



Third Session — Thirty-Second Legislature
of the
Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

33 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 10 May, 1984.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - HIGHWAYS

HON. J. PLOHMAN: You have to hold the fort until the rest of them get here.

MR. D. ORCHARD: We were talking about the Morden-Winkler Corridor, the Minister said that it was progressing satisfactorily. Is there a design plan that he's seen?

MR. DEPUTY CHAIRMAN, P. Fox: The Honourable Minister.

HON. J. PLOHMAN: No.

MR. DEPUTY CHAIRMAN: The Honourable Member for Pembina.

MR. D. ORCHARD: Is that because none exists?

HON. J. PLOHMAN: I'm advised that there are several of them and they're currently, I guess, before the design people in the department. I haven't seen . . .

MR. D. ORCHARD: Better yet, Mr. Minister, be honest between you and me because there's nobody else around. You haven't seen them because you don't want to look at them, because those plans have been ready for a year.

HON. J. PLOHMAN: I don't know if that was a question but I haven't asked for a lot of things that I don't know exist yet. Obviously this has never been brought to my attention yet and I haven't asked for it, because as I said, we haven't had the occasion to discuss it.

MR. D. ORCHARD: Well, you know, that's kind of interesting, Mr. Chairman, that's kind of interesting. Because the Minister gave us a nice spiel earlier about how they decide where roads are - traffic counts are figured in and condition of the roads and etc., etc.- and that's one of the busiest corridors. It's not in the best of shape and he hasn't seen it. Well I'm not going to argue with the Minister. I just want to tell him that I hope the plan is in place, so we've got something to work with when the government changes because that's a priority - not this government's priority, but — (Interjection) — Mr. Chairman, do you hear some cackling and some interruptions that are totally uncalled for?

MR. DEPUTY CHAIRMAN: No.

MR. D. ORCHARD: Well, Mr. Chairman, I'm glad you're so hard of hearing.

Mr. Chairman, can the Minister tell me if there was any co-ordination between Manitoba Hydro and the

Department of Highways along the Morden-Winkler Corridor on the replacement of a hydro line?

HON. J. PLOHMAN: As I indicated earlier, Mr. Chairman, there are several alternative plans that have been developed. They're in the department at this time and I'll be asking to look at those and at that time I'll determine exactly what the status is. In terms of hydro line, as I indicated to the honourable member, I hadn't seen the plans and therefore I'm not in a position to comment on a hydro line.

MR. D. ORCHARD: Well, Mr. Chairman, I hate to inform the Minister but the status of the hydro line is already established. They've put it in. What I'm asking the Minister is whether there was a co-ordination with the several plans that are in place so that that hydro line won't have to be torn out a year or two from now. Was there co-ordination between the planning and design department who have developed several plans, and the Manitoba Hydro?

HON. J. PLOHMAN: Mr. Chairman, I would hope there was and would assume there was and I am advised from the department that there was consultation, so we'll take it from that, that there was co-ordination.

MR. D. ORCHARD: So in other words we're not going to have another situation as we did with 432, where the Telephone System didn't check about future plans on that road, plowed an underground line which had to be removed two years later, which normally is a cost-shared item between Telephones and Highways but in this case wasn't, because they didn't co-ordinate with Highways and we never paid them a nickel to move their own line. It was an entire loss to the people of Manitoba and the Telephone System. The Minister, I take it, is giving me the assurance that will not happen with redevelopment of the Morden-Winkler Corridor.

HON. J. PLOHMAN: There are a number of alternatives, as I indicated, in the plans. It depends on when those alternatives were developed and which one is selected as to whether it would be a problem with the Hydro line as I would see it. I would have to review those, and I'm sure there must be some alternatives that would take into consideration the relocation of the Hydro line as it exists, if those plans were developed in conjunction at the time the Hydro line was placed. So we would have to look at the alternatives that are there, and obviously want to consider that.

MR. CHAIRMAN, C. Santos: The Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Chairman. The Minister, I think, is now coming around to the stage where he should have been to start with in saying that he doesn't know whether the Hydro line is . . .

HON. J. PLOHMAN: On a point of order, Mr. Chairman, I indicated that. I told him I hadn't seen the plans, and

he's quite aware that I hadn't, so how could I know where the Hydro line is?

The advice I have from my department is that this was considered, Mr. Chairman, and there are other alternatives that were developed that possibly may have been developed after, and those will have to be looked at. I say, the Hydro line will be considered, the placement where it has been placed will be considered when we're reviewing those alternatives.

MR. D. ORCHARD: Mr. Chairman, one point, the Hydro line's already in; any consideration of where the Hydro line is going to be is too late. What are the later considerations the Minister referred to that may not have been part of the decision as to where to relocate this Hydro line?

HON. J. PLOHMAN: I'm not in a position to say where the Hydro line went if it was located there some time ago. The alternatives that we're looking at are the alternatives for the road and not for the Hydro line obviously.

MR. D. ORCHARD: When were those new alternatives put in place that the Minister is referring to?

HON. J. PLOHMAN: I said, Mr. Chairman, that some of those may have been developed after the Hydro line was in place, but I am not in a position at this time to know exactly when they were. If the honourable member would like more information I can get that reviewed and brought forward to the Committee at some later time if that's what he would like, but we don't have those detailed plans in front of us right at this particular time.

I would be pleased, as well, to discuss them with the honourable member at any time if he wants to come into the office and discuss those plans.

MR. D. ORCHARD: Well, that's a very kind offer from this Minister because I made the offer to the Member for Lac du Bonnet when he was Minister and I told him I could offer my assistance in choosing a route, and he said, I gave up that two years ago. So, I want to thank you, Mr. Minister, for being so kind in offering to bring the plans up that you've got and we can sit down and take a look at them.

