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# DEBATES and PROCEEDINGS

26 Elizabeth II

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## CONCURRENT COMMITTEES OF SUPPLY

### **ESTIMATES - HIGHWAYS**

**MR. CHAIRMAN, Mr. D. James Walding (St. Vital)**: We have a quorum, gentlemen. The committee will come to order. I would refer honourable members to Page 35 in their Estimates Books, the Department of Highways. Resolution 66(a) The Minister's salary. The Honourable Minister.

**MR. BURTNIAK**: Mr. Chairman, just when we broke off for Private Members' Hour at 4:30 I was on the topic of the Motor Vehicle Compulsory Inspection Program which was in operation during 1976 from the month of May until October. We had four city locations and eleven rural communities were served. A total of 38,000 vehicles were inspected as opposed to 28,000 the previous year. Vehicles called in for inspection again demonstrated a substantial amount of vehicles on the highways are defective.

Upon first inspection only 29 percent succeeded in passing the test, 67 percent failed, and 4 percent were found to be in a hazardous condition which resulted in immediate cancellation of their registration.

The inspection of over 2,000 heavy-duty trucks revealed the failing rate on first inspection was 69 percent, a decrease of 2 percent over the previous year, and 23 percent passed but 8 percent were found hazardous.

Improper vehicle headlight aiming accounted for 27 percent of the failures followed by a faulty exhaust system of 12 percent and worn or defective flexible brake-hoses accounted for the other 11 percent.

The Snowmobile Safety Program again expanded in 1976. Presently there are 399 snowmobile operators took the course which brings the total 5,600 persons successfully completing the course. Accidents involving snowmobiles during the 1975-76 season decreased from 109 to 95, or a decrease of some 13 percent. Injuries also decreased from 102 to 83 which in percentage basis is about 19 percent. However, I am sad to say that deaths increased to 7 in 1976 from 5 in 1975, or an increase of 2. With the continuing expansion of the program hopefully we will be able to further reduce the accident and death rate in this field.

Avenues of promotion for the Bicycle Safety Progam included radio, newspaper, school year book advertising, distribution of bicycle handbook, and safety posters to elementary schools. Enforcement agencies and bicycle following agencies were utilized. The Back-to-School safety display during the latter part of August was also included. In co-operation with a number of schools and recreation departments during May through August the Branch provides instruction to children through the STEP Program. In 1976 approximately 34,700 children participated in the Bicycle Safety Training Course and we anticipate equal if not a broader coverage in the up-coming year. The Bicycle Safety Program is based on defensive driving aspects and reaches out to as many communities as our resources will allow.

The province's Driver Education Program is in its eleventh season of operation. During 1976 a total of 6,500 students successfully completed the course in Manitoba schools. A total of 247 instructors are conducting courses in 45 metro high schools and 70 rural high schools making a grand total of 115 schools.

Historically, Mr. Chairman, passenger vehicle licence plates have differed in colour from those used for taxis, liveries, U-drives, commercial trucks, and public service vehicles. The passenger licence plate is intended to be used for five or six years, validated yearly with a sticker, whereas all other licence plates are issued yearly. Next year all vehicles including truck plates will be in the same material and colour as the passenger plate differing only in identification letters. Validating this category with an inexpensive sticker rather than a yearly set of plates will result in a substantial saving to the public in general.

The Motor Transport Board is responsible for the administration of regulations governing the operation of the motor transport industry and commercial trucks. This board held 67 hearings in 1976 dealing with 251 applications. Of this total 198 were approved, 14 were denied, 7 withdrew, 14 cancelled, 6 postponed, 2 are still pending, and 10 show cause. The other section of the board, which is the Highway Traffic Board, concerns itself with matters falling within its jurisdiction under the provision of certain sections of The Highway Traffic Act and The Snowmobile Act and The Highways Protection Act. These jurisdictions are as follows, briefly, Designation of highways as limited access highways, Establishment of controlled areas adjacent to limited access highways. Establishment of speed zones, Approval of traffic control devices, Approval of pedestrian corridors. and certain portions of The Snowmobile Act, just to name a few.

Sixty-eight hearings were held in 1976 dealing with 610 applications. The majority of applications are 522 pertaining to structures and access driveways of which 334 permits were issued, 67 regarding

speed zones, 16 on pedestrian corridors, and 15 for miscellaneous applications such as signs, weight restrictions, and limited access designations.

The inspectors for the Taxi-cab Board conducted 1,639 individual inspections on 460 taxi-cab meters in Winnipeg in 1976. A total of 2,389 taxi-cab drivers' licences were issued during this period. Sixty-three applications were rejected as the applicants either lacked sufficient knowledge of the City of Winnipeg, were on probation by the Motor Vehicles Branch, had insufficient driving ability, or otherwise failed to meet the board's requirements for a taxi-cab driver.

The Licence Suspension Appeal Board operates under the provision of the Highway Traffic Act. This board considers applications for remissions of suspended drivers' licences that have been imposed under the Act. A total of 326 hearings considered 3,472 applications, an increase of 16 percent over the previous year. Two hundred and fifty-three hearings were held in Winnipeg, 38 hearings in Brandon, 21 in Dauphin, 7 each in Thompson and 7 in The Pas.

As in the past, most applications processed by the Appeal Board were for liquor-related offences under the Criminal Code of Canada. Of the 3,472 applications received, 2,279 were given a restricted remission and 205 were given full remission.

Those, Mr. Chairman, are my few remarks dealing with the proposed Estimates. I know I gave the members an awful lot of figures and statistics but I feel that those are the statistics that are worthwhile to talk about and discuss. With that, Mr. Chairman, I present my Estimates for 1977-78.

**MR. CHAIRMAN**: Resolution 66(b) Administration (1) Salaries—pass. The Honourable Member for Birtle-Russell.

**MR. GRAHAM**: Mr. Chairman, before we pass this, I believe the Minister has had some Orders for Return in his hands for quite some time. I wonder if he could give us a tentative date when we can expect to receive those Orders.

MR. CHAIRMAN: The Honourable Minister.

**MR. BURTNIAK**: I'm not sure exactly which Orders for Return the Honourable Member for Birtle-Russell is referring to, but there have been several. I do believe there is one for sure I know that perhaps I could deal with tomorrow. I'm not just sure exactly which ones you're referring to.

**MR. GRAHAM**: Mr. Chairman, I had a particular interest in one and that was, for the last couple of years, under the Highways program we've had an item in there for acquisition of right-of-way between Foxwarren and Shoal Lake for the highway strengthening program on the Yellowhead Highway. I was wondering if that one was ready or near ready for presentation.

**MR. BURTNIAK**: Mr. Chairman, when it comes to acquisition of property, I want to inform members of the committee that the Land Acquisition Branch falls under the jurisdiction of the Minister of Public Works and any land purchases made for either highways or any other department of government is purchased by the Land Acquisition under the Department of Public Works. I would think at this time that the Order for Return although I do recall it was accepted, but that Order for Return would have to be, I would think, supplied by the Minister responsible for Public Works.

MR. CHAIRMAN: Resolution 66(b)(1).

**MR. BURTNIAK**: Mr. Chairman, just before I leave that, I will take it upon myself to check with the Minister of Public Works to make sure that it's not delayed any longer.

MR. GRAHAM: Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Roblin.

**MR.** McKENZIE: Mr. Chairman, I wonder if the Minister could explain to the members of the Committee where we can find those statistics in these Annual Reports and these figures we've got before us that he read before us tonight.

**MR. BURTNIAK**: Well, Mr. Chairman, these reports — I suppose the member is referring to the items that I referred to under the Motor Vehicle Branch.

MR. McKENZIE: Yes. Yes.

**MR. BURTNIAK**: I would think, Mr. Chairman, when we get to the Motor Vehicle Branch that perhaps we could deal with that subject at that time.

**MR. McKENZIE**: Well, Mr. Chairman, I certainly . . . one of the members of the Committee would like to have access to them, maybe they're not public information but as we go through the Estimates, there was traffic counts and things like that and I believe other figures that the Minister gave, the Motor Vehicle Branch, the accident rate, some of those figures would certainly be helpful to the Committee and, of course, the number of cases before the Highway Traffic Board, the Highway Transport Board, the Taxicab Board, twice he mentioned the Appeal Board, then we'd have some idea of where we'd be . . . because I sure couldn't take them down as fast as they were being read. Or maybe we can get the Hansard tomorrow and take them out of there.

**MR. BURTNIAK**: Mr. Chairman, these figures that we have are really internal figures. They're not published in the Report, I don't think they're published in any reports in any province as far as I know. That is the reason that I am giving them out now and as the honourable member suggested, they can be followed up and pursued in the Hansard when it comes out.

MR. MCKENZIE: The only point was that they are eventually public information once we get

Hansard and I don't see any difference between letting us have a copy ahead of time and then we could carry on, because they are public once they appear in Hansard, and that is my point.

**MR. BURTNIAK**: Well, Mr. Chairman, it takes quite a bit of research to get all these figures compiled just for the Estimate purposes. We do not publish any special pamphlet dealing with those particular figures and that particular information, so it's done just for this purpose and there's quite a bit of research goes into this for the Estimate purpose.

**MR. CHAIRMAN**: Resolution 66(b)(1)—pass; 66(b)(2) Other Expenditures. The Honourable Member for Roblin.

**MR.** McKENZIE: I wonder would the Minister give us an idea of how many staff he has in the department at the present time?

**MR. BURTNIAK**: Mr. Chairman, we don't have the exact figure right at the moment, we will get it shortly so if the honourable member could be just patient for awhile then we will supply him with the answer.

**MR. McKENZIE**: I wonder if the Minister could provide the Committee with the name of executive assistants that he may have in his office?

**MR. BURTNIAK**: The executive assistant, there is one executive assistant and the name, did you ask for the name?

**MR. McKENZIE**: Not necessarily.

**MR. BURTNIAK**: Okay, there's one executive assistant as such.

MR. McKENZIE: Mr. Chairman, has he got a public relations officer in the staff of his department? MR. BURTNIAK: Yes, Mr. Chairman, we had a public relations officer in our department and we've had one for the last four or five years, four for sure. But I might point out here that the public relations officer in the department, although it's listed under Highways, the public relations officer really his job is with the Department of the Motor Vehicle Branch more so than just the Department of Highways, but it's listed under the Department of Highways as far as the Department is concerned, but his work is pretty well with the Motor Vehicle Branch.

**MR. McKENZIE**: Well, maybe the Minister would give us an explanation of what public relations would you need from the Motor Vehicle Branch?

MR. BURTNIAK: I just gave you gentlemen some statistics . . .

MR. McKENZIE: Just one example of it.

**MR. BURTNIAK**: . . . . yes, statistics that I just read that the Honourable Member for Roblin was wondering if he couldn't publicize them. This is his job, this is the job that the public relations officer has to compile. There-are many booklets. We had recently, I believe it was last year if I'm not mistaken, the up-to-date Drivers' Handbook that I'm sure the honourable members are aware, that's the new black-covered handbook which was brought on just about a year ago. Prior to that, the book we had at that time was very much outdated. We've got a lot of new things in there dealing with the times and it's really good . . . I've got a lot of compliments on that. The map and snowmobile safety and bicycle safety and all these kind of things.

**MR. McKENZIE**: Then the other item in the Administration, Salaries (b)(1), there's an increase of about \$52,000 or \$50,000 the year before, is that just increased wages or is that increased staff?

**MR. BURTNIAK**: No, generally it's the salary increase and the normal annual increment. No, there's no increase in staff at all; it's just the normal increase in salary and the increase in increments.

**MR. CHAIRMAN**: Resolution 66(b)(2) Other Expenditures—pass. (b)—pass. Resolution 66(c) Computer Services. (1) Salaries. The Honourable Member for Birtle-Russell.

**MR. GRAHAM**: Mr. Chairman, I believe in your report for last year, you indicated there was a considerable change in your computer operations, and I noticed in your report you said that for five months of the year you were short in the processing co-ordinator and that position has now been filled. Can the Minister indicate if the co-ordination of the computer services has now been completed and everything is working at pretty good efficiency?

**MR. BURTNIAK**: I wish I could say, Mr. Chairman, yes, to the honourable member, but it appeared as though we were just reaching that point and suddenly we have lost, I believe, two people I know on staff so that we're short again.

**MR. GRAHAM**: Well, Mr. Chairman, does that mean then that the assistance of the computer in the operation of the Highway Branch has been severely curtailed? Are you still able to operate without those key people?

**MR. BURTNIAK**: Well, of course, we're trying to do our best. It's been curtailed to some small degree but not to any great degree, but you know, it certainly would be helpful if we were to have those additional people. We have suffered a bit but not to any great extent.

**MR. GRAHAM**: I also noticed that there has been a tendency or a move towards doing considerable design work using a computer. in particular in the bridge department. Has that been extremely beneficial to the department?

**MR. BURTNIAK**: Well, not being an engineer, I wouldn't know but I am informed by the engineers

that it has proven to be very satisfactory and very beneficial to the department.

**MR. GRAHAM**: Is the computer now being used quite extensively in all bridge designs in the province?

**MR. BURTNIAK**: I would think so, in all bridge designs.

**MR. GRAHAM**: Or is it just in concrete?

**MR. BURTNIAK**: Major structures, Mr. Chairman, not all structures that we put out. Some of them are, as the honourable member knows, are not that big, you know, the smaller designs, smaller type, but the major structure that is where use is made of the computers.

**MR. CHAIRMAN:** I wonder if the honourable member has any further questions on that line, they might be better asked under the next Resolution. 67(d)

**MR. GRAHAM**: Well, Mr. Chairman, they deal very specifically with computer services, and I also note, and I think it also deals with the personnel, so it probably comes under the Management or the Salaries aspect of it. I noticed that in your report you also indicated on page 156 of your Annual Report that. . . maybe I should read it. "The purpose of a session was to define problems within the present warehouse store system and to suggest improvements that might be made." And I believe you set up a study to look into that. At the end of your report for last year, you indicated the recommendation for a study was approved and the section initiated plans for organizing the system study.

**MR. BURTNIAK**: Can I just interject here, Mr. Chairman. I do believe the . . . I don't mind the honourable member reading a topic or an item but we will be dealing with warehouse stores and the likes under Resolution 69(4)(c). I would imagine that at that time would be an appropriate time to deal with warehouses and the likes of that.

**MR. GRAHAM**: Very well, Mr. Chairman. I was just wondering how the coordination of the three main phases in the computer utilization has occurred. Is there a fully coordinated effort in the full utilization of the computer now?

**MR. BURTNIAK**: As far as the breakdown is concerned, it is broken down into two or three various sections including the warehouse as the honourable member is mentioning.

**MR. GRAHAM**: I have one more question. Have you now accepted the United States Government computer design road program?

MR. BURTNIAK: No, Mr. Chairman.

**MR. GRAHAM**: The That program has been thrown out then, has it?

**MR. BURTNIAK**: That would not be correct to say that idea has been thrown out. It's just we are still pursuing it and we have not accepted it up until this time.

Mr. Chairman, to go back a bit to the question which was asked by the Honourable Member for Roblin, insofar as the total staff is concerned, the total staff of the department which includes departmental employees as well is 2,742.

MR. CHAIRMAN: Resolution 66(c)(1). The Honourable Member for Roblin.

**MR. McKENZIE**: Mr. Chairman, I wonder with the computer services, are you projecting meeting Canadian standard or are you setting your own standards, or is there a Canadian standard that the computer is trying to measure up to.

**MR. BURTNIAK**: Mr. Chairman, the honourable member refers to a computer standard, I think that what he is really referring to is a computer system type rather the standard type.

**MR. BURTNIAK**: Systems, yes. So that, in that respect I believe I am correct in saying that we would like to develop our own system.

**MR. McKENZIE**: The reason I asked the question is . . . are we looking forward to some day in Canada where there will be one standard for a class one highway, like No.1 highway or are they going to be all different? Or is there a Canadian standard?

**MR. BURTNIAK**: Mr. Chairman, you know when the honourable member gives the example like No. I highway, I don't honestly believe that it is possible to have a certain high standard, shall we say, applied to all the roads in the Province of Manitoba and all the provinces and also including the United States so I think itvery highly impossible that we would everget to that point. But dealing with certain standards that is possible, but not to the extent that the honourable member is referring to.

**MR. McKENZIE**: That's all I have, Mr. Chairman.

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

**MR. GRAHAM**: I have just one more question. I'd like to ask the Minister if the computer would be any help in taking all the bumpiness out of the concrete sections on No. I highway?

**MR.** CHAIRMAN: Resolution 66(c)(1)—pass. Resolution 66(c)(2) — Other Expenditures. The Honourable Member for Rock Lake.

**MR. EINARSON**: Yes, Mr. Chairman. I wonder if the Minister could give us a breakdown of that \$47,000 under Other Expenditures.

MR. CHAIRMAN: The Honourable Minister.

**MR. BURTNIAK**: Yes, Mr. Chairman. Very briefly, it provides for a general rise in the cost of supplies, also some additional costs in computer equipment rental, also provides for cost of salaries

and office expense for the offices of . . . . I am sorry, that's about the only thing: provides for a general rise in the cost of supplies and also a rise in the computer equipment rental.

