESJARDINS: You are talking about different provinces. In Saskatchewan, in that draw, the government doesn't participate so it would be the PMO, the people that are licensed, they would pay for that. Here, part of it could be paid by the Manitoba Lottery Commission although we're phasing that out; we did that to start, so therefore that would be part of the government's share. We have helped them in the past, this Corporation, to get on its feet, and some of it could be the Corporation itself because there's nothing that prevents them from doing that. But there's been way less advertising done in Manitoba than in other provinces.

MR. GRAHAM: Mr. Chairman, seeing as how all four provinces participate; and I imagine they get a share, or are charged a share of the operating expenses of the Western Canada Lottery Fund; I would imagine that actually in Manitoba in the Western Express, none of the advertising in fact comes from the Western Canada Lottery Fund. Would that be correct?

MR. DESJARDINS: At one time all the advertising was done through the Western Canada Lottery Foundation. That has been changed and there is only a certain amount that will have value all across. For instance, the show that you have could be charged, part of it is advertising also, that is all across Western Canada. There is more of a limited amount done by the Western Canada Lottery Foundation representing the four provinces. It is left to each province more and more to do that type of advertising, because you see, the provinces, like Manitoba makes this available for those that want to buy it, and this is what I was saying to the honourable member, through you, Mr. Chairman, not too long ago, that we're not necessarily pushing this thing maybe as much as other provinces. When we were talking about success, it depends what you mean by "success."

So of course, as the government will be out of it and you have these other people, well, they will push more, there's no doubt. But that's going to be their responsibility. So I know that we are spending way less. We didn't do too bad last year with the lousy year that we had because our administration cost was way lower than all the other provinces, much lower.

MR. GRAHAM: Could the Minister tell me what advertising agency is handling the advertising for the Western Express?

MR. DESJARDINS: I don't know — don't forget that there is the Western Canada Lottery Foundation, a corporation, they decide that. I know that the advertising that was done in Manitoba, the Manitoba Lottery Commission, was with, I forgot the name — anyway there's Rick Muller and a partner, they were the ones that started it and they've got part of that contract. But there's different agencies and I'm sorry, I haven't got that.

MR. GRAHAM: Could the Minister give us that information or attempt to gain it for us?

MR. DESJARDINS: You know, I'm giving you way more information now, in a way, than I have to. I

don't know exactly what's going on, all the decisions of the Western Canada Lottery Foundation. I can try to get that information, to have a breakdown of what they do, who is doing the advertising. I know I'm responsible for the Manitoba Lottery Commission and I told you that it was Muller and the Corporation; I'll have to find out if the Corporation is Corporation "A", or the Western Manitoba Lottery Distributor — I'll try to give you that information.

MR. GRAHAM: I know I could file an Order for Return on it, but if the Minister has agreed . . .

MR. DESJARDINS: The Order for Return, I wouldn't give it to you if I'm not responsible.

MR. GRAHAM: I'm quite agreeable to wait and hopefully we'll get that information before too long. Thank you, Mr. Chairman.

MR. CHAIRMAN: Resolution 58(a)(1)—pass. The Honourable Member for Brandon West.

MR. EDWARD MCGILL: Mr. Chairman, I think it was on Friday that I drew to the Minister's attention a matter of a Recovery from Federal Canada of \$200 million, a figure which he indicated was somewhat subject to correction, and it was suggested that perhaps in view of the new fiscal arrangements with Federal Canada, that he would be able to get through the Minister of Finance some more realistic figure for this item which is rather an important item in one of the Estimates that we have already considered.

There is also a matter, in round figures, of \$71 million recoverable from Canada in other items, but I think they are not part of the actual net figures. However, there is a \$200 million figure which is netted out in these Estimates.

I'm wondering if the Minister is able — I'm sorry that the Minister of Finance is not here now, he was here earlier this evening — I wonder if the Minister of Health can give us some more up-to-date figures on these Recoverables.

MR. DESJARDINS: I have a partial answer for the Honourable Member from Birtle-Russell. The Western Canada Lottery Foundation builds into the price of tickets, to the PMOs, that's the province, an advertising budget of up to two percent of gross sales, the maximum. The Manitoba Lottery Commission can supplement this to cover regional marketing needs by up to one percent, but no more than three percent of total sales should be spent on advertising under the Board's policy. Advertising is placed through an agency comprised of several advertising companies including Muller, . . . Groves, Baker, Hovick, and a Saskatchewan firm picked by Saskatchewan, Saskasport.

Now, on this other information, I thought that we had that clear. I don't want to guess on this, this is not my field. The Estimates were prepared that way, and I made an opening statement to the Commission that the Minister of Finance will answer those questions under his department because a lot is involved in that, there's education and so on. I have no idea how they arrived at this figure under the new set-up, so that has been taken up with the Minister of Finance and he definitely will answer this question that concerns my honourable friend.

MR. CHAIRMAN: Resolution 58(a)(1), Resolved that there be granted to Her Majesty a sum not exceeding \$462,300 for . Health and Social Development—pass.

That completes the Department of Health and Social Development. Committee rise and report. Call in the Speaker.

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

IN SESSION

MR. SPEAKER: The Honourable Meer for Flin Flon.

MR. THOMAS BARROW: I beg to move, seconded by the Me for er that the Gimli, report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Renewable Resources, that the House do now adjourn.

MOTION presented and carried, and the House adjourned until 2:30 p.m. Tuesday.