The Hydro line was relocated last fall and would the Minister undertake to provide the information on Monday, or when next we return to the Estimates should we not finish them tonight, to check and see whether co-ordination was done between Planning and Design Department and Manitoba Hydro to get an opinion as to whether their relocated line was secure from future highway development?

HON. J. PLOHMAN: I've indicated that I will provide that information. If we're still in Estimates, we'll have that for the next sitting of the Committee, and if we're not, the honourable member, as I've said, has a standing invitation to discuss this further.

MR. CHAIRMAN: 3.(a) and 3.(b).

MR. D. ORCHARD: Oh no, not yet, Mr. Chairman. Mr. Chairman, 75 south, the twinning project, is there any design work going on around the Morris Town area?

HON. J. PLOHMAN: As the honourable member knows the development of a major project like that is done in incremental steps and the paving contract is out for the first section, another section is scheduled for grading, and another section of a suitable contract length is in the survey and design stage. Acquisition is progressing as well along the route. We're looking at progressing with that in an orderly fashion as fast as funds will enable us. There are significant expenditures there. I can get the exact figures in terms of the actual paving and grading contract. We are not, at this time, at the stage of doing survey and design work and acquisition around the Town of Morris at this time.

MR. D. ORCHARD: Thank you. Mr. Chairman, could I ask the Minister whether that's going to be done by Planning and Design or is it some inclination to possibly farm that out to private consulting?

HON. J. PLOHMAN: Mr. Chairman, we're not at that stage where we have considered that matter, in terms of making a decision, whether that will have to be in-House or by hiring a consultant. I can't say at this point whether that is an imminent matter that we have to be considering at this time. We may be looking at that within the next year, but we're not at the point where we'd be progressing along the route to feel we have to have that undertaken at this time.

MR. D. ORCHARD: On Highway 75, has the City of Winnipeg advanced any plans to the department on completion of their section in St. Norbert, from the south boundary of the city up to probably central St. Norbert? Are they going to be twinning their portion of that over the next couple, three years of capital construction?

HON. J. PLOHMAN: I'm not aware that they're going to be twinning it, although this is a matter of some discussion between the department and the city officials. I would have to get a status report on exactly where those discussions are but it is a matter of discussion between the city and the department at this time.

MR. D. ORCHARD: Okay, I'd appreciate that information and when he's getting that information as to the status of talks, whether there are any time projections the city might have in terms of when they feel they might be moving into construction, potential construction schedule as well?

HON. J. PLOHMAN: We're awaiting a decision from the city on a proposal that was made to them with regard to developing that section. Within the city boundaries, it involves the possibility of some trade offs with some other provincial roads that are also within the city limits, and we have made that proposal to them and they haven't made any other counter proposals on it to take over some of those provincial roads. So until we get a response from them on that, we will have to wait for any further developments.

MR. D. ORCHARD: I'd appreciate that. I guess the point that my colleague, the MLA for Lakeside, was

making earlier on, is that we've got a functional four-lane coming in from Stonewall with a two-lane bottleneck in-between. We've made the investment, provincially, to try to improve the transportation corridors and the same thing could happen with 75 and the Minister is well aware, the department is well aware of that. I'm simply asking whether there was any potential scheduling for reconstruction that the city might be looking at, and obviously there isn't one that they can offer to the department.

HON. J. PLOHMAN: Right, they haven't indicated that yet but, as the member relates, we are concerned about that, realizing that that would be a section that would not be developed the same as it would be on both the north and south parts, so we will be concerned about that and have indicated our proposal and are anxious for it to be resolved.

MR. D. ORCHARD: Mr. Chairman, the Brandon area study has been completed and given to the Minister. The recommendations, if I recall them, aren't too favourable to the eastern industrial access. They don't really believe that's necessarily a wise application of construction dollars at this stage of the game; they believe a much wiser application would be in improvements of the north by-pass of No. 1. What are the Minister's thoughts on that?

HON. J. PLOHMAN: Mr. Chairman, we have received that report and the member is correct that the consultants did not place it high on the priority list, the eastern access. However, that is not consistent with the wishes of the community, of the City of Brandon, of the rural municipalities in the area, and it is also not consistent with our thinking in terms of the need for an alternate route for hazardous goods into and out of the industrial area of the City of Brandon. So we have placed a higher priority, Mr. Chairman, on the eastern access than the consultants had indicated to us.

In the absence of a point of order, Mr. Chairman, I would ask for some order of the meeting so that I continue and, following that order, then I could say that we are looking, as well, at the matter of the north by-pass around Brandon.

We are considering interim improvements that we feel would improve the safety through improved lighting and access, and so on, as it applies to the section of the Trans-Canada Highway that passes through the north end of Brandon. Those would, upon completion of that, we feel that they would suffice for a number of years into the future. So a by-pass at this point in time is not a high priority.

MR. D. ORCHARD: A north by-pass.

HON. J. PLOHMAN: A north by-pass. So we are looking at proceeding with some functional studies in the area of the eastern access to determine the best route, that hasn't been determined yet. However, there are several routes to be considered, there is some difference of opinion yet, and we want to develop the study to determine the best route, and we are going to be proceeding with that this year with the hopes that we can then proceed with acquisition in the very near future.

MR. D. ORCHARD: When the Minister indicates that, I believe he said we put a higher value on the eastern access than does the consultants; by "we" does the Minister mean he, and the MLA for Brandon East, and the government; or, by "we" does he mean he and the department, the experts in the department?

HON. J. PLOHMAN: Mr. Chairman, I would think that there is fairly general agreement on that point amongst all of the groups that the member has mentioned.