**MR. EINARSON**: The Minister mentioned salaries. That was not correct, was it, in Other Expenditures?

MR. BURTNIAK: No. No. It doesn't apply to that particular section, I am sorry.

**MR. CHAIRMAN**: Resolution 66(c)(2)—pass. (c)—pass. Resolution 67 — Management Services and Engineering. (a) Operations and Contracts. (1) Salaries and Wages— Pass. Resolution 67(a)(2) Other Expenditures. The Honourable Member for Birtle-Russell.

**MR. GRAHAM**: Mr. Chairman, I'd like to ask the Minister if the government is moving away from almost a computer-type maintenance program on the provincial roads in the province? Or are you still sticking to the program that has been used in the past several years on maintenance.

**MR. BURTNIAK**: I think, Mr. Chairman, I have mentioned on a number of occasions that we try to use as much common sense as is absolutely possible because the computer-type thing will not tell you exactly when you have dry seasons or when you have wet seasons. So, therefore, you can't completely rely on that part of it for grading and maintenance of some of our roads.

MR. GRAHAM: No more questions.

MR. CHAIRMAN: Resolution 67(a)(2). The Honourable Member for Roblin.

**MR. McKENZIE**: Mr. Chairman, I just wonder if under this item whereby we could have some idea on the amount of salt that you are putting on the highway system, or does that come later and the result of . . . .

MR. BURTNIAK: It will show up later, Mr. Chairman, in a different section.

MR. CHAIRMAN: Resolution 69.

MR. BURTNIAK: Resolution 69.

**MR. CHAIRMAN**: Resolution 67(a)(2)—pass. (a)—pass. Resolution 67(b) Laboratory Materials. (1) Salaries and Wages. The The Honourable Member for Rock Lake.

**MR. EINARSON**: Mr. Chairman, this is a section here that is interesting to me. I am wondering if there is anything new that they are working on; discovering how to establish, say a hard-surface road in this province. Have they got any materials that are standing up, that they're finding that are going to stand up better under the cold winter weather that we have here in the winter time, under Laboratory Materials. I take it this is what this section means. I wonder if the Minister could give us some indication of what are they doing in the way of research on trying to establish materials, if any, that would stand up better in the winter roads. I think it would relate to the comment that my colleague from Birtle-Russell was talking about in those bumps that No. I highway has, if we could overcome something like that.

MR. CHAIRMAN: The Honourable Minister.

MR. BURTNIAK: Mr. Chairman, first of all the bumps on No. I highway. I think the honourable members will appreciate the fact that we are talking about - most of this particular area we are talking about concrete. I think if we look at our basements from time to time, and our driveways, that happens to them too. They crack up because of the severity of the weather conditions, and the great changes from one extreme to the next, and these things do happen on highways. But in time, after some period of time has elapsed, after a few years, what has been done in the past is that when we have a concrete base, then we put an overlay of asphalt like we have done on No. 75 highway, for example., Up until now, as far as I know, that has been the only remedy, but of course I think the honourable members will agree that it would not be feasible, not practical, to put on a layer of asphalt shortly after the road had been built, where new concrete has been put in. But in time, as I say, that has to be done. We are also, there are organizations and I think we are members of a number of various organizations in a technical field, things and groups like Roads and Transportation Association of Canada, or in other words known as ARTC and there are other groups that meetings take place and notes are exchanged. So I think there is a continuous communication, shall we say, between the Department of Highways in Manitoba, Saskatchewan, Alberta, British Columbia and the east, as well as the United States and elsewhere. I am not sure whether there is anything really specific that I could speak to you, but I was wondering maybe I could read you a clipping from a newspaper, which is from the National Enquirer, which reads as follows, if I may, Mr. Chairman, where the headline says "Texas Highway Is Paved with Household Garbage. And the engineers have discovered a dirt cheap substance for paving highways — common household garbage. Broken bottles, bottle caps, pieces of metal and melted down aluminum had been ground into a 380-foot stretch of a busy road in Houston, Texas. This section looks as good as when it was first laid down two years ago even though more than 15,000 trucks and cars travel over it daily. The new paving method represents an enormous saving that will be between \$4,500 and \$7,500 per mile over road building costs of \$45,000 to \$52,000 for a standard two-lane highway, according to the Texas A & M estimates."

Claims like that . . . now, how effective it would be here in Manitoba or other provinces, I am not sure. But aside from this, of course there is always, as I say, , notes exchanged and ideas exchanged

between one province and another on the most modern techniques insofar as highway building is concerned. Maybe that has not come up as yet, but we have been building highways, when I say "we" I am talking about the departments of highways in all provinces for a number of years, and of course, as time went on, construction and paving has definitely improved. And of course, that doesn't mean to say that we have reached the top, reached the peak, there is still room for improvement as you suggested.

MR. EINARSON: Mr. Chairman, the information the Minister gave us, that letter from Texas, how long has he known that information?

MR. BURTNIAK: About three weeks ago when I came across this information.

MR: EINARSON: I was going to suggest, Mr. Chairman, if he had known it a year ago, maybe he could gather up some of the garbage from the City of Winnipeg and use it as test material. I really, Mr. Chairman, none the wiser from the Minister's comments as to what they're really doing in the way of research in trying to find material that may stand up, and I fully recognize and understand that our winter months are the difficult times for our roads in this province, to build something that is going to stand up.

MR. BURTNIAK: ) would say, Mr. Chairman, no more and no less than any other province in Western Canada.

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

**MR. GRAHAM**: Mr. Chairman, dealing with materials, I understand that in the past year there was a goodly portion of the southern part of Manitoba had been completely surveyed regarding gravel deposits, I believe the first eight townships. Can the Minister indicate how much further they have gone with that gravel inventory in the province?

MR. CHAIRMAN: The Honourable Minister.

**MR. BURTNIAK:** Could be, Mr. Chairman, that the survey might have been done by the Department of Mines and Natural Resources, rather than the Department of Highways.

MR: GRAHAM: Mr. Chairman, your report says that it was done by your Department and was also done for the Department of Mines and Natural Resources.

**MR. BURTNIAK:** Mr. Chairman, the work was not done by Highways for the Department of Mines. What we did, we supplied the information for them that they required, whatever we were able to supply them, whatever information we were able to supply.

**MR. GRAHAM**: The survey is done. Is it mainly from aerial photography using infrared cameras or . . ?

**MR. BURTNIAK**: The information that the Department of Highways supplied, that is not the case. **MR. GRAHAM**: Okay.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: I wonder if the Minister could advise has he changed the labs over to the metric system?

**MR. BURTNIAK:** Mr. Chairman, nothing has been, or at least I shouldn't say nothing, but we haven't changed the labs or anything in the Department of Highways to the metric system as but I think as time goes on it is inevitable that these things will have to be changed.

**MR. McKENZIE:** I notice in the Annual Report that you mention here that you're expecting the conversion in '77. I wonder if you have any idea what it is going to cost. Have you done any studies on it at all?

**MR. BURTNIAK**: It is very difficult to put a finger on an amount when you deal, you know, just dealing with the Department of Highways, for example. I wouldn't want to even guess at this time if you take in all the various branches of the department, it would be a substantial sum, of course. I know that for the changing over of the various signs and the likes on the highways it would cost us several hundreds of thousands of dollars. But when you talk about the department overall, I would think that it would be probably in the millions.

MR. McKENZIE: Now I want to get back to the question of salt. Many highway departments across Canada and in other areas have been salting. I understand that levels well above those recommended — of course this has been an exceptional winter for us in Manitoba — but I wonder if the Minister is monitoring the amount of salt that's being used on the highways and if he can give us any idea if it can be reduced from the present level or has he looked at the possibility of reducing it or can he see that there is any results, damages to our bridges, or to the highway surface? Is this an ongoing thing that's monitored every year?

**MR. BURTNIAK**: Mr. Chairman, what we're using now is the minimum amount. So far, the best information I have, we don't see any serious damage to any of the bridges or the highways. I think if anything, it would probably be to the cars more than anything else. But to answer your question again, I repeat my answer that we are using the bare minimum amounts.

MR. MCKENZIE: I wonder if the Minister would advise how much salt you're using per so many milligrams, or something. What formula do you follow?

MR. BURTNIAK: Since the Honourable Member for Roblin asked the question as to the formula,

there is a formula. We don't have it here, sir, but I can get it for you tomorrow.

**MR. McKENZIE**: I wonder if the Minister can give us any idea, I'm sure this was likely done in the lab, what effect the studded tires are having on our highways.

**MR. BURTNIAK**: Well, studded tires do have some effect. I think we were into this discussion even last year too. It is found that in areas or sections of the roads, especially where there are traffic lights or stop signs, there is noticeable wear and tear, where traffic comes to a halt and then starts up again, more so than anywhere else' and I think, also, to some degree, on the bridges, bridge decking and so on. But there again, I don't know just how much exactly, dollars and cents wise, damage is done to our roads, say in the winter season. Perhaps the reason we can't really say it because our traffic density is not as heavy as in some other areas where it would be shown much more appreciably than it is here in the Province of Manitoba.

**MR. McKENZIE**: I wonder, are the people using less studded tires? Are you doing any checks on that to see, in your traffic counts or things like that . . .

**MR. BURTNIAK**: I am informed that there is checks made but if there is any reduction in the use of studded tires in the Province of Manitoba, I don't know to what degree or what percentage. But there are different types of tires nowadays available which are perhaps even better than the studded tires. People are perhaps using those instead of studded tires.

MR. MCKENZIE: That's all I have.

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

**MR. GRAHAM**: Mr. Chairman, the studded tires, I believe, have been steadily declining as new designs of tires are coming out, there's less need for studded tires so I think it probably is a diminishing problem in the province.

MR. BURTNIAK: Radials are the ones . . .

**MR. CHAIRMAN**: Resolution 67(b)(1)—pass. The Honourable Member for Ste. Rose.

**MR. A. R. (Pete) ADAM (Ste. Rose)**: I have a question 'Mr. Chairman, on laboratory. I'm just wondering if there were any tests made on No. 5. I notice that there's a program there north of 265 on No. 5 to PTH 19, that's a very bad piece of road there. What caused that piece to go? Any tests made on that?

MR. CHAIRMAN: The Honourable Minister.

**MR. BURTNIAK**: When the Member for Ste. Rose is asking, what caused the road to go I would think one of the things, I suppose it's been quite some time since that road was constructed, for one thing. Am I correct in that? That's been quite some years since that road was built.

MR. ADAM: Just gradual wear, or maybe there was no shoulders or something.

MR. BURTNIAK: Well, shoulders is one of the things, I'm sure. That would be the major factor.

**MR. ADAM**: I'm very happy to see that that's on the projects because it's very sorely needed. **MR. CHAIRMAN**: Resolution 67(b)(1)—pass; Resolution 67(b)(2) Other Expenditures—pass;

(b)—pass. Resolution 67(c) Surveys and Titles; (1) Salaries and Wages. The Honourable Member for Rock Lake.

MR. EINARSON: I defer to the Member for Roblin. I think he wants to ask a question.

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

**MR. McKENZIE**: Mr. Chairman, I wonder if the Minister could say how many surveyors does he employ in his department, land surveyors?

**MR. BURTNIAK**: I believe that there's a total of 4.

**MR. McKENZIE**: In the summer months, do you employ some of the under-graduates or do you take on additional staff in the summer months?

**MR. BURTNIAK**: I think, Mr. Chairman, the Honourable Member is confused here. The surveyors that I think you're talking about and what we have here are two different things. We're talking here about land surveyors only, not the kind of surveyors that I think you're referring to.

**MR. McKENZIE**: Well, they go out and survey what you're doing on the road, the levels and so on. **MR. BURTNIAK**: No, not these. These are different.

**MR. McKENZIE**: These are the technological surveyors are they?

MR. BURTNIAK: I guess you could call them that.

MR. McKENZIE: That's all I have.

MR. CHAIRMAN: The Honourable Member for Rock Lake.

**MR. EINARSON**: Mr. Chairman, I was going to question the Minister as to just what did he mean by surveys and titles, what we were talking about here. Titles, is that title to the property that the

Department of Highways purchases from private individuals when they want to construct roads? **MR. BURTNIAK**: Mr. Chairman, once the road is built, it has to have a legal title, a legal survey, so therefore that's the title we're referring to.

**MR. EINARSON**: Could the Minister indicate how many titles are being withheld because of various reasons or problems in getting titles. They've already acquired the land, is that what you are telling me? You've already acquired the land, built the road, and it's just a matter of getting the titles?

**MR. BURTNIAK**: It all depends, Mr. Chairman, in this case, with the Land Titles, just how bogged

down or how busy they may be. These are the kind of titles that we are referring to, where the road has already been built and surveyed, and then the title has to be registered.

**MR. EINARSON**: I see. I was wondering, Mr. Chairman, if it was appropriate to pose a question here at this time as to how many problems they have insofar as getting settlement or an agreement from the owner of the land in order to acquire land. That's in another area?

MR. BURTNIAK: You're talking about land acquisition then, Mr. Chairman.

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

**MR. GRAHAM**: Mr. Chairman, in your report, and I refer to Page 164, you state that you've had a considerable amount of problems because of lack of, and here in brackets, or italics, you use the word "certificates" required under the Expropriation Act. What type of certificate is required there? Is that a certificate of an approved plan under The Planning Act?

**MR. BURTNIAK**: As you know, Mr. Chairman, the Land Acquisition Branch goes out and purchases the land, or tries to purchase the land. Then, if there is any disagreement, or whatever, then it could go to expropriation. But before that, the Land Acquisition deal with the Land Value Appraisal Commission. Whatever the Land Value Appraisal Commission offer a certificate for, that is the deal, unless the person does not wish to settle for it, then he can go to court.

**MR. GRAHAM**: Do you find that there is an increasing number of attempts to purchase property that end up in the expropriation process, or is it a relatively static number over the years.

**MR. BURTNIAK**: Mr. Chairman, what we are doing now, is that when land is required for right-ofway purposes, Land Acquisition goes out and tries to purchase that particular piece of property for Department of Highways, and in order to prevent the escalation of prices of land, the people that are involved are notified that this property is required for a piece of road and that expropriation proceedings will be taken. In the meantime, while this is happening, the people involved will have an opportunity to negotiate price, and if the agreement is reached, fine, if not, then they can go to expropriation. Because if you do it the other way, and I must admit, we did try this for awhile and it did not work, because if anything, it drove the price of land up. If you start to negotiate, say at this end of the road, a nice fellow like the Member for Birtle-Russell, would say, "Sure, you can have my property, my acreage . . .

MR. GRAHAM: I've been sorry ever since too.

**MR. BURTNIAK**: . . . for \$100.00." By the time you get down to the next two or three miles, the price of land goes up. So it's not fair. This way, by putting in expropriation proceedings right off the bat, and then negotiate while the proceedings are taking place, that at least holds the land at that particular price and it does not go up. We did have that problem because we took the other and we're reverting back to this different system which is much better for all concerned.

**MR.** CHAIRMAN: Order please. If the Honourable Member wishes to pursue this line of questioning, I should remind him that Land Acquisition is under the responsibility of another Minister. The Honourable Member for Birtle-Russell.

**MR. GRAHAM**: Mr. Chairman, I fully agree with you but there is still a fundamental thing that has to be faced and that is, to build highways, you must have property. To have property, hopefully, you arrive at a very amicable solution with the property owners. But at the same time, your annual report says you still have a problem with unregistered plans and it continues to be a serious one. I think we have to probably sit down and quite seriously discuss the ways and means of Highway's acquiring land and getting title, which is necessary both for Highways and for the owners. If there's a problem maybe we should either review the method we are using or perhaps wait and go at it in Department of Public Works.

**MR. BURTNIAK**: Mr. Chairman, I don't want to pursue this because it's really dealing with another department, but I would say that what the Department of Highways, in the last couple of years or so, have been trying to establish and we're slowly getting there, is what we refer to as a "three year program" and you will notice that we — and we said so before, last year and the year before — that we're trying to acquire the necessary right-of-ways for future purposes, not with the intent that just because something shows up on the road program, for example, for this coming year, which is land acquisition, that something is going to be done on that road right this year. It may be put on the shelf for two or three years, but at least when you move in that direction, you have the necessary land available. We are getting there slowly. We are much better off than we were, say, a year ortwoago by adopting this policy, and I think this is one way to be able to overcome that particular problem.

**MR. GRAHAM**: Well, Mr. Chairman, that was the very precise reason why we had an Order for Return filed on land acquisition on PTH 4, just to find out how well that program was working that the Minister is talking about.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

**MR. ADAM**: Mr. Chairman, I want to raise a point of order. We're getting bogged down on land acquisition and I don't like to really cut in on this interesting conversation between the Minister and the Member for Birtle-Russell but we are on Surveys and Titles and I don't think we should be dealing with land acquisition. I think the Member for Birtle-Russell should bring those complaints up when

the Minister of Public Works brings up his Estimates.