MR. D. ORCHARD: Fairly general agreement. I don't like to badger this freshman Minister, but does . . .

HON. J. PLOHMAN: It's been two years now, so it's okay.

MR. D. ORCHARD: So I can badger you then, fair enough.

Is the Minister saying that the department believes the eastern access is a priority over redevelopment of the No. 1 North on the north side of Brandon?

HON. J. PLOHMAN: Yes, that's the case. That does not mean that the department and myself feel that there shouldn't be any planning for a northern by-pass, should that be necessary at some time in the future in terms of planning, and we have to look at that but, in the meantime, we feel that the matter of hazardous goods, transportation to and from, as I said, the industrial area, Simplot and so on, the industrial area of Brandon, is very important and, therefore, ranks of higher importance.

I think one of the matters that would come to bear there, of course, is the usage of such an access and would increase in usage if it was closer into the city, in terms of providing a way for people travelling to and from the residential section to the industrial section, and that has some bearing on the usage, obviously, and would have some bearing on the urgency of having it constructed.

We are looking, as I said, at both of the routes, three of the routes that were proposed by the consultants, but a route closer to the city would certainly have some advantages in terms of usage and, therefore, would be a very important consideration in determining the urgency of that route.

MR. D. ORCHARD: Can I ask the Minister if the Department is carrying on with surveys, designs, plans for the Assiniboine River crossing south of Shilo, and replacing the Treesbank ferry?

HON. J. PLOHMAN: We have not placed that, as the member would know, in the program as far as proceeding with the bridge and the operation of the Treesbank ferry will continue. There are plans in the department that would provide for a crossing there, but that has not been a matter that we have prioritized this year to proceed.

MR. D. ORCHARD: Could the Minister explain the reduction of five SMY's?

HON. J. PLOHMAN: We're dealing with the elimination of two regular positions or departmental positions and

then adding one regular position, that the decrease of five. The decrease in the two regular positions will mean that some of our design work will have to be done in the district offices which we feel they can carry out and so, again, would not result in a great deal of loss of planning ability in the design in that area but would simply have that transferred to the districts and I think they're capable of doing that. The four departmental positions are mostly on data collection for traffic counts and so on and we're looking at having some of that work done in alternate years, not doing as much of it at this time and not doing as many studies in the areas, similar in the same areas every year but will reduce the number of studies in data collection that we would have, but not to the point that we would not have the information that we require.

MR. D. ORCHARD: Are those positions presently filled?

HON. J. PLOHMAN: Yes. Mr. Chairman, if I could, the addition of one position that I didn't elaborate on is Planning Engineer, and this will help us with the preparation of our annual Highways program and the development of a three-year Highways program which we are working on. The five positions were filled positions and the individuals involved will be redeployed within the department.

MR. D. ORCHARD: Where will they be redeployed when you're dropping 30 positions overall?

HON. J. PLOHMAN: That hasn't been finalized at this time. It may be within the department, it may be within other departments, but they are scheduled for redeployment and that hasn't been finalized as yet.

MR. D. ORCHARD: When do they get their last pay cheque?

HON. J. PLOHMAN: We have five months yet, until I believe the end of September before that has to take place.

MR. D. ORCHARD: And if they're not redeployed by then, what will be their status?

HON. J. PLOHMAN: We fully expect that they will be redeployed. We will make it a priority in filling of positions that people on the redeployment list are given first priority to fill those positions, providing they have similar qualifications, they could be trained for those positions.

MR. D. ORCHARD: The design engineer that's being hired, is that a newly recruited position from outside the Civil Service?

HON. J. PLOHMAN: It probably would be a graduate at the entry level.

MR. D. ORCHARD: It won't be filled by a redeployment from this department or another department?

HON. J. PLOHMAN: That I can't say, Mr. Chairman, conclusively, it's possible that if there was a suitable

person on the redeployment list that may happen, but that was not the intention when that position was added. I say that it cannot be ruled out because of the consideration for people on redeployment lists.

MR. D. ORCHARD: So, Mr. Chairman, we've got six people that in five months time, if they don't get reemployed, are getting their last pay cheque, at the same time, we're bringing in a brand new person. That would be a fair assumption if there is no redeployment.

HON. J. PLOHMAN: Mr. Chairman, there are a number of it's in there.

MR. D. ORCHARD: Only one.

HON. J. PLOHMAN: No, there will be redeployment because I've indicated there's first priority and we've every reason to believe that these people will be redeployed.

MR. D. ORCHARD: Mr. Chairman, that's an interesting position that the Minister puts out, but I can see why he doesn't need too much capacity in Planning and Design. When you take a look at the consistent reduction in highway construction that this government is funding, they don't need much of a Planning and Design capacity but, unfortunately, that cannot last forever and it will be interesting to see next year, as we approach the Estimates, to find out if these six people did, in fact, get redeployed.

That's all the questions I have on this section, Mr. Chairman.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Thank you, Mr. Chairman. I have one or two questions that I'd like to ask of the Minister and I ask it in direct relationship to some of the activities that are taking place, particularly in the southwest region, dealing with the oil haulage that's taken place in the last two to three years, and the kind of deterioration that has taken place within the road system in the southwest. I would ask the Minister, dealing with that, I see that in the acquisition of right-of-way that there is a small piece of right-of-way being purchased for the north end of 256.

HON. J. PLOHMAN: Mr. Chairman, just before the Honourable Member for Pembina leaves, I think maybe I should raise a point - I believe the Member for Virden was not here when we discussed and agreed, I believe that we would discuss the Capital program . . .

MR. D. ORCHARD: He's discussing planning, future planning area, three-year plan for the area.

HON. J. PLOHMAN: Well, he's referring to Acquisition/Construction in the construction program. I think that, if he's making direct reference to that, we should deal with that under the construction program, when we get to there, as opposed to a Planning and Design function.

MR. J. DOWNEY: Mr. Chairman, I guess I was going to make a comment about the acquisition and design.

The major thrust of my question, I hadn't got to it yet, and that was, what is the government doing and what are the overall plans of the government to have a longer-term road building strategy for that particular community because it is going to cost a lot of money? I would think there must be some kind of program, I would hope there is some kind of plan or program in place that's going to rebuild the road system and accommodate the kind of haulage that has taken place or to repair after the haulage that has taken place. If I'm out of order, then I'll go to another section.

MR. CHAIRMAN: We had agreed earlier in committee that all those relating to Capital expenditures will be taken up under that item. All those expenditures related to Capital assets will be taken accordingly under that section.

The Member for Arthur.

MR. J. DOWNEY: Then if we're talking about planning, Mr. Chairman, let us go to another area of concern, and that is, the plans that the Department of Highways have put in place to rebuild and to accommodate some of the farm community that have had to move grain longer distances because of some of the rail line rationalizing and the change in the recent freight rate structure that we're seeing taking place, and some of the weights that may be transferred onto some of the highways. Have the Department of Highways given any consideration to the kind of usage that will be used on some of these highways, or have they not bothered to put in place any program or plans to look at the kind of extra work that's going to have to be put on these roads? Has there been any work at all done in that area because I know this Minister of Highways, this government, have made the case, as I'm sure many governments have, to the Federal Government that when the Crow rate changed and additional charges went on to the railroad system that there would be a transfer onto the highways? Are we able to substantiate those arguments or is the department able to substantiate them? Have they made plans for it or are we just carrying on at the same pace? Does this Minister have any imagination at all as to what may or may not take place within Manitoba?

HON. J. PLOHMAN: Yes, thank you, Mr. Chairman. I think our government has shown a great deal of imagination in this area and action as well, and I will relate that. I just want to comment briefly on the first issue that was raised by the honourable member with regard to the highway system as it affects and services the Waskada area. We are looking at the implications to the highway system of the pipeline that is scheduled to be put in place and how that will alter the traffic patterns there. Once we have determined that, we'll be able to be in a position to prioritize the roads in that area that will need upgrading because of the increased traffic due to the oil in that area.

Insofar as the transference of cost from the province to the Federal Government, as the member may be aware, our Transportation Division has completed a study that would indicate the transference of costs in the neighbourhood of \$52 million to the province as a result of rail line abandonment. However, we haven't

been successful despite our best efforts to have the Federal Government participate in the transference of costs because of the shift from federal jurisdiction of the rail lines to the province up to this date in terms of dollars.

What we have been successful in doing is having the inclusion of the study of rural transportation needs, particularly as it applies as well to rail line abandonment and how that has affected travel requirements and road requirements in the various areas of the province where rail line abandonment has occurred.

We have successfully had that put in place in the transportation subagreement that was signed just recently, and a major study that will involve federal-provincial officials will be done to document those costs that are transferred to the provincial jurisdiction. Then, of course, we'll be in a better and stronger position to have the Federal Government exercise its responsibility with regard to those transfers of costs. So we're moving in that direction with this study that we'll document in addition to the study we've done already provincially.

MR. J. DOWNEY: Mr. Chairman, if the Minister will allow me to make this point - again, if he wants to comment - that because there is a pipeline being built in the southwest I don't want him to think that that will fully do the kind of service to that community that has to be done. There's still going to be a pretty massive amount of heavy traffic with the movement of heavy equipment, drilling equipment, service equipment that will be continually going over those roads. I would hope that the Minister doesn't think that he's going to get off the repair end of it because the roads have depleted to the point of major construction. As well, the acquisition of this 256 right-of-way of the north end, I think there could have been a justification made for the rebuilding of the south end of 256 and 83 Highway which has taken the same kind of weight that knocked the north end of 256 out.

I would as well asked the Minister if he has taken the time to take a tour through that area and travel on some of the roads that have accommodated the millions of dollars that he and his government have been recipients of, the millions of tax dollars coming off the oil industry, that the people there can hardly understand why there hasn't been some reinvestment done in the community. Certainly the pipeline I'm sure will take some of the weight off, but I do believe that it's incumbent upon any government - and I don't care what political stripe they are - to reinvest some of the funds into the infrastructure to make sure that it's able to be maintained.

I have one further comment, Mr. Chairman. I'm glad my colleague, the Member for Pembina, raised the ferry crossing. It may not be a priority item in the mind of the Minister and the government but for the community of Wawanesa and those people on both sides of that river and that area, it is a priority. There is a lot of money sitting in the Shilo Camp where the German soldiers come over to do their exercises. By not having a bridge on the Assiniboine into Wawanesa and some of the towns, it has virtually cut them off from getting revenue from the kind of resources that are there to accommodate them. So I make the case for Wawanesa and those southern communities because it is directly

cutting them off from access to the kinds of funds that are sitting in Shilo and it's deterring the growth of the community. They make a good case for it. It's a priority in my mind and I would hope the Minister would repriorize it in his.

MR. CHAIRMAN: 3.(a) and 3.(b) - Mr. Minister.

HON. J. PLOHMAN: Well, just to make a few comments on some of the statements of the Honourable Member for Arthur, in terms of the road system in the area - I was just going to say that sometimes it seems that the Honourable Member for Arthur can read my mind, and when he's talking about how important it was that we still consider that there will need to be upgrading of those roads in that area, that's exactly what I was thinking. I did not feel that by putting in place a pipeline we were going to eliminate all the need for improving those roads. So we're right on the same wave length there.