**MR. CHAIRMAN**: The point of order is well taken. Resolution 67(c)(1) The Honourable Member for Roblin.

**MR. McKENZIE**: Mr. Chairman, how much right-of-way has not been paid for on No. 1 Highway West.

**MR. BURTNIAK**: Not paid for?

**jnrk.** McKENZIE: Yes. How many parcels of land along the right-of-way there ave not been paid for, say beween here and Brandon, as an example. Have you ans idea?

**MR. BURTNIAK**: Mr. Chairman, I an not all that sure, but I KA ULD SAY THAT IT ISN'T VERY MUCH.

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

**MR.McKENZIE**: Mr. Chairman, I've had three calls in the lastweek about farmers along there that still haven't received money for their property. I was wondering, maybe there's only three and they're talking to everybody trying to get it resolved, or are there more?

**MR.BURTNIAK**: Here again, Mr. Chairman, we're getting into another area which is outside of our jurisdiction here, so I wouldn't know the answers.

MR. CHAIRMAN: The Honourable Meer for Roblin.

MR. McKENZIE: That's okay, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

**MR. BLAKE**: . . . the highways program, the acquisition of right-of-ways, that is all done, all the access of right-of-way is done by the Land Acquisition Branch, the Highways Department has no . . . ?

MR. BURTNIAK: They do it for us.

**MR. BLAKE**: No part in it at all? Do you tell them how many feet of land you require and they go about acquiring it, the Land Acquisition?

MR. BURTNIAK: That is correct, Mr. Chairman.

**MR. CHAIRMAN**: Resolution 67(c)(1)—pass; (c)(2) Other Expenditures—pass; (c)—pass. Resolution 67(d) Bridges, (1) Salaries and Wages. The Honourable Member for Minnedosa.

**MR. BLAKE**: Yes, Mr. Chairman, I can't let that item go by without comments to the Minister on my favourite bridge at Rapid City — (Interjection)— No, I don't, it was only washed out last year. There have been some steps, there has been a delegation in to see the Minister and he is well aware of the problems presented with that particular inconvenience to the people of that area.

The delegation that came to see him of course are pleased that as a result of their visit, there were some funds came to light and construction was started during the winter months when the river was virtually dry although in construction they did hit some springs or whatever and they have had some problems there. But the pier in the centre of the river is now in place and of course we realize there are budgetary restraints, that funds haven't been available. The district office tells us the bridge is designed and is ready for tender and I understand that tenders will be called as soon as we pass the Estimates and allow the Minister sufficient funds to complete the bridge and I would only urge him to do that in all haste because, as I say, I was there on the weekend and the pier is in place and I assume there will be reinforced concrete stringers or whatever might be the correct engineering term for them. The contractor who has put the pier in place, I imagine will be champing at the bit to bid on the decking and the completion of the bridge. I can only urge the Minister and his department to proceed in all haste because the Bailey bridge that's in place now providing temporary crossing may be able, and heaven forbid that the dry weather should continue, but failing some pretty significant rains the Bailey bridge will probably be able to remain in place, although if the river does start to flow at any rate of speed they are going to have to pull that Bailey bridge out of there and the town is without access to the elevators on the north or all the housing on the north should a fire break out. It's some 13 miles detour around to get to the other side of the river in the town.

I just wanted to place that on the record and urge the Minister to proceed with all haste in replacing the bridge on a provincial trunk highway that's been out of service now for something over a year.

MR. CHAIRMAN: (d)(1)—pass. The Honourable Minister.

**MR. BURTNIAK**: Mr. Chairman, I would just like to comment on that. I knew that the Honourable Member from Minnedosa was going to pose this question and that's fine and it's all fair. I would just say that the sooner as we pass my Estimates, the sooner the tenders will go out for the completion of the bridge.

**MR. BLAKE**: To add to that, Mr. Chairman, through you to the Minister, it's a little difficult for the local people — we have told them there were no funds available to replace the bridge and they drive back and forth to the city and find four or five bridges being replaced on No. 4 where there was a damn good bridge in the first place and they can't understand why when they have no bridge, one of them couldn't have been used for that particular purpose. I have no hesitation in passing the

Estimates as quickly as we can.

MR. CHAIRMAN: The Honourable Member for Virden.

MR. MORRIS McGREGOR: Yes, Mr. Chairman, on this figure of Bridges, Salaries and Wages, you're really not talking of construction of bridges or contracts, it means staff and engineering, etc.? MR. BURTNIAK: That's correct. This figure of \$716,000 is for wages and salaries for 38 staff man

years and that's provision for general salary increase and normal increment, that's all this is. **MR. McGREGOR**: Mr. Chairman, on several of the Estimates we've got this "staff man year." What

are we really talking about, a person's wages, normal hours per year, is that really what you're . . .? MR. BURTNIAK: That's right.

MR. McGREGOR: All right.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

**MR. ADAM**: Just the one question, Mr. Chairman. I believe it was in 1974 that we had the big flood and we did lose a lot of bridges and the bridge planning department was being swamped. Are we pretty well caught up now on all that loss of bridges and different methods of inspecting safety of bridges?

**MR. BURTNIAK**: Mr. Chairman, I don't believe that we are completely caught up, I think we are slowly getting there. I don't think there are that many left to be looked after but I think we are mostly caught up.

**MR.** ADAM: There's an ongoing turnover every year, you know, ongoing program on bridges. Then was there a change in the inspection for safety of bridges, was there a change in the criteria as far as bridge safety is concerned?

**MR. BURTNIAK**: Mr. Chairman, I don't really believe that there was a change, as the member says, in criteria. The thing is that bridges today, we're looking at bridges which will have to carry some greater loads in the future so that instead of building bridges which would carry, say, 74,000 pounds, we're looking for something more like around 90,000 or something of that nature.

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

**MR. GRAHAM**: Mr. Chairman, in the bridge department, I don't want specific figures, but just what proportion of the work carried out by the bridge department is done in design and building and what proportion is done in inspection and testing?

**MR. BURTNIAK**: Mr. Chairman, I don't know just exactly what the honourable member means. I think I would have to research that. I guess we could probably get that information for you but that would take some doing . . .

MR. GRAHAM: I don't want an accurate figure, I just want a ballpark figure.

**MR. BURTNIAK**: Ballpark figure of what?

**MR. GRAHAM**: Is three-quarters of it building and design and about twenty-five percent inspection and testing, or?

MR. BURTNIAK: Mr. Chairman, three-quarters of whatever, in salaries?

MR. GRAHAM: I'm just asking, would that be . . .

MR. BURTNIAK: Mr. Chairman, you are referring to salaries though, are you not?

MR. GRAHAM: These salaries cover your bridge department, don't they.

**MR. BURTNIAK**: Right. As far as I can see, I think that the total figure is really for the design of bridges and the inspection of bridges, I believe, that's the salaries for this thing.

**MR. GRAHAM**: Mr. Chairman, the department does provide technical assistance to municipalities from the bridge department, do they not?

MR. BURTNIAK: Yes.

**MR. GRAHAM**: If a municipality has any problems, the department does send people out to inspect and test the bridge for safety, do they not?

MR. BURTNIAK: Yes.

**MR. GRAHAM**: I was just wondering, and it's mainly curiosity, what percentage of the work that the bridge department does falls in the category of testing and inspection, as compared to just new construction of bridges?

**MR. BURTNIAK**: I'm sorry, Mr. Chairman, I'm just not able to provide the honourable member with an answer on that particular question.

MR. GRAHAM: It's not really that important, it was just curiosity on my part.

MR. BURTNIAK: We don't have that breakdown, Mr. Chairman.

**MR. GRAHAM**: Has the department a schedule for bridge inspection, for instance, in a concrete bridge, is it tested every five years or twelve years or whatever it is?

**MR. BURTNIAK**: Mr. Chairman, it doesn't go for five or ten years. As you know, we have 12 districts throughout the Province of Manitoba and the districts try to inspect all the bridges within a district every year, to the best of their ability. Then if they discover any problems, any weaknesses, then of course they notify the head office.

**MR. GRAHAM**: Does the department provide a periodic bridge inspection for municipalities or is it only when requested by municipalities?

**MR. BURTNIAK**: To the best of my knowledge, it's usually on request and when we are able to do it.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

**MR.BLAKE**: I'm just curious, Mr. Chairman, how do you inspect, for example, a concrete bridge? Do you have instruments or do you just go and look it over?

**MR. BURTNIAK**: There have been times when attempts were made to make a quick bird's-eye view of a bridge and it didn't work out very well. There are instruments for testing and so on. As a matter of fact, even for, I'm sure the honourable member knows, even when we are constructing a bridge, soundings and the like aretaken to make sure that is where the bridge should go or should not go. So all these things are tested with instruments as to the ability or the life of the bridge, where the weaknesses may occur.

**MR. BLAKE**: While we are on bridges, the Municipality of Harrison acquired the decking and whatnot from the old bridge at Rapid City that was torn out and they are endeavouring to have a bridge crossing about a mile east of Newdale, an old bridge that was washed out, primarily to facilitate the farmers bringing machinery across. What part would the department play in that? If they were to put that bridge in place with whatever funds they have and whatever assistance they can get from the municipality, then from the department, is there a standard that they would have to meet on that bridge to facilitate the movement of farm machinery? Or could they pretty well do this on their own or would they have to go through the department?

**MR. BURTNIAK**: I suppose the member is talking about the municipal road? **MR. BLAKE**: Yes.

**MR. BURTNIAK**: Then of course, the municipal bridge, that's strictly under the jurisdiction of the municipalities, but I would imagine that if they were to ask the department and if they were able to because of time but still if they were able to give them some information, they would be able to tell them more or less what that decking can stand. Then the municipality can judge themselves accordingly, but that isn't always the situation.

**MR. BLAKE**: That's fine, Mr. Chairman, it's like so many things, they start out with just a simple little crossing and their last request was wondering if they could have a dam, something like the Shellmouth Dam to make a recreation area, so, maybe they've given up on the bridge now, I don't know.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

**MR. ADAM**: Mr. Chairman, it's a matter of curiosity perhaps but a couple of years agothere was an Ontario car that had an accident just outside of Westbourne and bearing Ontario license plates. It fell on the side of the bridge and it burned and burned the bridge, which we had to replace. Would some insurance company be responsible for that, in Ontario?

**MR. BURTNIAK**: Yes, as a rule, if this happens, we do try to go after the insurance company that had the car insured, the owner of the car.

**MR. ADAM**: Was that the case in this particular case.

MR. BURTNIAK: I beg your pardon?

MR. ADAM: Can you recall if that was what happened in this particular case?

**MR. BURTNIAK**: Yes, that's right.

MR. ADAM: Thank you.

**MR. CHAIRMAN**: Resolution 67(d)(1). The Honourable Member for Roblin.

**MR. McKENZIE**: What's the maximum weight on Yellowhead Route for trucks? What will the bridges stand; what are being built, for what capacity?

**MR. BURTNIAK**: Mr. Chairman, when the member is talking about the Yellowhead Route, on the highway strengthening program we are building up or improving the highway paving with contribution of Federal funds, to bring the load weights, gross vehicle weights, to 110,000 pounds. Now, then of course bridges, we have to make sure that before that road is declared eligible for carrying those load weights, that the bridges are able to carry those weights.

Many of the bridges on these roads which were built some time ago were built to carry only about 74,000 pounds because those were the gross vehicle weights at that time. So that is why you will notice many of the culverts and small bridges being built at the present time, on many of these roads, to bring them up to the new gross weight standards of over 100,000 pounds.

**MR. McKENZIE**: I wonder if the Minister could advise me, what is the load limit on PTH Number 1? **MR. BURTNIAK**: One hundred and ten thousand.

**MR. McKENZIE**: It's still the same, okay. What's the load limit on our PR road system in the province?

**MR. BURTNIAK**: Mr. Chairman, I did have a map here. I could produce it again if the honourable members wanted to — not PRs. Last year, we have some that are still 74, but we have increased quite a number of them to 80,000. I'm sorry, the honourable member was talking about PRs, not PTHs?

#### MR. McKENZIE: No, PRs.

MR. BURTNIAK: Oh, I see, I was talking PTHs. PRs are 74,000.

**MR. McKENZIE**: Mr. Chairman, is the department of the Minister charged with the maintenance of any bridges in the Greater Winnipeg area?

**MR. BURTNIAK**: We do have sort of a cost-sharing program with the City of Winnipeg on certain arterial streets on the per lane mile and also on some of the bridges, yes.

MR. McKENZIE: I see, so you do maintain, you do maintenance on these bridges?

**MR. BURTNIAK**: No, we do not. Through the Department of Urban Affairs, but the money is allocated in the Department of Highways — the repair work is done strictly by the city crews, that is right, but if a certain bridge qualifies for any funds from the province that money goes there, but we have no jurisdiction as far as the construction or repair work.

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

**MR. GRAHAM**: Mr. Chairman, on the Yellowhead Highway, I believe, at one time you had six bridges that had to be replaced to meet the 110,000 pound. How many still have to be replaced? **MR. BURTNIAK**: Right at the moment I would be guessing, I'd say about four.

**MR. GRAHAM**: Can the Minister indicate the locations of those that have to be replaced?

**MR. BURTNIAK**: No, I'm afraid it's pretty difficult to do so right now, I would have to check on that. I guess we can get that information, but I don't have it at my fingertips.

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

**MR. ADAM**: Before we leave the Bridges, Mr. Chairman, on the same point, there was a bridge, I believe, just south of Waldersee that had been condemned because of unsafe conditions and farmers there had to make quite a detour to get across some little creek; five miles or so I believe. Has that bridge been completed now?

MR. BURTNIAK: I believe it has, Mr. Chairman.

MR. ADAM: It is completed now?

**MR. BURTNIAK**: I believe it has, but again all these things like bridges and locations I would have to double check to make sure, but at the moment I would guess that it has been completed.

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

MR. McKENZIE: I'll pass, Mr. Chairman.

**MR. CHAIRMAN**: Resolution 67(d)(1)—pass; (d)(2) Other Expenditures—pass; (d)— pass. Resolution 67(e) Traffic (1) Salaries and Wages. The Honourable Member For Rhineland.

**MR.BROWN**: I notice that you have some areas in the province that are aircraft patrolled. I wonder do you ever get any convictions on these, or how successful are these patrolled zones?

**MR. BURTNIAK**: At the present time I'm not able to say definitely whether it's 100 percent or not, but from the reports we have I think it looks favourable anyway. I'm guessing at this really.

**MR. BROWN**: In other words you don't know if any convictions have ever been made on these patrolled zones.

**MR. BURTNIAK**: Well, yes, there have been made, some convictions have been made but they're made by the Royal Canadian Mounted Police. So they'd be under the Department of the Attorney-General.

**MR. CHAIRMAN**: The Honourable Member for Rhineland. The Honourable Member for Virden. **MR. MORRIS McGREGOR**: Knowing that there was one crash, I just wondered if that plane was

replaced because I've been sailing along for years in the hope that he isn't up there any more.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, I wonder if the Minister can give us any idea what work is being done with regard to school bus safety. There are more and more incidents of cars passing standing school buses with their flashing red lights on, and I notice the Minister is doing a test. I think he has a sign out here coming in from No. 1 Highway. I don't know if there are any others in the province. MR. BURTNIAK: Yes, yes there are.

**MR. McKENZIE**: There was a recent bad accident in the Russell area where a child was killed by carelessness on the part of people. I wonder would the Minister be looking at the possibility of more signs or a different system, because it is my understanding that the incidence of vehicles passing standing school buses is increasing. I don't know, is it the Department of Education that's responsible for the enforcement of that, or the placing of these signs, or the school division, or is it all the responsibility of the Department of Highways?

**MR. BURTNIAK**: Mr. Chairman, that has been a concern of mine for a long time too. We have been trying to see if we can, although we would like to eliminate this kind of situation, I'm not sure if that is entirely possible or not.

First of all, if I may just refresh the member's memory, I believe it was about a year ago or so when an Act was passed, amendments were passed to the Act, whereby School Buses, large School Buses, had to be equipped with eight lights; four in the front, four in the back, two with orange, two with red, front and back, to indicate that when the school bus is travelling down the road and is about to stop to pick up or discharge students, that he would flash his orange lights, but when he came to a stop that then he would flash his red lights to make that distinction, because in the past it was very difficult to know, for a motorist coming either toward the bus or behind when the bus was flashing his red lights, he didn't know whether the bus was standing or he was about to stop or whatever. So that has shown some improvement.

I also know that there has been —I'm not prepared to say whether there has been an increase in the number of incidents where motorists are passing school buses, when they are standing or not I am not sure about that. I do know that these things did occur and perhaps to some degree are still occurring, and that is the reason we have put up a number of signs on our highways. The Honourable Member for Roblin referred to Highway No. 1 West, we also have them in several other areas around the city, especially one other area, the one that brought this to our attention, was Highway No. 9. That was a very bad one. It's undivided. And so we put these signs up stating that where you have an undivided highway, regardless whether you are coming from behind the bus or in front, you must stop even if you're on the fourth lane on the outside, but where there is a divided highway it isn't necessary to stop on the other lane. It's there, by and large most of the drivers know about it and, like I say, I don't know that I'd be prepared to say that there is an increasing number of motorists that are passing the buses now than there were before. I think I would doubt that, but I do know there are still motorists that do that.