In terms of the tour of the area, I hope to be able to do that this summer. I would certainly like to contact the honourable members. I know they'd want to assist and make sure that I get to the right places and I will be letting them know that I'm there. — (Interjection) — Of course we will do the right things once we're there, with the honourable member's help, Mr. Chairman. In terms of the Treesbank area, I've said that we will be looking at that and considering it again in next year's program. There's only a certain number of dollars to go around, as the honourable members have lamented. Therefore we are unable to include it this year. But that does mean that it is important.

MR. D. ORCHARD: I just caught the last comments the Minister was making in response to my colleague's questions on Federal Government funding on areas highly affected by rail line abandonment. The Minister probably isn't aware that the Transportation Division when I was Minister undertook probably one of the best studies I've ever seen on that. Last year when I asked the former Minister as to the status of that, I believe he told me that it was being updated, current figures put in, etc. etc.

Now the Minister is telling us that they've got this major breakthrough that they've got it into their transportation agreement with the Federal Government and they're going to study it some more. My God, it's been studied to death - and this government prides itself on being such skillful negotiators with their buddies in Ottawa. You've had your numbers. They were updated by your former Minister.

If there is ever a pressing need for road reconstruction, it's in areas that have been affected by rail line abandonment with grain hauls increasing from five to six to seven miles to 15, 20 and 30 miles. It doesn't need any more study; it needs money and it needs money from the Federal Government. The Federal Government, sir, I submit is talking about western economic initiatives as a result of having the new Crow legislation passed. They're talking about bucks for Western Canada. That's an ideal target and you were equipped, in 1981, with good numbers.

I give my across-the-road buddy, Mr. Uskiw, credit in probably making them better figures last year. You

had them in front of you for your negotiations with the feds and you didn't use them. All you've got is an agreement to study the study again and it's already been studied twice.

I know that we've got to have something for people to do, but you're cutting people out of Planning and Design. Why don't you go back to Ottawa and take your shoe off and pound the table and say, I need money for rail line abandoned road reconstruction. It's been studied for five years and they've got the pool of money. They admit that it's a necessity. What was the need for more study? Why not action?

MR. CHAIRMAN: The member is imitating something that happened in the United Nations many years ago. Mr. Minister.

HON. J. PLOHMAN: I'm glad to see that the member is concerned about this matter. He made his point and it's good to see that we have his support in any dealings that we have in negotiations with the Federal Government. Of course, he would want to be sure that any policy that his federal counterparts might put in place over the next few months as they approach a federal election, that they would of course be guaranteeing that any Federal Conservative Government would be very willing to put in money and to assist provinces with this matter.

I would suggest that's where - policy conferences - this honourable member should be banging his shoe on the table and making sure he gets results. In the meantime, failing that, and I would ask just before I comment on that further that the member had that study in his hands. The transportation division had arrived at a figure of some \$52 million, that I'd indicated earlier, as a result of that study. I would ask the member what kind of results he got with that, as a result of that study, and I didn't see any results.

Before we get into that, I would like to mention that what is important is that a formula has to be established in terms of these transferences of costs. It's one thing to have the provincial study that says that there is, indeed, increased cost to the provincial infrastructure, to the highway system, because of increased truck haulage and use of the roads, but it is another thing to quantify that in terms of a cost-sharing formula. That is why it is important, we feel, an important development, a significant one, to have the Federal Government engaged in this joint proposal, joint study. We will use, certainly, the studies that were done by the province. We will want to use those as a basis for information, but we also have to arrive at a formula and it's important that we have the Federal Government involved in that.

I would mention one other area. The Member for Pembina was chastising the government for cutting back expenditures on highways which, of course, isn't the case this year, there's an increase. However, we have put in dollars in the area of branch lines to prevent the abandonment of branch lines. It's one thing to increase the road costs by building new roads in areas where branch lines have been abandoned. However, it is another to provide for the development of a low-centre-of-gravity, lightweight rail car that can be used on branch lines, as well as on the Churchill line, and

there will be - in areas where they have not been abandoned - it will prevent abandonment. I said that very clearly. The member is not listening because he doesn't like to hear this.

He should also be aware that we're spending \$20 million provincially, \$20 million federally, on that endeavour. That will create jobs in this province and will more than compensate for the \$25 million that he's been throwing around here with reckless abandon, that he says the province has taken out of the highways project to put into the Jobs Fund, which isn't the case in any way.

We are putting some dollars back in, and into the other areas of transportation. We have to look at it in a broader perspective and not just at highways. If we can prevent abandonments, because they will not have to be upgraded to the standards of hundred-tonne hopper cars so they could accommodate hundred-tonne hopper cars, that will be to our benefit, to the benefit of the rural people in Manitoba and it will prevent us from having to upgrade more roads and incur greater costs in transfers from the railways to our highway system.

MR. D. ORCHARD: I just want to remind the Minister that that highway study on the effects of rail line abandonment was ready approximately early 1981 to mid-1981. It was delivered to the Minister of Transportation in Ottawa. Has he met with the Minister in Ottawa to present the facts on rail line abandonment to the present Minister or the former Minister?

His talk about low-centre-of-gravity hopper cars doesn't do anything for the areas in which rail line abandonment has already taken place. That's what we're talking about. It's not future abandonment we're talking about. We're talking about abandonment that took place in the early '70s, the mid-70s. The Minister cannot avoid that issue with talk about a development in the future of low-centre-of-gravity hopper cars because you can't run them where the rails have been pulled up. That's the area that the roads need to be redeveloped in. I realize that's news to the Minister. He's agreeing, that's news. Amazing.