I think I perhaps should tell you a little interesting story about the sign that was put on No. 1 West that the Member for Roblin referred to. When that sign was installed, that morning we had a school bus there with a number of children, we had the RCMP there, one car, and other vehicles, people who were installing the signs and when the sign was installed, in place school bus had stopped with the school children and the police car was sort of hidden. I forget the number of people that did go through without stopping. The minute the police car showed up there wasn't a single one that passed. There was a hold-up of traffic about a mile long. So there is the difference. I know that it is impossible for us to ask the police to be at the right spot at the right time because, as we all know we just don't have enough of them to go around, they're very busy doing other things.

A MEMBER: Maybe we need an escort for

MR. BURTNIAK: May be we do. I don't know.

**MR. McKENZIE**: Well, Mr. Chairman, that is some help. I believe and I've been trying to this one through the Department of Education with their school bus program and maybe it comes later whereby, I understand students are allowed to stand up in school buses in our province. Well we can check that later but it is my understanding, because I tried to find out and they said that there is nothing to prohibit them from standing up.

The other problem of course, and it's between the school division and Highways, is whether in fact they should unload the students in the yard rather than on a highway. I don't know maybe the department or the Minister will have to take that thing away from the school bus and make it mandatory that they load and unload the children in their yards rather than on a busy highway, because if it's going to be a problem enforcing it, and it looks like it is, then I think that maybe the province, the Minister could say, well look, to the school divisions, unload the children in their yards and then it would eliminate, the highway traffic is not going to decrease, especially on these busy routes. And that might solve the problem, rather than each school division having own say in whether they unload the children on the highway or whether they unload them in the yard of their parents.

I'm wondering, the railway crossings, are all the railway crossings on our provincial trunk highways now with lights on it, flashing lights, is that all; like on No. 5, No. 1, No. 4?

**MR. BURTNIAK**: I don't know, Mr. Chairman, if it would be fair to say that all are. I think many of them are but there are still a few that perhaps are not.

**MR.** McKENZIE: Does the railway, when these flashing red lights are installed on a railway crossing, do they pay half of it or the majority, what basis do you share it on?

**MR. BURTNIAK**: They pay about 12 ½ percent of the cost.

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

**MR. GRAHAM**: Just to carry that one step further, Mr. Chairman, has the Minister ever sat down and tried to assess whether in fact it may be more dangerous for a school bus to stop at all railway crossings rather than have the school bus travelling with the normnormal flow of traffic?

**MR. BURTNIAK**: I believe that regulation has to do with the Department of Education. I believe that they have a regulation whereby all school buses are compelled to stop at every crossing whether there is a signal light or whatever, or no signal light.

**MR. GRAHAM**: Well, Mr. Chairman, that was just one question on that, but I had some other questions dealing with traffic and traffic counts. I understand the department carries out a rather regular traffic count on most of the main arteries throughout the province. Is it possible to have those figures available on request for specific highways?

**MR. BURTNIAK**: Mr. Chairman, a few years ago, as a matter of fact eight years ago when your party was in power, I would like to remind you that those statistics were not given out. Since we came into power we have been giving out those statistics to those who require them for whatever purpose it is.

MR. GRAHAM: Well, Mr. Chairman, then I must congratulate the Minister because I would like to

be able to obtain the traffic count, say for the last five years, on the Yellowhead Highway and I understand you do pretty well sectionalized counts, on various sections along the road. Is it possible to obtain those figures?

#### MR. BURTNIAK: Yes.

**MR. GRAHAM**: Mr. Chairman, the reason I ask that question, being a member of the Yellowhead Highway Association, I think it's of tremendous benefit to that association and to those communities along the road. If they can see the traffic density and see the projections for the future it does assist in determining the amount of service that can be provided to the travelling public along those various roads.

**MR. BURTNIAK**: Mr. Chairman, I would suggest that if the Yellowhead Route Association were to inquire or to write to us requesting this type of statistics, we will be able to provide them with the statistics based on whatever section of the road they require.

**MR. GRAHAM**: Well, Mr. Chairman, as a member of that association, is not this request sufficient or do you want it in writing?

**MR. BURTNIAK**: Mr. Chairman, we'd prefer it to be in writing because we also sort of indicate that we are providing these statistics not with the intent that because a person requesting these statistics is doing it for his own benefit. So, we have been in the policy to ask for letters and we supply that information by means of a letter.

MR. GRAHAM: No that's all.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

**MR. BLAKE**: Mr. Chairman, on the traffic, the Minister is well aware of the traffic problem that we've had on the junction of Highway No. 4, 4A and No. 10, just north of Minnedosa on the by-pass, something like 19 deaths in six or seven years or something like that. And the most recent ones, they have conducted some studies there and have improved the warnings there. They've increased or put rumble strips on deepened rumble strips' both sides now and have put some warnings of a stop sign ahead closer to the road and alerting people further back. I just wondered if the Minister hashad a recent report on whether the improved warning signs that they've put in, if they are having some effect or if they've done any monitoring on people still going through the stop sign there.

**MR. BURTNIAK**: Mr. Chairman, I would think that when these changes that the honourable member referred to took place, since that time I believe we have not had any serious accidents or fatalities, so apparently it is working. I believe, not only the rumble strips, but also the stop sign was relocated if I'm not mistaken. It's closer to the road and the warning and so on. It appears as though it has helped a lot.

**MR. BLAKE**: Hopefully it has. The Town has suggested to the Minister that overhead stop lights be put in there because it's a pretty heavily travelled section of road, especially in the summer months with the Clear Lake Traffic. Hopefully, we don't have to have another fatality there to put in overhead lights or a 4-way stop. I just wondered if you'd had an up-to-date report, if anybody's been watching traffic to see if they are still going through the stop sign. I know you can sit there and see people go through there and I can't understand how someone can go through there. It's well marked and the rumble strips really shake you. It's just amazing that there's been so many accidents, and yet there's something wrong there. It would be interesting if you do get a report on it, I would appreciate being advised of it because I'm sure your people will be monitoring it from time to time.

**MR. BURTNIAK**: Mr. Chairman, as you point out, we are monitoring it and when we do get something more specific on it, we'll certainly let you know.

MR. CHAIRMAN: The Honourable Member for Virden.

**MR. McGREGOR**: On this same area of fatal accidents, we have a piece of No. 1, and in the Throne Speech, Mr. Chairman, I used some figures there and while the accidents per mile or per section are not extremely much higher than the average, it does seem to me the death rate on that particular chunk, and I'm speaking now of Alexander and Griswold, if indeed this is the area that I should be bringing this point out, there's just been a tremendous amount of deaths on that particular curve and hollow in about a five mile stretch. Is there any plan, while I realize there's 4 lanes sometime in the future . . .

MR. BURTNIAK: I'm sorry, Mr. Chairman, I didn't hear the honourable member's question.

**MR. McGREGOR**: I quit talking, I was just talking to a blank wall... but the question was, the fatalities in the Alexander, Griswold area of No. 1 Highway. A lot of people close to me, around me that I've known, and then asking the Minister's staff, it does seem as though, at least he claims the accidents about the average of the province, and yet I do feel the fatal accidents must be much higher than most any chunk of road. Is there any plan in the works to remedy a curve, a hollow, it does seem if there's any kind of a rainstorm or a snowstorm, they get confused there on which side of the road, and we've just had so many head-ons. I know, Mr. Chairman, your Minister doesn't know the fatalities *per se* because they go to hospital, and a week or a day later they're gone and that's not a record on his. But certainly it's something that should be looked into long before the 4-lane does indeed come

through that area.

**MR. BURTNIAK**: Mr. Chairman, our traffic engineer has been looking at it very closely and I'm sure he's going to have a report on it very soon to see what can be done to eliminate the situation. We are on top of it, Mr. Chairman.

**MR. McGREGOR**: All right. I appreciate this Mr. Chairman. Just to show you that they never do listen to me in the Chamber, I made a quote by one of your staff that sent it to me. I asked for deaths, he sent it to me and it was accidents, and no one really picked me up, because if they had realized what I did say was "Deaths of '72, '73, '74," much higher than it really was, but I do appreciate, Mr. Chairman, if the Minister is looking into that because it is desperately serious. There's just too many deaths on those two little curves there. Thank you.

MR. CHAIRMAN: The Honourable Member for Roblin.

**MR. McKENZIE**: Mr. Chairman, could I ask the Minister if he is considering reducing the speed limit to 55 miles per hour, or over to the metric when you make the change to the metric system, in that range of 55 miles per hour.

**MR. BURTNIAK**: Mr. Chairman, I don't know if the Honourable Member for Roblin was here this afternoon when I made my introductory remarks.

MR. McKENZIE: I missed the first couple of minutes.

**MR. BURTNIAK**: I did deal with that particular item and I suppose it wouldn't take any time to reiterate. The honourable member could read it in Hansard tomorrow or the day after if you wish but I could repeat it if you so desire.

**MR.** McKENZIE: Well, it adds now to another question, and that's the one regarding — we've talked of the fatalities with human life — I saw the report in the newspaper not long ago of the fatalities of wildlife and domestic animals which apparently the department has done a study on. Can you give me any idea whether you are satisfied that the present signing on your highways for wildlife or an area where there's cattle crossing, is this adequate at the present time.

**MR. BURTNIAK**: We seem to think that it is. If I may, Mr. Chairman, I hope the honourable member doesn't take any offence to that. Unfortunately, the animals can't read very well.

MR. McKENZIE: We have to look after the traffic.

**MR. BURTNIAK**: That's right. So that I think we have adequate signing in certain areas of the province and certain roads. But I suppose even with the signing, animals are crossing and what have you, it just isn't going to be possible to eliminate any of these accidents as long as we have the continuous flow of traffic on our highways.

**MR. McKENZIE**: Well, first of all, I had one hell of a time getting signs out of that new Dauphin sign shop you've got there to put up along the 83 highway there. I live right beside the Park there, Assessipi, and the deer population there is very heavy. They know now that that's a sort of a safe retreat for them so there's a lot of deer in the area. The location of the sign is wrong. You're coming around a curve and there's the sign. You see it for a split instant. It should be back, I would say, two or three signs back a couple of miles that you're entering an area of heavily populated wildlife. Normally, as the Minister well knows, the wildlife follow the same paths generally when they go from one side of the highway to the other, but there's generally in that area now, ten or twelve or higher in a herd that cross the highway and all the sign says, is "Wildlife" while it should be alerting that there's going to be more than one, because generally if there's one there now in that area and I'm sure there's other areas in the province where there's five or six will appear.

The other thing I was going to ask the Minister on the same question, would it be worth your while to fence those areas on those busy highways? It would have to be a fairly high fence, but nevertheless, it's certainly possible, and keep them back from those heavy traffic areas.

**MR. BURTNIAK**: Mr. Chairman, on the first part of the question. I don't know if I understood the honourable member

correctly. Has that location of the sign been corrected with the Highways Department? **MR. McKENZIE**: It's still on the curve.

**MR. BURTNIAK**: I see. Well, I would think that perhaps the honourable member should drop me a note and I will certainly look into it and see if there is any possibility of making a change there. On the question of fences, here again, I suppose there are a number of areas in the province that this would have to be done, not only in that particular part. That being the case, that again means extra dollars. At this point in time, I don't know if we want to be — well, I shouldn't say whether we want to — but I don't know if we can really afford to go into that kind of expenditure at this point in time. That may be something to keep in the back of our minds for some time in the future.

**MR.** McKENZIE: I wonder if the Minister could give me an idea which areas the survey showed where there's the highest fatality of wildlife, which regions, which districts.

**MR.BURTNIAK**: Mr. Chairman, we don't have that. We can try and provide that information for the honourable member.

**MR.** McKENZIE: Mr. Chairman, one other question then. Some of the truckers have been in contact with me about the trucks that are travelling, commercial trucks and public service trucks,

back and forth, out of province, and they are coming up to the scales, and I'm wondering what kind of an inspection service do you do? Maybe we could do this later, but they say that a lot of these trucks are warned and they're just left to toot along and it ends there.

**MR. BURTNIAK**: I would think, Mr. Chairman, that we can deal with that under Highway Traffic Inspection, which is under (g) on Page 36.

**MR.** McKENZIE: One last item, what's your target date to have the signing switched over to the Metric System.

**MR. BURTNIAK**: The proposed date is sometime in the month of September this year, 1977.

MR. CHAIRMAN: The Honourable Member for Rock Lake. The Honourable Member for Swan River.

**MR. BILTON**: Mr. Chairman, going back to what the Meer for Roblin was saying a few moments ago, is it not true, through you to the Minister, that farmers must, along trunk highways, have fences? And if their animals get on to the highway, are they not liable by law?

**MR. BURTNIAK**: I think the honourable member is talking about the herd law which falls under the Department of Municipal Affairs under the municipalities.

**MR. BILTON**: Mr. Chairman, I'm thinking in terms of the suggestion that was made by the Member for Roblin. He wasn't suggesting fences, but rather the spreading out of the signs as a safety measure for the travelling population. It occurred to me during the discussion, that if we compel the farmers to fence their property to contain their animals, surely the province has some responsibility to contain the wildlife which it is responsible for.

**MR. BURTNIAK**: Here again, Mr. Chairman — and I can't really argue too strongly with the Honourable Member for Swan River on his comments — but surely we have other departments that have certain jurisdictions, and I do believe, strongly believe that I don't think that should be the responsibility of the Department of Highways, either Municipal Affairs or Renewable Resources. I realize that there are animals that are killed by the traffic on our highways but I don't think that the Department of Highways should be the one department to put up fences and the likes of that. I think that our jurisdiction is to put up signs and warn the people, which we are doing. Now if that isn't sufficient, I guess we have to look elsewhere to some other department of government to do these things.

**MR. BILTON**: Just as a further observation, I have been involved, Mr. Chairman, and I'm thinking in terms of that stretch of road from Roblin into Swan River that's wide open and it's a rolling road as you know, and there's a tremendous amount of deer in that particular area, for some 15 or 20 miles. It has been a problem. Now, whether a fence is the answer or not, I don't know, but it's wide open space and the deer population in that particular area is very very heavy in certain seasons of the year.

**MR. BURTNIAK**: Mr. Chairman, I have here, for interest of the members, a report from January 1, 1975, to November 15, 1975, which is not a recent one, we're looking for a recent one, but we do have the total accidents in the 12 districts which we have. Wild animals, there were 303 for that period of time, and domestic, 157. That's for the entire province of Manitoba. Now district by district at that particular time, the district with the highest nuer of wild animals killed in '75 was district No. 5. The next one would be District No. 1, Birds Hill. No, I'm sorry, it's District No. 1, yes.

MR. BILTON: That's Birds Hill?

**MR. BURTNIAK**: Well, there were 7 killed in the Birds Hill area. Forty-six in total, which include the 7 in Birds Hill and there were 9 domestic ones. In District No. 7 there were 34 wild animals killed and 16 domestic.

**MR. BILTON**: Where's District 7?

**MR. BURTNIAK**: District 7 is Minnedosa. Then in District No. 2, there were 32 wild animals and 15 domestic and that also included one fatality, which means one person was killed.

MR. BILTON: Killed, yes.

A MEMBER: . . . include dogs . .

MR. BURTNIAK: We don't have that. I suppose it could be dogs and cats and so on.

**MR. BILTON**: Just one final remark on the subject. I appreciate the Minister's interest in quoting those figures. What I was trying to think of was that area from Madge Lake into Benito, particularly at night. It's a pretty dangerous set-up there and I don't know what you can do about it, but at the same time you don't appear to have any killings in that particular area, I don't suppose. That is, of wildlife.

MR. BURTNIAK: Yes, in '75 - I believe you're referring to Highways District 9.

MR. BILTON: I wouldn't know.

**MR. BURTNIAK**: I think that's what it is. There is not very many. In '75 there were 9 wild and 9 domestic.

MR. BILTON: That's not bad but I involved myself with one of them so that's why . . .

MR. CHAIRMAN: The Honourable Member for Ste. Rose.

**MR. ADAM**: Mr. Chairman, the case being made to erect fences to contain wildlife, I'm not sure whether that would solve the problem or whether they would just move over and go around the fence anyway, but I'm just wondering whether the Minister knows, or if his staff know if other provinces

resort to fencing their wildlife.

**MR. BURTNIAK**: I would think that if the honourable member is referring to other provinces, the other provinces, as far as I know, don't build fences, either. They use the same procedure pretty well, as we do. I think, too, that one point to remember here is when we talked about signs warning the drivers that there may be wild animals crossing the highway at any moment are good, but I think a certain amount of responsibility, or a hell of a lot of responsibility, should be right on the shoulders of the driver, whether he sees that sign or not. I think it's the same thing as driving on city streets, you never know when a bicycle is going to appear at a cross section or whatever. So I think a great deal of responsibility should rest upon the shoulders of the driver himself.

**MR. ADAM**: The Member for Swan River stated that the farmer was responsible for containing his animals in a district where there was a herd law. Is it correct to say that the law is at present that if the farmer has made every reasonable attempt to keep his fences in good repair in the event that an animal does escape that he will not be responsible?