Mr. Chairman, I just want to simply close by encouraging the Minister to use all his persuasive powers to speed the study and get the results under way.

HON. J. PLOHMAN: Without getting into more debate on this issue, I want the honourable member to know. He asked me a question, have I met with the Federal Minister? I don't know if the Chairman heard that.

I met with the Federal Minister in Ottawa as well as in Winnipeg and we've discussed all of these issues and I think that we are moving in the right direction. I agree that we have to move as quickly as possible and we intend to.

MR. CHAIRMAN: 3.(a) and 3.(b)—pass. This relates to Planning and Design, Salaries and Other Expenditures.

Resolution No. 97: Resolved that there be granted to Her Majesty a sum not exceeding \$1,702,800 for Planning and Design for the fiscal year ending the 31st day of March, 1985—pass.

Moving on, 4.(a) and (b), relating to Maintenance - Highways and Airports, (a) Maintenance Program, (b) Mechanical Division.

Maintenance Program - 4.(a), one at a time.
The Member for Arthur.

MR. D. DOWNEY: Mr. Chairman, I would like to ask the Minister when he has approved or is it his policy to have cut back the maintenance of our highway system to maintaining the roads at a less than what has been traditional for maintaining and grading of our roads. I know that in a lot of the roads that I spoke about earlier, particularly 256, that there had been a policy of his government to reduce the maintenance, to cut back on the expenditures spent on it. When did that policy come into place, Mr. Chairman?

HON. J. PLOHMAN: The policy, I guess, that the member is referring to is not one that has officially come into place in the way that the honourable member has put it here. There has been an increase in the Maintenance Program this year by some \$600,000 for highways. We have considered, as well, that damages to the road system as a result of spring breakup has not been as severe this year as it has been other years. That will reduce the costs that are required for repairs in that area. We will have to make some minor reductions in some areas of maintenance to fit within the budget as outlined at \$50,881,000, very small reductions in some areas.

We have also looked at having the districts tender out, rather than allowing just the hiring of private individuals who assisted in this area in the past years on an hourly basis. We have asked them to tender that, and that has resulted in some cases in lower costs to the department. This is one of the areas we want to have expanded, so that it is just a more efficient way of doing it rather than doing it just on an hourly basis, doing it by tender, and that has resulted in some areas in significant reductions. As a matter of fact, 50 percent in a contract, for example, on the Trans-Canada Highway in tilling where that was done on an hourly basis by having tenders submitted, reduced the cost by 50 percent. That's just one example, and it is made up of small things like that that the honourable members think are funny.

MR. J. DOWNEY: I didn't say it was funny.

HON. J. PLOHMAN: These all add up to very important maintenance of our system, and we are concerned with maintaining our road system as much as possible and upkeeping it. Certainly, in times when we cannot expand our highway system as much as we would like and engage in as much new construction as we would like, we would like to maintain what we've got. Outside of the reductions in roadside mowing, which may be required in some areas on some of the less travelled gravel roads, and in terms of gravel that would be provided, there are no serious reductions in any of the areas.

MR. J. DOWNEY: What are the criteria, Mr. Chairman? What did the department use as criteria as to the numbers of times per week that a drag goes up a road?

Is it the traffic? Is it the condition of the road? Is it the dollars and cents that are available? What are the current criteria? Because I know out of the Virden District Office, there were instructions, say, a month or two ago, went out from that department to reduce the numbers of times a week or a month because it was only once a week, I think, at that particular time that the drag went up and down 256.

What are the criteria? Is it the money that's available, the condition of the road? How do you determine the number of times a month or a week that a drag goes up a particular highway? I know there was a policy implementation of reducing the number of times per month that that drag went up there, and it was in a deplorable condition, Mr. Chairman. I would ask the Minister, what are the criteria?

HON. J. PLOHMAN: First of all, Mr. Chairman, there has been no reduction in the dragging area of the budget. So that is not something that the honourable member knows then, it's something that's speculation; it is not a fact. There has not been a reduction in that area of the budget. So I think the honourable member should check as to what priorities were being employed by the individual that he may have talked to.

In terms of the schedule, it is based on the road conditions. There is a schedule that had been set up many years ago, the standards of the roads that we are dealing with, and it has been in place for a number of years. That same schedule is followed now as it has been in the past when the honourable member was a member of the government.

MR. J. DOWNEY: Mr. Chairman, I am telling the Minister that there was a policy went out from the district office to reduce the numbers of times that the highway was dragged. He isn't giving me the reason for that, and I would certainly take from what he said tonight that we can expect the kind of policy to continue. He is not assuring me that the roads will be maintained based on need, but on the dollars and cents that are available in the budget; that he is not going to shift more funds if a particular road needs it; that the road will continue to be deprived of the kind of maintenance that's needed.

HON. J. PLOHMAN: That's right. The schedule is based on traffic flows, and, as I indicated, the condition of the road, other standards that are applied; those schedules have been in place for a number of years and they are being retained by the department. There has been no change in that. I have to get further details from the honourable member as to what directive he is referring to so that we could have that looked at.

MR. J. DOWNEY: Mr. Chairman, I did make some requests of the department and I do believe they have increased the number of times that they have been maintained in the past while, because of a need for it.

I have one other area of concern, Mr. Chairman, and I want to place on the record my concerns today because of the amount of driving that I do back and forth to the constituency. That is the increased numbers of bottles and garbage that's being dumped along our highway systems in this province, cans, bottles and that type of thing. I think it is a situation which should

be dealt with. I think there would be a possibility of room to implement a program of clean-up of our highway systems, whether it be through so-much-a-mile payment to a 4-H Club or some kind of youth group to clean up the bottles and the cans to help add money to them. I know it has been done in Alberta at particular times to help clean up some of the highway systems. It is getting to be a very, I would say, unattractive and dangerous situation.

I would think if a program like that were implemented, you would save a lot of money as far as your own maintenance and equipment, tires and that type of thing, but would encourage a lot more farmers to mow and to keep the grasses and the forages cleaned up along our highway system. I would seriously urge the Department of Highways and you to pick up an idea like that and try and encourage some clean-up, because it's just going to continue to get worse and I think it's to the point where it is a disgrace.

HON. J. PLOHMAN: Yes, I share the honourable member's concerns in that area. As I indicated earlier, I am amazed at times how much we think alike. I want the member to know that I am very concerned about the neglect and garbage along the highways is something that we will take very seriously, the suggestion that is made. The maintenance crews are responsible for that clean-up as it exists now and, if it isn't being done in the way that it should be, we would like to look at that further and perhaps follow up on the suggestion that the member was making.

MR. CHAIRMAN: 4.(a) - The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, has the graveling standard on provincial roads been reduced?

HON. J. PLOHMAN: Mr. Chairman, we will be looking at the lower travelled roads in terms of the amount of gravel that is put on them. I don't know whether you could call it a lowering of standards, but it is certainly one that we will have to look at in terms of those roads that are not used as frequently, and ascertain whether the amount of gravel that's needed on those roads is as much as it has been in the past without jeopardizing any safety. We're going to reassess that and in some areas there will be some reductions.

MR. D. ORCHARD: Then the yards per mile standard, or whatever the figure was, is likely to be reduced this year to accommodate a \$50.8 million maintenance budget?

HON. J. PLOHMAN: I don't think, from my understanding, it's a general rule there will be a reduction in the standard but, as I said, individual situations will be considered where there may be some isolated conditions of reductions.

MR. D. ORCHARD: Okay, prettied up, however you can do it, there's going to be less gravel on some roads.

Now, is this a proper place to question the Minister on his rationalizing the secondary road system into two tiers and standards related to both of these to make our dollars go farther?

HON. J. PLOHMAN: I think that if we wanted to look at that whole area and have some general discussion on it, it might be more appropriate in the area of construction, but I wouldn't have any difficulties if he wants to raise it at this particular time.

MR. D. ORCHARD: Well, let's talk about it now then. There's 8000 miles, roughly, of PR's and I assume those are the ones that you are talking about. Have you any idea of the split between your two tiers? What stage are you at in developing this program?

HON. J. PLOHMAN: This is a program that we are embarking on at this particular time. It will be identification of the principal road systems that would be a Tier 1, for example, if you wanted to use the words Tier 1 and 2, would be at one standard, and then those other roads that would lead to the principal road system would be graded to a lesser standard, a secondary standard. There would really be, as we've indicated with the wording that I used, the two-tier system, based on the rationalization of the road system in a particular area.

MR. D. ORCHARD: Now, Mr. Chairman, when the Minister indicates a lesser standard of maintenance on the Tier 2 roads where are we starting from? Are we starting from present maintenance standards being applied to Tier 2 roads, and an increase in maintenance standards being applied to Tier 1 roads, or are we applying current standards to Tier 1 and then reducing our maintenance on Tier 2?

HON. J. PLOHMAN: We would be looking at reviewing the standards as they apply now. We're not talking - and I think this is why I was somewhat reluctant to discuss it here, as opposed to the construction program - as the honourable member is aware, there are thousands of miles of road estimated at a cost of about \$1 billion of roads in our PR system that have to be upgraded. What we're looking at is the upgrading that's necessary on those roads. We would be upgrading them to two different standards based on how they fit into the grid in the particular area. Just like we have a PTH system, which is a major grid, we'll have a secondary system with major and minor portions of PR's. The standards would be reviewed in terms of how they apply at this time, perhaps we would be looking at slightly narrower tops or narrower shoulders, not to quite the same standards as apply now to all PR roads. In other words, to make our dollars go further, as I indicated.

MR. D. ORCHARD: Is it safe to assume that with this rationalized two-tier system that, once identified, you will undertake a different level of maintenance between the two tiers?

HON. J. PLOHMAN: That is possible, but that is not the thrust of our policy or our efforts at this particular time. The major thrust at this time would be in terms of the upgrading of those roads and the priorities that should be given them and the standards that should apply.

MR. D. ORCHARD: Mr. Chairman, the Minister indicated that hiring by book rate is being thrown open

to tendering. Are all aspects of the book rate being opened to tender or just certain areas?

HON. J. PLOHMAN: The equipment rate, if that's what the honourable member is referring to when he talks about book rates, that is not being discontinued. We will have to always do a lot of hiring of equipment at those book rates, as the member refers. However, in certain areas where work, in maintenance primarily, and we're talking about construction versus maintenance, as well, in maintenance areas where the specific job could be tendered, as opposed to hired, farmed out, on an hourly basis, we would like to see that happen in order to achieve lower rates or lower costs to the government and it has been shown that that is the case.

MR. D. ORCHARD: Is it fair to assume that, with this program the Minister's talking about, that departmental staff which are hired in the summer will not be hired, and that those jobs will be performed by a person who wishes to bid on it?

HON. J. PLOHMAN: No, we're not talking about in-house personnel here in terms of hourly, we're talking about work that is hired out to the private sector on an hourly basis, as opposed to being done on a tender basis. There are certain kinds of maintenance jobs that are done by the private sector that can be tendered, as opposed to farmed out on an hourly basis. That is the kind of thing that I was referring to,

MR. D. ORCHARD: Mr. Minister, could you indicate to me what you expect your cost escalations to be in traffic, gravel, asphalt for patching and the number of supplies that the maintenance division uses.