A MEMBER: An act of God.

MR. CHAIRMAN: It doesn't really come under this department, I believe. The Honourable Minister.

MR. BURTNIAK: It comes under Traffic.

**MR. CHAIRMAN**: Resolution 67(e)(1)—pass; (e)(2) Other Expenditures—pass; (e) pass. The Honourable Member for Roblin.

MR. McKENZIE: I move the Committee rise, Mr. Chairman.

**MR. CHAIRMAN**: Committee rise and report.

# **ESTIMATES — CO-OPERATIVE DEVELOPMENT**

Mr. CHAIRMAN, Mr. William Jenkins (Logan): The Honourable Minister for Co-operative Development. The Honourable Minister has 30 minutes.

**MR. TOUPIN**: Mr. Chairman, when we adjourned at 5:30 I was attempting to relate to members of the House what the department is attempting to do, what the government has attempted to accomplish through the Department of Co-operative Development in the last few years and relating some of the experiences of previous administrations. I would like to indicate, Mr. Chairman, that members of the House will be asked to approve of the expenditure of funds for the printing and distribution to Manitoba schools of material prepared through the Co-operative Education Branch. These materials, which have undergone a thorough piloting and review process, will permit students to become aware of the principles and history of co-operation and the major role which co-operatives play in Manitoba's economy during their regular course of studies.

The department will continue to support the development of co-operative housing in Manitoba with the aim of enabling more Manitobans of moderate income to acquire good housing at reasonable costs. The Department of Co-operative Development has established a target of approximately 300 homes to be constructed under the Sweat Equity Program in the coming fiscal year. I will be talking about this a bit later, Mr. Chairman, in regard to the Sweat Equity target that we have set for ourselves. In addition, the department will continue to support and encourage the development of continuing housing co-operatives in Manitoba, both through its own promotional and educational services and by providing core funding to the Co-operative Housing Association of Manitoba, the parent body for continuing housing co-operatives in the province. In all, you will be asked to approve some \$149'000 to fund the department's housing program for 1977-78.

The Department of Co-operative Development will continue its program of promoting and assisting in the development of agricultural production co-operatives. You will be asked to approve Estimates of some \$53,400 for this program.

You will be asked to approve the sum of some \$200'000 to enable the Department of Co-operative Development to carry out its duties under The Credit Unions Act by operating a program of credit union inspections. The fact that no member of a Manitoba Credit Union hassuffered financial losses as the result of a credit union failure speaks highly, Mr. Chairman' of the past successes of the department's inspection program. The department's Research and Planning Branch will continue to provide support in analysis and program development to the credit union and co-operative branches of the department. In addition, the branch will continue to investigate the possibility for new types of co-operative development in Manitoba. It is anticipated that research into forms of co-operative housing will be a major activity of this branch in the upcoming year.

The Research and Planning Branch is also responsible for the operation of the departmental Resource Centre and the preparation of the departmental annual report, the Annual Report of Manitoba Co-operatives, and with the Manitoba Bureau of Statistics the preparation of the quarterly survey of Manitoba credit unions and *caisses populaires*. You will be asked to approve some \$137,900 to fund this branch's activity in 1977-78.

The Department of Co-operative Development will continue to provide managerial, educational, accounting and audit assistance to developing the non-affiliated co-operatives in Manitoba. You will be asked to approve some \$625,700 for programming in these areas.

It is my belief, Mr. Chairman, that the 1977-78 Estimates of the Department of Co-operative Development effectively underline this government's commitment to the promotion of co-operative development in Manitoba while falling in line with the government's policy of expediture restraint. Again I reiterate our commitment to give the co-operative movement the status and recognition it deserves as a movement of people attempting to make a better life for themselves and their families.

I would like to dwell a few moments on the direct charge co-op that is being launched in this city. It is due, Mr. Chairman, to be opened in June of 1977. Already they have close to 600 members signed with \$60,000 approximately share-capital subscribed, \$10,000 of which has already been paid in cash. This co-operative will dare to inform its members of merchandise that is the best buy truthfully as well as informing its consumer members of merchandise that is nutritionally unwise to purchase. Mr. Chairman, where else would you find such objectivity in the marketplace? I say, only in a co-operative.

I would like to talk briefly about Sweat Equity. I indicated I would like to get back to it. Our department has launched this program, Mr. Chairman, to bring individual housing within the reach of a major portion of our citizens. T e program was only commenced in July of 1976. The program is designed to complete a house building cycle in six months. Even in its first six months within which personnel had to be hired, trained and equipped to train citizens to build their own homes, twelve homes were built by people who had little or no previous knowledge. To date in 1977 with the assistance of consumer co-operatives' credit unions and financing from the Co-operative Trust

Company of Canada, better than 40 rural community homes are already planned for this year, with training having commenced in quite a few areas. A recent advertisement within the City of Winnipeg has brought over 80 responses in but a few days. The benefits of this program are many: (1) To buy a new home today a citizen must earn — we say — approximately \$18,000 yearly. Through the Sweat Equity Program, citizens earning salaries of less than \$10,000 a year have built homes in the City of Winnipeg in 1976 and are managing comfortably. (2) Savings of some 25 percent on construction are quite general. (3) Members have learned new skills, including the art of working together.

Like I indicated a while ago, Mr. Chairman, we anticipate approximately 300 homes to be built through this program in the fiscal year 1977-78 and I say even more than 300 if serviced land at reasonable prices can be provided in the City of Winnipeg and other urban areas of the province. I say urban areas, Mr. Chairman, because apparently the need seems to come from the urban areas moreso than some of the rural towns in the rural part of Manitoba or up north, although those towns are not foreclosed from taking advantage of the Sweat Equity Program.

I would like to indicate again, Mr. Chairman, in brief form, that our government since 1969 has taken numerous steps to encourage co-operative development in this province. I would like to highlight the following points: (1) Under the previous administration, like I indicated, legislation had been passed prohibiting municipalities, school divisions and other public institutions from obtaining financial services from credit unions. That is on the record. Shortly after we took office the legislation was reviewed with the objective of eliminating discrimination, and it was. In 1971 we amended legislation to remove the arbitrary and restrictive measures in all the Acts that we found a restriction for credit unions and other forms of co-operatives. In 1974, Mr. Chairman, the City of Winnipeg Act was amended which made possible for the city to obtain financial services from the credit unions should they so desire. In 1975 the legislation governing the Co-operatives to conduct its financial affairs with a credit union.

(2) The previous administration had set up a branch within the Department of Agriculture to incorporate and regulate credit unions and co-operatives. We established a full-fledged Department of Co-operative Development in 1971. The department's role was expanded beyond the legal and regulatory function of its predecessor to include a developmental and promotional role. The creation of the Department of Co-operative Development marked a significant change of emphasis in government policy toward co-operatives. The Co-operative Services Branch had played an essentially regulatory role; the department was intended to play an active role in the promotion and development of co-operatives and co-operations in Manitoba.

(3) The new thrust had been clearly demonstrated in the development of the department's programming since its establishment. At the time of its inception in 1971, the department's developmental efforts were limited to northern co-operatives engaged primarily in natural resource development. Since then, the department has expanded the scope of its program to meet the needs of developing co-operatives in many other fields such as retailing, housing, agriculture, day care and other community services.

The department's ability to provide services to co-operatives has increased with its acquisition of the research capacity, the capability to provide accounting and audit services to co-operatives unable to provide themselves with such services, and the training capacity to assist co-operative directors and members in understanding and meeting their responsibilities to their co-operatives.

(4) This expansion of programs and services has of course required considerable expansion in the department and departmental staff complement. Whereas the Co-operative Services Branch had a staff complement of 12 in 1967, only two of whom were Co-operative Development Officers, the department had a staff of 57 in 1976 - 77. Thirty personnel are in the Co-operative Branch, 13 in the Credit Unions Branch and Audit Branch, six in the Research and Planning Branch, and eight in the Administration Branch.

Any Member of the House interested in getting a breakdown of staff, I have copies here for those that are interested.

The department's budget has naturally increased the pace. In 1976 - 77, Estimates for the department totalled \$1,480,400 as compared to \$218,000 for the Co-operative Services Branch in 1969.

(5) In addition to the establishment of the department, the government has initiated many new programs which are supportive of the co-operative development. Prior to 1969, a small loan fund of \$100,000 was available to co-operatives requiring financing for their operation. In 1971, the Co-operative Loans and Loans Guarantee Act was passed establishing a Co-operative Loans and Loans Guarantees Board to provide loans and loan guarantees on the last resort basis to developing co-operatives. The size of the fund was increased from \$100,000 to \$3 million.

(6) Co-operatives now play a major role in the government's housing policy. Prior to 1969 there were no policies and no programs which would encourage the development of housing co-operatives. To rectify this situation, the government established a housing section within the

Department of Co-operative Development to assist groups of people in establishing housing cooperatives. A person knowledgable in co-operative housing was appointed to MHRC Board. One of the major obstacles hindering the development of housing co-operatives was the lack of access to properly zoned and serviced land upon which to build. MHRC now leases land at cost, or lower, to housing co-operatives. As a result, there are at present five co-operative housing developments underway on MHRC leased land in Winnipeg and one in Brandon.

In the absence of this policy, it is questionable whether development of this scale would have occurred at all. In addition to the policy of leasing land to continue housing co-operatives, MHRC provides interim financing to housing co-operatives during the construction phase of the project.

The Government of Manitoba, Mr. Chairman, provided a corresponding grant of \$50,000 in 1976-77 to the Co-operative Housing Association of Manitoba to enable them, as the parent society, to initiate and maintain an aggressive program of co-operative housing development aimed at assisting Manitobans of moderate income in meeting their housing needs.

The function of the parent society is three-fold: (a) To inform the general public about cooperative housing; (b) To assist new and continuing co-operatives in their development and in the administration of their housing projects; and (c) To assist incorporative housing co-operatives to the point of self-sufficiency.

(7) The government has also provided assistance to people in the development of building cooperatives. In a building co-operative, families organize a co-op to build their own homes. Savings are realized through their own labour and through bulk purchasing of material and specialized construction services. Once construction is complete, the co-operative dissolves and the members acquire private ownership of their homes.

(8) Co-operative information, training and technical assistance is being provided by the Department of Co-operative Development to interested groups and co-operative organizations in a wide range of fields including agriculture, day care, community services co-operatives, buying clubs and retail co-operatives. Previously, Mr. Chairman, this kind of assistance was unavailable.

(9) The government, in co-operation with Federated Co-operatives Limited, is assisting a group of Winnipeg consumers in their efforts to establish a direct charge co-operative store and this will be a fact within just a few months.

(10) Over the last year, the Government of Manitoba has been working with the Co-operative Credit Society, to carry out a program of credit union development in remote northern communities where financial services are lacking.

(11) Educational materials have been prepared for Manitoba schools to make the study of cooperatives possible within the regular course of studies. The material can be used as a resource in teaching Grade 5 social studies, Grades 10 to 12 social studies and in business education programs at the Grades 10 to 12 levels. This material has undergone quite an extensive review and will be offered to the school system in the 1977 - 78 school year.

(12) Considerable progress has been made in the area of co-operative legislation. For many years, Mr. Chairman, all legislation relating to co-operatives had been contained in a small section called Part 10 of the Manitoba Companies Act. The Department of Co-operative Development, in consultation with Manitoba co-operatives, has now prepared a new Co-operatives Act which was presented at the 1976 Spring Session of the Legislature. The rationale behind the drafting of this new legislation specifically for co-operatives is essentially two-fold. Co-operatives has long felt that the Companies Act did not make adequate provision for the very special nature and objectives of co-operatives and so have pressed for specific legislation regarding co-operatives. It should be noted that Manitoba was the last province in Canada to adopt such legislation, so we can't be accused of going too fast. In addition, the emergence of co-operatives in the area of housing, agriculture and community service has necessitated the framing of legislation flexible enough to meet the special needs of these co-operatives.

It is, Mr. Chairman, the government's hope that this new legislation will do much to further the development of co-operatives in Manitoba and so extend the benefits of co-operations to an increasing number of Manitobans.

In the area of credit unions, a new proposed Credit Unions Act will be introduced at this session and it has been prepared in consultation with the Manitoba Credit Union Movement. This legislation will be introduced and hopefully passed at this session. It is anticipated that this legislation will provide a framework for the future development and expansion of the credit union movement in this province.

Mr. Chairman, the government has removed many of the obstacles to co-operative development which existed prior to 1969 and has adopted a policy of positive encouragement for co-operative enterprise. In doing this, the government has placed what we consider to be a fairly major role in extending the benefit of a co-operative action to a broader range of Manitobans than ever was the case before. We hope to continue, within budget constraints, to move in the directions outlined and we believe that there has never been a time in history when the need for co-operation was greater than they are today in almost all spheres of our economic and social lives.

Mr. Chairman, I touched briefly a few minutes ago on the co-operative effort between the Department of Co-operative Development and the Credit Union Central CCSM, in regards to the setting up of financial services in the northern communities. I would like to indicate that this was tried in certain communities in 1976-77, will be pursued in 1977-78. We've had offers to bring our services to some northern areas. The Co-operative Credit Society of Manitoba was asked to develop a program aimed at providing credit union services to residents of remote northern communities who presently lack access to basic financial services. As an example, a group in Norway House is now working toward the incorporation of a local credit union which may serve as a pilot project for future developments in the north. We believe, Mr. Chairman and colleagues, that this a basic right to individuals, not only when other financial institutions are offering their services but especially when services are not being made available by other sectors of the financial society that we live in. Often, sectors of the co-operative movement tend to offer their services when people are in a state of suffering — that's really when the co-operative movement started in the province of Manitoba, if we talk, whether it be of the consumer sector of the co-operative movement or whether it be the credit union movement itself that started in Manitoba in 1938. Credit unions today not only serve those that are in financial need. Credit unions in this province, like I indicated a while ago, serve some 300,000 Manitobans from all walks of life and crossing all political beliefs in the province of Manitoba.

I believe that the other sectors of the co-operative movement still have quite a way to go and that there should be a continuing effort under the Department of Co-operative Development and of the credit union sector and Co-operative Trust of Canada and all those wanting to work with the Cooperative Union of Manitoba, to pursue the objectives of Manitobans that are being served or intend to be served by the co-operative mode of services in the years to come.

Mr. Chairman, I will move my stuff to the front bench so I can have some staff with me. I'll be taking notes, if this is agreeable with members, so I don't have to pop up and down and I'll get up after a few have spoken and attempt to answer questions.

MR. CHAIRMAN: Resolution 45(b) Salaries. The Honourable Member for Morris.

**MR. JORGENSON**: Mr. Chairman, I simply rise on a point of order. I note that the Minister has divided that department into two parts, half his Salary is available under the Department of Cooperative Development and the other half is available under Consumer Corporate and Internal Services. This creates somewhat of a problem in dealing with this particular item in that it's split in two. I note that's not the only department in which it's done and I'd like an explanation as to the reason why it has happened. Why could he not just simply have the salary item under the Consumer and Corporate Affairs department or Co-operative Development, either one, but why twice? Why split it, is there some fear that if — or is that some insurance that the Minister is buying — that if he loses one he can pick up on the other one? Or is there some other reason behind it? It seems to me a rather awkward way of assembling the Estimates for presentation to this Chamber and I wonder if the Minister could give us an explanation as to the reason why they are produced in this fashion.

MR. CHAIRMAN: The Honourable Minister of Co-operative Development.

**MR. TOUPIN**: Well, Mr. Chairman, it's not something new. We've had it this way for some time now. Since I've served in more than one department, I've insisted that my salary be split with at least two of the departments that I serve in. The only time that this was not the case was when I was Minister of Health and Social Development where I had all of my salary in that department. Ever since, when I was in Tourism, Recreation and Cultural Affairs and Co-operative Development I had it split; 7/8 in one , 7/8 in the other. It had been agreed in previous years, Mr. Chairman, that the Minister's Salary would be up-for-grabs, if we can put it that way, in one departmentnot leaving aside the possibility of discussing broadly on both counts in both departments. But if there was a desire to lower the salary in one, they would do it on one and not both.

**MR. JORGENSON**: A point of order. Then my suspicion was correct. What the Minister was buying was insurance. I repeat again, Sir, that it's an awkward way of dealing with the Estimates. I think it would be much simpler if the Minister's Salary was contained in one department, that it could be debated as such and then we would not have to debate that particular item on two separate occasions. I think there is ample opportunity to debate both those departments fully without having this particular item split in two.

MR. CHAIRMAN: The Honourable Member for Lakeside.

**MR. ENNS**: Thank you, Mr. Chairman. Mr. Chairman, prior to the supper hour adjournment, the Honourable the Minister chose to berate the Conservative opposition because of what he allowed himself to believe the position that they now hold with respect to Co-operative Development in the Province of Manitoba. He hung his remarks on a particular comment made by my Leader on a particular Co-op Development and chose to paint the entire position of the Conservative Party vis-à - vis his attitudes towards Co-ops on that alleged and somewhat vague comment by my Leader, a comment by the way which I have no difficulty in supporting and expanding on tonight to some extent. Really, Mr. Chairman, I don't think that it's at all necessary, despite the fact the Minister

undoubtedly would like me to set out a defence on the part of the Conservative Opposition in the sense that we have had little regard for co-operative development in the past. Surely, Mr. Chairman, the Minister who has some knowledge of the co-operative development in the Province isn't about to suggest that the co-op development that he spoke of in such glowing terms and indeed, when he listed off the numbers of successful Credit Unions or Caisse Populaires or the consumer co-ops that have existed before his time and before my time, indeed well back into the thirties, that all that cooperative development was possible without the kind of leadership that the Minister now purports that he alone and this administration alone is providing to those interested in that kind of economic development or that kind of getting together. Surely, Mr. Chairman, he's not suggesting that those highly successul Credit Unions that we have in the Province of Manitoba, whether located in Steinbach or Morden or Morris or you name it, virtually in every rural community in the Province of Manitoba, that their development only came about since 1969. I don't really believe that the Minister's trying to suggest that. In fact, Mr. Speaker, the more the Minister talks about, in a proud way of the development in his department, the additional staff, the creating of bodies in that department from six or ten in '69 to 57 now, the extra moneys from 100,000 to a 1.4 million now, to me is the very antithesis to what I understand and what my concept of co-operative development is all about.

Surely the old concept of co-operative development is letting people do their thing. And it's not having the heavy hand of government or any other corporate body guide, spoon-feed and direct them. Now when the Minister wants to talk about an attitude towards co-operative development, I want to remind him of an attitude that we think places the whole co-operative movement in far greater jeopardy under his stewardship and under the stewardship of this government than anything previous administrations have ever done. In fact, Mr. Chairman, by far, 85, 90, 95, 99 perent percent of the successful co-ops were developed long before this Minister and this administration took office. And when I say that there's a danger or jeopardy of the success of this movement in continuing as they have in the past twenty-thirty years, I remind him of a policy position put forward by his thinkers and his group when they put together their Guidelines for the Seventies report.

You know, the honourable members opposite, they like to refer to, from time to time, studies of the kind and nature that were undertaken by the previous administration such as the TED Report and quote them as gospel as representing government policy of that day. Well, I will be fair with this government, I'm not suggesting that this is necessarily government policy but certainly to the extent that you have tried on many occasions, on different subjects, pulled out old pages of a TED Report and said, "Ah, it projected a loss of rural population, therefore, that was Conservative policy."

I'd like you to read what your Guidelines for the Seventies had to say about co-op development, and that's having to do with the development of municipal Crown corporations, etc.,etc. And it said, "At this point, it may be worthwhile to consider whether co-operatives might not be a redundant form of organization. After all, if rational and extensive use is made of Crown Corporations, on both a provincial and municipal level as a means of countering private monopoly power and breaking down barriers to entry, is there any need for co-ops?" That's your people, that's your government asking the question. "Is there any need for co-ops?" "Is there any way of drawing a line between the proper area for co-ops and the proper area for public enterprise? In many cases there are no grounds for a rational choice between the two instruments, particularly at the local level, thus a retail outlet owned and operated by the local government through its municipal development corporation would accomplish the same objectives as a consumer co-op in terms of expanding the range of services in a remote community." Mr. Chairman, I suggest to you that that kind of fundamental approach, that kind of willingness to centralize, that kind of long range aim to create government controlled Crown Corporations at the municipal level poses a far greater danger, a far greater threat to the kind of sound development of the co-operative movement that we've had in the past in this province.

I'm not impressed at all, Mr. Chairman, if this Minister stands up in this House and tells me — or will stand up next year —unfortunately he won't be here next year — but if that should happen, if he should be here next year and tell me that he's now hired an additional 50 bodies to supervise the coops, Mr. Chairman, that's working at cross-purposes. Surely the whole idea of co-ops is to have people that have a feeling for gathering together that kind of an economic community to run their own affairs. I grant you, Mr. Chairman, that the role for the department is there to lend in a supervisory capacity, those services that can best be handled in that 1969 or June 25th, manner, but to suggest to me that prior to the year' to be exact, '69, the proper climate didn't exist for co-operative development to take place, is just garbage. The biggest pool co-ops, the biggest consumer co-ops' the credit unions, all found it quite easy to establish, and did in fact establish very sound roots into our economic development in this province and found a ready ear from Ministers of previous administrations. In fact, Mr. Chairman, the question really has to be asked, to what extent will the current crop of co-ops that are being spoon-fed by this Minister and by this administration, how solid a footing are they on? The question that I have to ask the Minister and I would like to know, for instance, is the number of co-op failures that have taken place in the past two or three years' with particular references to the fishing . co-ops It's a fundamental axiom of the creation of co-ops that you begin with an education program, that you learn to walk before you try to run, and in far too many instances this government has merely come in with a staff and with the money and with the loans and then have bailed out a year or two later and left, very often, people in the least position to fend for themselves, such as some of our northern communities in high-get positions with no co-op and no services for their community.

Mr. Chairman, let me deal just for a moment with the particular item that the Minister chooses to use as his linchpin to crucify the Conservative Party on the basis that they apparently in his mind do not have a friendly attitude or the proper attitude towards co-operative development in the Province of Manitoba. And he cites the particular case of the Boni Store, the co-op retail venture in this city. Well, Mr. Chairman, if he wants a position from the Conservative Party on that particular co-op, I'll give him that position. I question the rationale or the justification for deciding that you're going to set up a business beside the little corner store or beside another store where a citizen of Manitoba has worked his lifetime for and has plunked his savings in and paid his taxes to the province and now this administration is going to put in a co-op beside him, fund them with an initial \$15,000 start-up grant as he says, underwrite their loans to the tune of \$50,000 — and I ask, is that his concept of reasonable fair competition? I have no problem and no hang-up about anybody deciding to set up a co-op store but surely the government has some responsibility as how taxpayers' money . is being used and whether it's being used fairly.

What about the Red River Co-op retail outlets that we have in the City, food outlets? Is the government giving them \$15,000 grants? Is the government underwriting their long term loans? How does the Minister justify this differential treatment, that he can carry on within the co-operative movement?

I know, Mr. Chairman, the Minister has a particular desire to foster this kind of development and I don't fault the Minister for that. He prefers, very obviously —and that's why he's on that side and I'm on this side— he prefers the co-operative form of economic enterprise to the open or the freer form of enterprise to the private sector, and there's no sin in having made us aware of that choice. Mr. Chairman, simply because another administration or another party stands up on its principles and says, yes we want to see the private sector flourish in this province and we will not stand in the way of any co-operative group from forming and flourishing in this province. And the Minister cannot stand in his seat and indicate that that has happened. To say so would deny the existence of virtually every credit union in this province, the existence of every other consumer co-op in this province that has been formed long before 1969.

#### A MEMBER: Before he was born.

**MR. ENNS**: Long before he or I was born. And to suggest that that kind of economic development in terms of co-ops was not possible. So, Mr. Chairman, we think that the particular example that the Minister cites, he happened to choose a very weak one, and if he wants to in any way attempt to demonstrate to the people at large that that represents an unfriendly attitude towards the cooperative movement in Manitoba, towards the credit union movement in Manitoba, then, Mr. Chairman, I am confident that he may convince himself but very few others.

It has been a matter of form over the years that legislation pertaining to co-operatives, legislation pertaining to credit unions, in a routine way, received updates, were brought in —I can recall at least on two occasions that I brought in legislation updating current legislation having to do with credit unions. It was done with consultation of the credit unions just as the Minister is now consulting with credit unions and advising us that he is bringing in legislation having to do with this.

But, Mr. Chairman, it is just a little tiring these days to hear this repeat performance that we hear from my honourable friends opposite so often, that prior to June 25th, 1969, we lived in the caves in Manitoba, we wandered around on all fours as pretty close relatives to the Neanderthalman. There was nothing before June 25th, 1969, and then came that great awakening in this province' a great dawning of light and wisdom as espoused by honourable members oppand everything began to flourish. All of a sudden schools were built, houses were built, even senior citizens homes were built, in fact I don't think we even had senior citizens before 1969, they only arrived in 1969 too. Credit unions all of a sudden sprouted up all around Manitoba, consumer co-ops, food outlets — well, Mr. Chairman, that's the kind of position that the Minister is trying to paint for us. If he wants me to give him, and I am generous enough to do so, Mr. Chairman, on this kindly evening, a little bit of political instruction, then I would suggest to the Honourable Minister, don't over-kill. I mean, it would be a reasonable statement to make that the socialist friends opposite, the new guys represented by the New Democratic Party, are more kindly disposed to the co-operative movement in the form that they will be prepared to perhaps fund it in a larger manner; or to, in fact, in a somewhat discriminating way favour the scales in the development of co-operative movements as compared to the Conservative Party which fundamentally stands on the basis that we feel that the private sector has a very important role to play in our community. That is a position that he could take to the electorate and even be understood, and may even find some acceptance.

But' Mr. Chairman, to over-kill the matter, to suggest that it is only under the direction of the present government, and under this particular Minister, because he has a particular penchant for this particular area of development, that it was possible for the co-op movement to flourish, is utter nonsense.

I repeat my initial statements, Mr. Chairman, in fact the very opposite is true, the very opposite is true when the serious planners and thinkers behind the New Democratic Party seriously question the role of co-ops. When you have your policy people writing papers and putting it down on paper, suggesting that co-ops are perhaps a redundant form, because eventually as you believe, all power rests in those that are elected and are represented in this Chamber; that through the medium of Crown corporations, whether provincial or municipal, you can do away with this form of local initiative, then in fact, the co-op movement stands in far greater jeopardy under the continued hands of this Minister and this government than they have ever stood before.

Now, Mr. Chairman, having just briefly rebutted some of the rather lengthy bit of nonsense that the Minister gave us prior to the supper hour adjournment, yes, I would like to accept the Minister's invitation with respect to staff notations in terms of where they are located. I think he briefly indicated that staff now numbers some 57, 30 within the field of the co-op development, 13 assigned to the credit union area, 6 research people and 8 administrative people. Could the Minister give us some indication of in total, even to the salaries involved, positions involved? Could he also indicate to us if he has, at the moment, in addition to the persons working — are these staff man years that he is talking about? I would like a direct answer in terms of the department, the number of staff man years that are contained within the set of Estimates before us. I would like in addition to know, Mr. Chairman, if the department is currently employing any number of contract employees for specific assignments, studies or consulting works. We'll settle for some of those answers for the time being.

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

MR. BANMAN: Thank you, Mr. Chairman. I would just like to underline some of the things the Member for Lakeside was talking about. I think that it should be pointed out to the Minister that the setting up of these, what I call force-fed co-op societies, such as the grocery store that he is setting up in St. Boniface, are of a harmful nature to the co-operative movement in Manitoba. What I mean by that is that the co-operative movement throughout Manitoba has been accepted by the people, by the community, by most businessmen in the community, and what he is doing by setting up co-ops, almost artificial co-ops, he is funding them with taxpayers' dollars; instead of the concept of co-ops being one where a group of people, some competent directors, people who are good managers, got into the marketplace' were competitive with other people in the community, they knew what they were doing, they knew what they were getting themselves in for, and they knew that if they lost money they would be out of business and they would have to be answerable to the shareholders in that cooperative. What the Minister has done here, is he has first of all given them an initial grant and then they are going to underwrite some of the losses, and I am telling the Minister that if this is the type of direction that he is taking this particular department in, he is going to harm the image of all credit unions across Manitoba. I speak as a member of a credit union, I speak as a member of the largest credit union in Manitoba, and I might add the most efficient run one in Manitoba, so that the Minister doesn't have to tell us here that he feels that this government and this Ministry has a corner on the cooperative movement, even though he said he did not think that there was any particular political persuasion that the members of the . . .

MR. CHAIRMAN: Order please.

**MR. BANMAN:** . . . credit unions belong to. He mentioned in a statement he believes though that most co-ops and credit unions would be supporting him in the stand he is taking. Well let me tell him there are problems that the credit unions are seeing, that the co-op movement is seeing with regard to the establishment of many of these co-ops, and I am talking about the Northern Fish Co-ops that the government is bailing them out on, and that it is not a healthy situation as far as these people are concerned.

As I mentioned, the strength of the co-operatives and the credit unions has been in their competitiveness and in their efficient operation, and that I don't think that all kinds of government funding and government granting is the avenue or approach to take. I think that the government should be providing the opportunity for credit unions to get started, to provide them with that type of information, to provide with proper cost-accounting, and inspections of the credit unions, but I don't think that we should be getting into this type of field where we are going to be underwriting losses, where we are going to be giving out capital grants. It is not a good situation and this is the feedback I've got from the people in my area. As I mentioned, I come from an area where we've got a lot of members out there. Thank you, Mr. Chairman.

**MR. CHAIRMAN**: Resolution 45(b). The Honourable Minister of Co-operative Development.

**MR. TOUPIN**: Mr. Chairman, I was hoping that some other members would get up, but since none seem to appear right away I'd like to attempt to deal with some of the questions posed of me.

I believe I dealt to the best of my ability with the question of the Honourable Member for Morris

pertaining to the split of salary. It has been done before, it was considered advisable by government to continue this practice and I have no intention of suggesting that we change it.

The Honourable Member for Lakeside indicated that I berated the Conservative Opposition before the supper hour. It was certainly my intent to do so in the sense that I don't believe that we should go through the Estimates of Co-operative Development dealing with over a million dollars in a few minutes. We are talking of attitudes, and I indicated to the best of my ability the attitudes of the previous administration pertaining to co-operatives. And I used the example that they cannot deny, whether they like it or not, they cannot deny the fact that they left statutes of this province with clauses that made it not possible for credit unions to do business with municipalities, with hospital boards, with school divisions, you name them, Mr. Chairman. Credit unions could not do business, and that was foreclosed by Acts that were passed by the previous administration.

Now' does that indicate that the Honourable Member for Lakeside, who was a member of that previous administation, was a friend of credit unions. I happen to know, Mr. Chairman, having been on school trustee boards, having dealt with municipalities, having dealt with departments of government, going back many a year. Credit unions that I served on, whether they be as Managers or Presidents, not being able to do business with agencies of the Crown, never mind departments of government, agencies of the Crown. Now is that a question of leaving it aside and not mentioning it, mentioning the fact that that was there in the books? I would not be responsible, Mr. Chairman, not to raise that point. If that is berating the opposition' I'm sorry but I have to. Those pieces of legislation, Mr. Chairman, are now changed, credit unions that are able financially to do business with departments, agencies of the Crown, at all levels, can do so. That is freedom, Mr. Chairman, that's freedom according to our interpretation of freedom.

Now, does the honourable member want to quarrel that fact? Let him quarrel that fact, any day, any time, whether it be in my constituency or anywhere, and that included, by the way, the credit union of the Member for Steinbach, which is I believe the largest credit union in the Province of Manitoba. The credit union in Steinbach I happen to know, because I was managing a central credit union, could not do business with the school board, could not do business with the municipality. Why? Because of the premeditated intent of the previous administration. Will they attempt to deny that and say that they endorse what we have done in the last seven or eight years? Probably they will, Mr. Chairman, because now they say that they are willing to endorse Medicare, that they wanted to fight back in 1969. They are willing to say that they are favouring all types of programs that were initiated by this government.

Now, what do you call that, Mr. Chairman? My colleague the Minister of Education calls it deceit. Mr. Chairman, if I didn't have the audacity, like they would like to call it, to bring this to the attention of the people of Manitoba once again, I would be failing my responsibility.

The Honourable Member for La Verendrye, Mr. Chairman, has the gall to criticize me, as the Minister responsible for the Department of Co-operative Development, of making \$15,000 grants to a co-op in the City of Winnipeg, and not say a word of grants that were made to other people involved in offering services for themselves. Let's use an example of CFI. Okay? Why not? Why not use the example of CFI? How much? How much, Mr. Chairman? How much was made available by that group on the other side of the House, a premeditated decision on their part? Was that only back in 1968-1969, Mr. Chairman ' that they made these funds available to a group of — what? Was it a group of 10,000 people wanting to give themselves good by means of a consumer co-operative store. — (Interjection)— No, Mr. Chairman, it was for individuals that picked up literally millions of dollars and fled away, fled away from this province. Now, are they talking, Mr. Chairman, of this type of give away, not only a one-time shot, in regard to CFI, but on an ongoing basis. What is the interest on \$150 million per year? How much? The Honourable Member for Lakeside Mr. Chairman, has the gall to say, "You paid it out." "You paid it out". Who signed the agreement, Mr. Chairman, who signed the agreement? Honourable Member for Lakeside knows, he was in Cabinet.

MR. CHAIRMAN: Order please. Order. ORDER. Order please.

**MR. TOUPIN**: Mr. Chairman, I can't stomach the gall of those people, I can't stomach their gall. I only hope, Mr. Chairman, that the people of Manitoba get to understand exactly what they represent, that's my only wish, Mr. Chairman. The only thing that I really wish, is that they get to know these people for what they really are. When you are able, Mr. Chairman, to criticize a grant of \$15,000 to serve a group of approximately 10,000 people, 10,000 people, and you don't even dare make mention of an amount — I say roughly, and this is being very conservative — of \$15 million a year on CFI itself, only on interest, only on interest, \$15 million a year. What I could do, Mr. Chairman, with \$15 million, with the people that would like to serve themselves through the co-operative philosophy in this province. How many homes could we build? How many homes could we build, Mr. Chairman? — (Interjections)— directly through the co-operative philosophy, directly through the department of MHRC, directly by giving grants — yes, please. They talk about grants, grants to those free enterprisers that would like to build their own homes themselves — fifteen million bucks a year, Mr. Chairman, that would be the interest alone on that giveaway, on that giveaway.

Mr. Chairman, what could be done by my colleague, the Minister of Labour? What could be done by, especially I say the Department of Co-operative Development, which hasn't been given money you know by leaps and bounds because we're talking of a total Estimate of approximately \$1.4 million — \$1.4 million.

Mr. Chairman' it makes me sick; it makes me sick just to think of the amount that they committed to give away on a yearly basis. Now, you know, they wouldn't want me to berate them by making this known to the people of Manitoba. You know what they do, Mr. Chairman? You know what they like to do? They like to make mention of Hydro — now, of Hydro, can they indicate to me, can they indicate to the people of Manitoba, Mr. Chairman, not the million dollars, not \$15 million, \$1,000, Mr. Chairman, \$1,000 of the so-called \$600 million that they talk about in regard to Hydro that was given away to anyone that got off from this province is now hanging there some place in Switzerland. Can they say that, can they say that? —(Interjection)— not one penny, Mr. Chairman, not one penny, Mr. Chairman. There wasn't one give-away.

The programs that were started, executed by the New Democratic Government in the last eight years, were not give-aways to Reiser or Kasser or whatever it may be. They were programs initiated for people in most cases by the people themselves. And this is what we're talking about when we're talking about co-operative development. You know, the honourable member may not want to call it free of the co-operative movement. Now, is that so hard to understand? You get three or more people that get together and want to serve themselves by the philosophy of co-operative development and the honourable member who endorses free enterprise would deny three or more people from getting together, getting together and developing their own resources. He says that, he said that, Mr. Chairman. You know, he's on the record as favouring that type. He doesn't recognize, you know, the right — and I do call it a right — of individuals to get together whether it be under the structure of a company under the Companies Branch that I'm equally responsible for or under the Co-operative Branch of the Department of Co-operative Development.

Now, should they not at least have that right? Well, they were denied that right' Mr. Chairman, prior to 1969. Does the Honourable Member for Lakeside realize that? They were denied that right. That was rectified. If that's berating the Conservative Party, Mr. Chairman, I'm not sorry.

Mr. Chairman, again, you know, I can't stomach the gall of the Member for La Verendrye. You know, I don't know why but. . . I've been involved in what he knows as free enterprise for many years. My father is still involved in what he considers to be free enterprise. He's a farmer and he's a storekeeper, has been for many years. Now eight miles from my Dad's store, there's a group of individuals that came to see me as the MLA for Springfield and said, "René, can we start a direct charge co-operative in our town?" They had no

store, no one seems to be willing to start a store in the town. I think that's a right of individuals to have a store. I said, "By all means, form yourselves a co-operative and start your store." But the Honourable Member for La Verendrye would say, "Well that could be cutting the business of Roman Toupin who was eight miles down." Well, you don't hear my Dad criticizing the fact that a few people would start a store in that small town of Vivian, be the owners and operator of their own destiny pertaining to their basic necessity, you know, but he says that this is actually causing hardship on others that are or could be established.

No, I can't buy that and I can't really understand that, Mr. Chairman. Now, if that's not the case, I'd like the Honourable Member for La Verendrye to clarify his position because I happen to agree with him. Steinbach happens to have a good Credit Union. It's not because it's big that I say that it's good and it's not because it's the largest that I say it's a good Credit Union. It has served members well in the town of Steinbach. They fund their own needs. I didn't always agree with the types of services that they did or did not offer in Steinbach but according to the desires of the members and they voted at annual meetings, they offered that type of service. But I can't recall over my somewhat so few years on earth, approximately 42 years, that I've ever seen a Consumer Co-operative in Steinbach. Now why is that? Again, I say, it's because of the desires of the people in Steinbach that don't seem to want such a store. You just travel a few miles from there you go to Winkler and you see all types, all types of them.

It depends on individuals but I say that the option should be there, Mr. Chairman, and you can't have it both ways. You can't say sincerely within yourself and to the people of this province, like the Honourable Member for Lakeside said' "Leave them alone, leave them develop themselves." It doesn't work that easy, Mr. Chairman. What happens, what happens when a business, a small business wants to start? What happens when you know there's a question of having a report of failures of businesses in the Province of Manitoba. Do we go to the Minister of Industry and Commerce the Minister of Industry and Commerce —

will be asked when his Estimates are before the House, how many businesses failed in the

Province of Manitoba? I want to know their names; I want to know how much was lost; how many were supported; how much grants were paid to small, medium and large businesses? It's the same as co-operatives. That's a question the Honourable Member for Lakeside asked me. He should be asking you, Mr. Chairman, the same question when Industry and Commerce comes. When I have people in my constituency, whether they be co-operators or non-co-operators, and want some help, I refer them to my colleague, the Minister of Industry and Commerce or to the MDC or to other sectors of the Municipal, Provincial or Federal levels. That's my duty as the MLA for Springfield and I will continue that for many years to come.

Now, I'm not finished yet. The honourable member asked me questions, I have to try and answer. **A MEMBER**: That's a damn good example to follow that you characters over there don't know anything about.

A MEMBER: Including you.

A MEMBER: Get back in your seat if you want to talk.

**MR. TOUPIN**: Mr. Chairman, it will not take me very long if you'll just be patient with me I'd like to lay on the record what I consider to be certainly a false impression of the Honourable Member for Lakeside. I've looked at the Guidelines for the '70s and I can't see within the Guidelines, I wish he'd table with me the statement that he read on the record and I say it here, the statement is not in the Guidelines as far as I'm concerned. The Guidelines that, yes were prepared by officials of the department, it was no more policy of government as was the TED Report but still at least, Mr. Chairman, we're quoting the TED Report but in my humble opinion the Honourable Member for Lakeside is not quoting the Guidelines for the '70s.

What he read, Mr. Chairman, was a form of a preliminary draft paper which was not accepted by the way, was not even accepted to be discussed by government and I'll tell you why. I'll tell you why, Mr. Chairman, it was not accepted and we've proven it and that's something the Honourable Member for Lakeside cannot say in all justice and look at me straight in the eye. The only reason we did not accept that chapter of the Guidelines for the '70s is that we were committed to the co-operative enterprise philosophy and we have proven it since 1969 and they have not. That's on the record. And it is, in my opinion, Mr. Chairman, misleading to say the least. Misleading and I say even awful to some degree that the statement appeared, that the honourable member left the impression at least that the statement appeared in the Guidelines. It did not.

The Member for Lakeside again, he said quite a bit in the few minutes that he stood up. I hope he gets up more often because I'll be very happy to look back on the record. He knows that the success of credit unions and Caisse Populaire in the Province of Manitoba or you know, Quebec, many years, they go back way before we came into office, that they've averaged a growth of about 20 percent per year, going back many years, going back to 1938.

And do we want to leave the impression that the public enterprise versus the co-operative enterprise? I don't want to leave this impression. I wish that the comments made by the Honourable Member for Lakeside would be clarified because that leaves the impression, Mr. Chairman, that his party now represented by himself in the House because his leader is not in the House, would seem to favour one against the other. I would like to tell the honourable member, Mr. Chairman, that he can look at the figures, he can look at statistics. There's been no increase in staff in this department in the last three years and I'll give him copies of staff complement including contractural arrangements.

I'll have to tell the honourable member, Mr. Chairman, that Boni Co-op was launched because of the will of people. I've indicated the amounts of people that are affiliated now and it hasn't even started, hopefully we'll start in June. Sixty thousand dollars committed in share capital, subscribed in share capital already — \$60,000, \$10,000 of which has been paid in cash. It will serve many thousands of people. Hopefully we'll save them quite a bit of money. They will be serving themselves, hopefully at cost.

The Honourable Member for Lakeside questioned again Northern Fisheries. Well, I'd like to put that in perspective with any other business started in the north and I'm hoping to get some statistics from my colleague, the Minister of Industry and Commerce. We can't take Co-operative Fisheries in isolation. It has to be looked at with all businesses in the north because a lot of businesses do have problems in the north. I can tell the honourable member that 19 fishing co-operatives, of 19 — the honourable member want to listen to this, I'm answering his question? Of 19 fishing co-operatives, six are dormant; six of those fishing co-operatives are dormant, all but one of these are in the far north. Some of the incorporations took place, as the honourable member knows, during his administration and we can name them. Example, Moose Lake, Kee-No-Zae and so on.

Mr. Chairman, I believe I've dealt with most of the questions posed of me. I had three copies here, one copy for the Liberal Party, one copy for the Conservative Party and one for our own caucus, Mr. Chairman, in regards to the staff complement of the department.

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

**MR. ENNS**: Mr. Chairman, I thank the Minister for that information with respect to staff. It's always interesting to know. Mr. Chairman, there was a brief moment there earlier on where the Minister of

Corporate and Consumer Affairs stood in danger of having his Estimates passed rather rapidly, if he wishes to pursue that course of action in this House. Also, Mr. Chairman, I know that you, Sir, will allow me similar latitude that you have allowed the Minister because it has become apparent to us that in this Minister's eyes, the co-operative development and CFI are synonymous, that we can go from one to the other in this debate and the charges that the Honourable Minister likes to make and lay at the foot of the Conservative Party, indeed those that are directed by all members opposite from time to time belie the facts.

I have never had any hesitation except not too frequent an opportunity to discuss CFI in this House and, Mr. Chairman, it's not my intention to do so now other than in the sense that the challenge was thrown to me by the Minister about the carelessness, the lack of regard for public funds which the previous administration had when moneys were loaned out to what was then under private arrangement to a private firm. Let me remind the Honourable Minister that that simply isn't in accordance with the fact. The fact of the matter is that in 1969, June or July 15th tobe exact, when the administration changed hands, somewhat less than \$14 millions were loaned out to the CFI complex. It was at that time that the new administration, that time the new administration reviewed the whole agreements and declared that they were prepared to carry on. In fact, it was shortly thereafter that changes in the pay-out procedure were taken and that is documented in fact by the same board of inquiry, the very expensive board of inquiry set up by this government to look into those affairs.

But notwithstanding all of that, at all times contained in the Development Act, the Manitoba Development Corporation Act, was this clause that superseded any contractural agreements entered into by anybody which indicated that if at any time and I'm reading from Section 8, paragraph 3: "If at any time, in the opinion of the Board, any moneys loaned under this Act has not been or is not being applied for the purpose for which it was advanced or is not being carefully and economically expended, or if the security depreciates in value, the Corporation may refuse to make any further advances and may call in the whole amount then advanced and all interest thereon declared and that amount and interest to be immediately due and payable, whereupon the Board shall at once repay the moneys borrowed with interest thereon at the rate agreed upon and in default of payments, the Corporation has the like remedies for the recovery of the moneys as if the time for repayment thereof has fully arrived at."

That very important part of the Act is conveniently overlooked by my friends of the NDP Party. They like to maintain that an agreement signed or agreement arrived at back in 1968 or 1966 or 1969 was such a sacred instrument that it could not be broken under any circumstances. The fact of the matter is, it is only in the '70s when the flow of money far exceeded the actual point of production, the actual production itself, —(Interjection)— No, no, the records show that. It started in 1970 under your administration, and the simple fact of the matter is that if you were not happy with how \$140-odd million were paid out, you had the reins of government in your hands and you could have, under the provisions of this Act, stopped it at any time, at any time you thought that you were not completely satisfied, that you weren't getting a dollars worth of goods for a dollar paid out. Those contractural agreements could have been broken. You had the statute rights to do that. I'll read it to you again if you want me to. So let there be no misunderstanding about that fact. The pay-out procedure was drastically altered, moneys began to flow out of this province on the mere.

Mr. Chairman, what I rose to point out to the Minister is the experience that the co-op movement has had in other areas. And I come back again to a book that to me describes the principles of the co-op movement better than I've ever had them described in any other material that I've ever read, Bertram Fowler's book called The Co-operative Challenge.

A MEMBER: Recommend it to the Minister.

**MR. JORGENSON:** I recommend it to the Minister and I drew it to — I forget, but to somebody's attention a couple of years ago. I am going to repeat it again because I think it is worth repeating, at least certain sections of this book, to illustrate to the Minister the fallacy of the kind of argument that he posed in this Chamber just a few moments ago. Mr. Fowler goes on to point out that: "Almost as soon as the consumer co-operatives got started in the Canadian scene, there appeared on the political horizon a new party called the Co-operative Commonwealth Federation. This Federation was partly socialistic, partly something nebulously co-operative and partly heaven knows what. Its leaders were, for the most part, intellectuals in revolt." That does not apply to the Minister. "They were, undoubtedly, honest men moved by honest convictions about the emergence of the ideal state. Their great weakness lay in the fact that they were trying to weld the divergent principles and ideas of the various liberal segments of the people into one group; sincerely believing in consumer cooperation although obviously ignorant of its philosophy, they were trying to ride into political power on the wave of its great popularity. If there had been a clearer conception of the philosophy of consumer co-operation within the movement, this political group would not have found its members such a receptive audience when preaching their sometimes fuzzy doctrine of the Co-operative Commonwealth Federation. The doctrine that was being preached called for the socialization of all basic resources and utilities. But ultimately, it called for all business being absorbed by the cooperatives."

And then he goes on to point out: "In the election, the CCF appealed to both farmer and organized labour. To the farmer, it promised unlimited assistance and the formation his co-operatives. It promised full consumer and producer marketing co-operative legislation. To labour, it promised the compulsory law, making it obligatory for every employer to bargain with existing labour unions and employ only union labour. It promised further to abolish the company union. To members of the consumer co-operation well educated in the philosophy and principles of the movement, it would have been only too evident that in keeping such promises, the CCF would be really killing them with kindness as they ushered in their concept of the ideal socialistic state."

Then he goes on to point out: "The government was blithely buying here and there on what Saskatchewan Federated Co-ops considered a haphazard basis. Hitherto, the whole-sale had forged ahead on the fixed principle that co-op business grew as the members accepted their responsibility as owners and voted when and how their enterprise should expand. In other words, the process of education was paramount and still is paramount in the co-op movement. Unless members of the coop movement understand what the movement is all about, understand its fundamental principles, then there is a grave danger, a grave danger that the co-op movement can flounder on the rocks of some form of political totalitarianism. But now the government has taken over that responsibility. It is saying, though obliquely, 'Don't worry about starting things, just sit back and let us do it for you.' And this was being done by a political group which, by virtue of its state nature, was merely handling the funds put up by the taxpayers with no sense of responsibility towards these taxpayers beyond their reaction at the next election. However, in this respect, the taxpayers or citizens were equally at fault' for had they assumed their political responsibility as citizens and really studied the political situation, they would have voted more intelligently." That's a comment that I really do not subscribe to because I feel that Mr. Fowler perhaps has misunderstood the circumstances that existed in the Prairies at that particular time. I don't accuse anybody of not voting intelligently. I think that people vote as their conscience dictates and if they make a mistake, it's a mistake perhaps in my eyes, but not in theirs. "Instead, they had voted heedlessly for what they had thought was the most liberal party in the political scene. For while the Co-operative Commonwealth Federation was a liberal party on the surface, it actually represented a political thesis that diametrically opposed the democratic philosophy of consumer co-operation." - (Interjection) - I do agree with that. I do agree with that.

"To clarify the issue, it is only necessary to study the Rochdale principles to see that inherent in those principles is the fact that members of the consumer co-operatives want less government in their business. The long range aims of the co-ops is to eventually remove all economic affairs from the hands of government and put them on a strictly economic basis. Yet, the Co-operative Commonwealth Federation aims at exactly the opposite: more and more government participation in business. Therefore, according to the Rochdale principles, the CCF, now the NDP, is definitely not a real liberal party." And that's a small "I". I give them at least credit for not being large "L" Liberal.

Well, Mr. Chairman, the paragraph dealing with the question mark on the prairies goes on. I recommend it to the Minister for his edification because I think that if he understands the co-op movement for what it has really intended to do, for what the co-op movement really is, then he will not stand up in his seat and ask what I consider to be the question that need not have been asked. He would have known the answer himself. He would not have asked us: Make a choice between the co-op movement and free enterprise. To me, there is no choice. They're one and the same. The co-op entities movement is free enterprise at its very best.

MR. CHAIRMAN: The Honourable Minister of Cooperative Development.

**MR. TOUPIN:** Mr. Speaker, obviously the honourable member is willing to talk but not to listen. He has proven that more than once. And attempting to laugh at others is very easy sometimes; it's difficult to laugh at yourself. I'd like to indicate to the honourable member who may have been out of the House, it's quite possible, that the statement was not made by me and I was attempting to answer but by the Member for Lakeside' him in regard to what he considered his choice, if he had to choose between what he considers to be private enterprise and co-operative enterprise. And he indicated, and it's on the record, the honourable member can see it when the Hansard is printed. — (Interjection)—

**MR. CHAIRMAN**: Order please. The honourable member state his point of privilege.

**MR. ENNS**: So far as the proceedings are recorded, I won't even try to explain to the Honourable Minister what I said, simply to rise in my place now and object to what he is attempting to distort what I did say.

**MR. CHAIRMAN**: Order please. That's not a point of privilege. It's a difference of opinion between two members. The Honourable Minister of Co-operative Development.

**MR. TOUPIN**: Hansard will reveal what the honourable member said. And my answer to him was not a statement of my basic philosophy, for the benefit of — if he needs any benefit — for the benefit of the Member for Morris. I happen to believe, Mr. Chairman, that the people of this province should

have the co-operative option, which they did not have under their administration. And I repeat for the benefit of the Member for Morris: they did not have that option prior to 1969. Mr. Chairman, they talk of freedom.

**A MEMBER**: They talk of freedom, they don't know what it means.

**MR. TOUPIN**: Talk of freedom, they don't even let one member on this side of the House express himself without cackling, without cackling. Did the Honourable Member for Morris or Lakeside hear me cackle when they were talking? They haven't. I say, Mr. Speaker, and it's on the record, that they were not given the liberty to deal like the banks were dealing. And I'm talking about the credit unions. Co-operatives were not given the freedom to deal like other free, so called free enterprise systems in the Province of Manitoba. I say that. It's on the record. The Member for Morris cannot deny that. He can quote from any experts that he believes to be an expert, whether it be the CCF, whether it be the New Democratic Party in office. That's the difference, Mr. Chairman, of the treatment of the cooperatives, how they were treated since 1969 as compared prior to 1969. He can't deny that.

The Honourable Member for Lakeside brought it back on the record. I feel that I can say a few words in regard to CFI. Why not? See the objection comes now, it didn't come a while ago.

MR. CHAIRMAN: Order please.

**MR. JORGENSON**: Mr. Chairman, I wonder if this might not be a good point to interject, since both the Member for Lakeside and the Minister has had their crack at CFI. It may be a good idea to prevent any further discussion on this subject since it is not contained in the particular Estimates. I did not object to the Minister were raising it and I think you quite fair, Mr. Chairman, in allowing the Member for Lakeside to respond. But I don't think it should go beyond that.

**MR. CHAIRMAN**: I think the point is well taken. I wish you'd get back to the item under consideration which is Salaries and keep the discussion with the Expenditures, which is \$128,700 dealing with Salaries. The Honourable Minister of Co-operative Development.

**MR. TOUPIN**: Mr. Chairman, I guess the Minister's salary is broad on one side and not on the other. —(Interjection)—

**MR. CHAIRMAN**: Order please. I don't know if the Honourable Minister realizes it, but once we deal with his Salary, we go to the next item. And the item that I have called is 45(b) which is Salaries, not the Minister's Salary, but Salaries, \$I28,700. The Honourable Minister of Co-operative Development.

**MR. TOUPIN**: Mr. Chairman, we'll get back when time permits to the point raised by my colleague for Lakeside.

The Member for Morris indicates that I as the Minister given the responsibility of Co-operative Development by means of a department of government, is not familiar with the co-operative philosophy. I guess I can raise that. It relates to salaries and what is performed by people in the Department of Co-operative Development. Mr. Chairman, I believe that, yes, we do have a lot to learn like everybody in this House, and including the Member for Morris, whether he wants to accept it or not. And not only from the . type of books that he is referring to. I can pass pass him a whole slew of books that I have read over the last twenty-thirty years that he may gain a few points on in regard to the co-operative movement, not necessarily of his accepted philosophy of today or of vesterday. Now, if he is open minded enough to accept that, by all means, let us exchange documents. And let us have an open mind pertaining to what people in this province want to be served by, whether it be their own incorporation under the Companies Act, the incorporation under the Co-operative Development department of government, or whether it be by services of a department or an agency of the Crown directly. The option, Mr. Chairman, should be there, really there, not only in form. And for that, I have to say to the Honourable Member for Lakeside, yes, it takes staff, it takes staff, when additional services are offered, when you're talking of a doubling, more than a doubling of credit unions in regard to membership, in regard to assets and we have to talk about supervision of credit unions, safe-guarding of funds, that it takes people and that would relate to other services of government that have more than doubled in the last seven or eight years. But then you look at the services, Mr. Chairman. They've more than doubled. Well, the honourable member knows, he who has served in a few of the departments of government in years gone by, that when you talk of services you talk of people. You talk of people and you have to hire people and that's why we say that there's an increase of funds that were voted over the last few years for the Department of Co-operative Development but yes, an increase in services.

I can put on the record, Mr. Chairman, that no northern co-operatives including fishermen's cooperatives have been bailed out by this administration in the last eight years.

**MR. ENNS**: Mr. Chairman, I detect a little play on words there perhaps when he says "by this administration," that is the department, can he make the same claim with respect to say such agents of government as the Community Development Fund or in other Estimates of the Department of Northern Affairs or what have you?

**MR. CHAIRMAN**: Resolution 45(b)—pass; 45(c) Other Expenditures — \$58,500.00—pass; (d) Planning and Research Sub(1) Salaries — \$124,200.00. The Honourable Member for Lakeside.

**MR. ENNS**: I'd raised the question before on this particular item. There's a notable increase of some \$80-\$90,000 on this item. Perhaps the Minister could give us some indication or breakdown of where this money is being spent.

**MR. TOUPIN:** Mr. Chairman, I wonder if the members of the House would like a description of what's being done in this section of the department or would they only want to have the details in regards to expenditures? I think it may be of assistance to dwell a few minutes on the description of services. —(Interjection)— Sometimes it's the only way we can get a message across by speaking a bit louder.

Mr. Chairman, the Research and Planning Branch has as its objective to determine through research a potential for for co-operative development in various sectors of the Manitoba economy; to work with other branches of the department and other government agencies, businesses, in developing policies and programs to further co-operative development; to encourage groups and individuals in undertaking independent research on co-operatives; to increase public awareness of co-operative development and benefits of co-operation. The activities of this section, Mr. Chairman, I'll read the activities for 1977-78 but I could compare them with the current year which ends today. Research into additional forms of agriculture product co-operatives; establishment of a data bank to meet departmental research requirements; research into forms of co-operative housing — and I've talked of a few a while ago when I made my remarks in regard to Sweat Equity and so on — research on net benefits; impact on co-operative sector in the Manitoba economy; analysis of northern credit union development — and I gave examples of what we meant by that — further development of departmental resource centre; increasing emphasis on information communications program; preparation of annual and quarterly reports. That's the amount here.

We had in the budget \$74,700, that was for 1976-77 in regard to staff man year as compared to \$95,000 in 1977-78. Contractural was \$31,000 in this current fiscal year; sought for the next for the one starting tomorrow \$29,200 on contractural services for a total of \$124,200 for the current fiscal year under discussion. That's compared to \$105,700 for the last fiscal year. Other Expenditures in 1976-77 \$9,900 and \$13,700 for the upcoming fiscal year for a total of \$137,900 for the upcoming fiscal year. There's one staff man year has been transferred back from co-operative educational projects in this section. I wonder if the Honourable Member for Lakeside would like more details on this or if this suffices?

**MR. ENNS**: Mr. Chairman, again to be a little bit more specific in the item (d) listed under Other Expenditures. We have listed an increase from \$124,200 to \$203,700.00. I would be interested in knowing the rather substantial increase in the listing of Other Expenditures. I gather from the Minister's description this is largely research work that's being done in this particular area. I'm somewhat surprised that so much of the amount is being listed as Other Expenditures; I would have assumed that by far the greater amount would consist of salaries, either direct salaries paid to staff people or people under contract. I ask the Minister specifically under Section (d) Other Expenditures, some further explanation for the some \$80,000 of increase in this item.

**MR. TOUPIN:** Mr. Chairman, the increase from \$124,200 in Other Expenditures to \$203,700 is due mainly to \$115,000 in the school curriculum, the printing of school curriculum material that will be launched in the school system come this September. This is a project that has been under way for the last roughly three years and it is being finalized, printed and will be in the school system come September and \$115,000 is included in there for that purpose.

**MR. CHAIRMAN**: Resolution (d)(1) Salaries — \$124,200—pass; (2) Other Expenditures — \$203,700—pass; (d) the complete item \$327,900—pass; Resolution 46 Co-operatives (a) Salaries \$544,700.00. The Honourable Member for Lakeside.

**MR. ENNS**: Mr. Chairman, could the Minister indicate to us, he's indicated to us before that some 30 people are involved in the supervisory work having to do with the co-operatives. Can he give us some general description of the breakdown of their activities? Is this confined principally to the supervising, auditing of books, does the department provide auditing services for some of the co-ops that would come under this section or are these moneys and salaries paid to staff here essentially developmental in nature, that is, I suppose of an extension nature, staff people working within the community developing and setting up co-operatives?

**MR. TOUPIN**: Mr. Chairman, we can talk about program description, we can talk about program objectives, we can talk about staff complement, and range of activity. Now, would the honourable member want all of these or one? Would he want me to explain the program description, the program objectives, the staff complement and related activity in regard to the staff that we're talking about?

**MR. ENNS**: Mr. Chairman, I'm assuming that I'm correct then when I say that essentially the 30 people involved in working with the co-operatives come under this particular item. Really what I'm interested in: To what extent are . . . what is the actual activity of these 30 people? (a) Is there a process of auditing involved? To what extent are the kind of ongoing responsibilities that the

department has assumed on behalf of the co-operatives in either accounting procedures, supervisory procedures, bookkeeping procedures and to what extent, perhaps just a breakdown between what he would consider development work within the co-operative field, extension work within the co-operative field as compared to servicing.

**MR. TOUPIN**: Mr. Chairman, I believe it would be proper then to talk about the range of activity for those involved for the 29 here that I'll cite that are involved.

Range of activity: one commercial fisheries, consumer retail stores, direct charge co-operative, co-operative centrals, management agreements, government program administration, response to new groups seeking incorporation.

Number and nature of co-operative service: commercial fisheries — 19; consumer retail stores — 3; direct charge — 6; co-operative centrals — 1; total number of co-operatives — 29 here; total membership over 2,400; total value of sales over \$4,913,000.00.

Commercial fisheries active: Big Black River Fishermen Co-op; Dauphin River Fishermen Co-op; Eddystone Co-op; Easterville; Grand Rapids; Lake Manitoba Co-op; Matheson Island Marketing; Norway House Fishermen; Traverse Bay Co-op; Viking; Wanipigow; Winnipegosis. Total production in pounds 5,197, 000 pounds; total dollar value sales \$2,548,000; total members 925; supplies sold approximately \$825,000; net income allotted \$151,970.00. It's indicated here that generally fishing co-operatives have successful operations with some subsidized freight costs out of own resources.

I indicated the commercial fisheries that remain dormant and we cite them here: Consumer Coops, there's Easterville; Grand Rapids; Seymourville. The statistical information: membership 554; sales \$1,041,000; net income \$64,831.00.

Direct Charge Co-operatives, Lynn Lake Co-op; Polar Co-op; Thompson Co-op' Rall Island Coop; Wabowden Co-op; Snow Lake Co-op and the one coming in June, Boni Co-op. Statistical information: Membership approximately 1,200; sales approximately \$752,000.00.

Co-operative Central — Northern Co-operative Services; which is a new co-operative established in November 1975 to act as a central body for commercial fisheries co-operatives. Membership is on co-operative basis. Objective is to act as a wholesale distributor of commercial fishing supplies to co-operatives, fishermen and other agencies. To act as a central for member co-operatives and to negotiate agreements on behalf of member co-operatives; sales is \$262,767; net income 11 months is \$25,362.00.

Special Services in this branch, management agreements, northern operation division administers four management agreement contracts thus providing direct management input to Grand Rapids Consumer Co-op, Easterville, Seymourville and Northern Co-operative Services.

Administration of government programs and northern operation division administers PEP programs during 1976-77 fiscal year as follows: Viking Co-op, Eddystone Fisheries and Norway House Co-op. The division responds to all groups seeking information or seeking incorporation as co-operatives. The staff related to what I've indicated here is in 1976-77, and equally for the upcoming year 1977-78 is 7, for a total of \$136,000 and the expenditure related to that of \$58,200 for a total of \$194,700.00. That's northern. Do you want to go to southern and so on?

**MR. ENNS**: It might be a reasonable time to ask the Minister by way of giving us some comparable information particularly with respect to the fishing co-ops, the northern fishing co-ops. He indicated a number of them, I believe numbering in the neighborhood of 11 or 12 — I was trying to count them as the Minister was reading them — the total membership of some 925, catching a total amount of fish to some 5 million pounds. The Minister seems to have a bench-mark figure of a particular period in time that all members opposite have fixed firmly in their mind that they use as a bench-mark. Would the Minister not have comparable information available' say, what the situation was in 1969 with respect to fish caught, number of fishermen involved in the co-operative way and the number of actual co-ops functioning. That may be an unfair question to ask, I realize, but, Mr. Chairman, it's so often the case that members opposite just automatically have that figure for comparison reasons as to what was the situation in 1969, the day of enlightenment and what the situation is today. I thought perhaps the Minister may have that at his fingertips.

**MR. TOUPIN**: Mr. Chairman, I would like to refer the honourable member to our report of 1974. It will give him the information.

**MR. CHAIRMAN**: Resolution 46(a) \$544,700—pass; 46(b) Other Expenditures — \$286,600—pass. Canada-Manitoba Northlands Agreement (1) Salaries Other Expenditures. The Honourable Member for Lakeside.

**MR.ENNS**: Perhaps just an explanation, I note this is a new entry into the Estimates at this time. It wasn't there last year. What does the \$20,000 involving the Canada-Manitoba Northlands Agreement consist of in this department?

**MR. TOUPIN**: Mr. Chairman, there was an amount last year but it was under the Administration item. The amount specified here is for credit union development in the North and that's the amount that was agreed to be shared under the agreement with Ottawa. —(Interjection)— There is a

contractual person that is hired by the CCSM and paid in part by the department.

**MR. CHAIRMAN**: Resolution 46(c)(1)—pass; (2)—pass; (c)—pass. Resolution 46: Resolved that there be granted to Her Majesty a sum not exceeding \$851,300 for Co-operative Development—Pass.

Resolution 47 Credit Unions (1)(a)(1) Salaries—\$167,600.00. The Honourable Member for Lakeside.

**MR. ENNS:** Mr. Chairman, I recognize that it's not really the responsibility of the Minister to answer for the operations and day to day, you know, carrying-ons of the many credit unions of the province but there have been some notable difficulties with one or two credit unions involving large sums of money. I don't ask the Minister for any detailed description, but can he perhaps just in a general way indicate to us that (a) the deposit insurance fund or whatever it's called, the reinsurance fund that the credit unions have subscribed to which, I may also remind the Minister that I was privileged to introduce as legislation for the credit union movement back in 1967 or 1968 and is that adequately covering and protecting the credit union members? I believe the Minister did indicate with some pride that no individual credit union members have lost money or had funds forfeited because of any business failures but there are I think one or two particularly notable instances of loss this year within the credit union movement. I would invite the Minister perhaps just very briefly to make a comment on them.

**MR. TOUPIN**: Mr. Chairman, I have a long statement on this section that I'll hold back. Yes, I would like to congratulate the honourable member who was part of the administration then having had the foresight to bring about the stabilization funds because we're talking of two funds: one for the CCSM and one for La Centrale des Caisses Populaires.

Yes, I must say that the funds are able to meet the difficulties that a few credit unions are having now. The statement that I made awhile ago that no member according to my knowledge and knowledge supplied to me by officials have lost any money in Manitoba since 1938 and the only thing that we may have to see is the extension of contributions to the fund, say longer than had previously been say desired because of the maximum desired for some of the larger credit unions that may have difficulties. But there are enough funds there to cover some of the problems that we see in Dauphin and a few other areas.

**MR. CHAIRMAN**: Resolution 47(a) (1) Salaries \$167,600—pass; (2) Other Expenditures \$26,300—pass; 47(a) in its entirety \$193,900—pass; (b) Audit (1) Salaries \$59,500—pass; (2) Other Expenditures \$6,800—pass; (b) in its entirety \$66,300—pass; Resolution 47: Resolved that there be granted to Her Majesty a sum not exceeding \$260,200 for Co-operative Development — pass.

Now I will refer honourable members back to Resolution 45(a) The Minister's Compensation Salary and Representation Allowance—pass. Resolution 45: Resolved that there be granted to Her Majesty a sum not exceeding \$522,900 for Co-operative Development — Pass.

That concludes the Department of Co-operative Development. .

Committee rise. Call in the Speaker.

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

#### IN SESSION

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

**MR. THOMAS BARROW**: I beg to move, Mr. Speaker, seconded by the Member for St. Matthews, that the Report of the Committee be received.

MOTION presented and carried, and the House adjourned until 10:00 a.m. Friday.