HON. J. PLOHMAN: Asphalt is, I believe, in the area of 10 percent increase this year. I don't exactly know what the gravel costs are. I could find that out for the honourable member, but there have been some significant increases in this area, and there have been some decreases because of the tight market this year, this past year; it has assisted us, especially in the construction area where we have been able to get very good tender prices.

MR. D. ORCHARD: I'm talking about maintenance material costs.

HON. J. PLOHMAN: I don't have the costs for our maintenance materials but I gave the honourable member a figure of approximately 10 percent and that would probably be a reasonable figure for many of the materials that we required. I would like to find out and to clarify if it's lower than that.

I should point out to the member that we've had Base Course C - if the honourable member is interested, there's a decrease of 4.5 percent this year; Base Course A, 5 percent decrease; Bituminous Pavement, 2.7 percent decrease. Those were decreases in last year's figures and as far as materials are concerned, we're anticipating an increase in asphalt prices this year.

MR. D. ORCHARD: Could the Minister then indicate to us the SMY reduction?

HON. J. PLOHMAN: The reduction is a total of 14 and that is in equivalent SYs, based on the possible recalling of seasonal employees slightly later and laying off employees at the end of the summer, seasonal employees a little bit earlier. It will not affect the number of people hired; it will affect some of the seasonal employees in terms of the length of time that they're employed by the department.

MR. D. ORCHARD: I guess it would be fair to say that a number of employees who have worked a number of years have been on recall with the department, will have a lower income this year.

HON. J. PLOHMAN: Those that are recalled later and terminated for the year earlier would be of course the lesser seniority ones and there would not be a great deal of effect there when we look at the fact that we're dealing with about 1 percent of the total employment in that area in terms of a reduction, so there will be some in terms of the ones with the lowest seniority.

MR. D. ORCHARD: Would the Minister agree that with asphalt costs going up about 10 percent this year, probably paint costs going up, etc., the Base Course C, Base Course A, that he's talking about, as far as I know, is generally applicable to construction tenders under the construction budget. He didn't know what the traffic gravel increase would be but we could say maybe it's break even. But, given that he has got cost increases which may range from 5 to 10 percent for materials, he has to assume a flat wage package and, given that he's only got \$600,000 to work on, I think the Minister would have to agree that there is going to be less maintenance undertaken on Manitoba's highways this year for the second year in a row.

HON. J. PLOHMAN: First of all, Mr. Chairman, based on the information that I have, I couldn't agree with the figures that the honourable member is placing on the table here because, from the information I have, the information gravel, to date this year, the indications are that it is down in cost to us. Of course, that's very important when you balance that to the total materials that we require. Asphalt is up but, with maintenance gravel being down, the overall increase would not be in the neighbourhood of 5 to 10 percent I wouldn't think.

MR. D. ORCHARD: Mr. Chairman, then how would the Minister like to just get those figures so we know what we're talking about, then I won't be speculating, then he won't be speculating. Those figures have been available in past years to the Minister at Estimate time, what the estimate of increase in cost of the maintenance materials is. Let's stop the speculation and get the figures out here.

HON. J. PLOHMAN: I don't know whether the honourable member did have all of that information in past years . . .

MR. D. ORCHARD: I'll get you a book and show you.

HON. J. PLOHMAN: . . . as he is indicating, the previous year's figures. What we have in preliminary

indications, in the very early part of the construction season and maintenance of our roads, we found that the maintenance costs of maintenance gravel is down. In terms of what percentage, I haven't got that exact figure. I'm informed that it is down this year. I'm also informed, and I think this is significant, that the damage as a result of spring breakup this year is less than average and normal and that, of course, will be very good news to the honourable member in terms of the requirements for asphalt patching and so on on our road system.

MR. D. ORCHARD: So then could we assume that the roads are going to be better maintained this year then?

HON. J. PLOHMAN: I would say, Mr. Chairman, that there wouldn't be an appreciable difference in the maintenance overall.

MR. CHAIRMAN: The Member for Portage.

MR. L. HYDE: Mr. Minister, to the Minister, we have a problem north of Portage la Prairie on public PR Road 249 and 227 leading from No. 240 west to where they meet onto No. 16 highway. I brought this to the attention of the department the last year or two. It seems that the condition of the highway has deteriorated to the extent that it, with any wet weather conditions at all, becomes almost impassable. It has been pointed out to me that the cause for this is the fact that the heavy truck traffic over the last year or two has pounded the highways that I have mentioned, 249 and 227, pounded them out and push them into the ditch actually with the heavy truck traffic hauling material across to No. 16 Highway. As I said, it has been pointed out to me, in fact, I personally was caught on that road after some rainy conditions last year and it was, at that particular time, almost impassible.

I'm wondering, Mr. Minister, if it cannot be taken into your consideration here, after I've saved you money this afternoon by asking you to withdraw a program on 242, I think it was. I'm wondering, Mr. Minister, if you can't make an effort to improve the conditions of these two short strips of road in that area? As I've pointed out, the farmers, not only the farmers, there's a heavy lot of traffic going from east to west on there that is having plenty more trouble than they should be.

HON. J. PLOHMAN: Mr. Chairman, I thank the honourable member for bringing that concern to my attention and I will certainly instruct the department to give those sections of road, 249 and 227, special attention as a result of the information that he's brought forward and perhaps some increased maintenance will at least make the road a little more passable and usable at this time until upgrading can be undertaken on that section.

MR. L. HYDE: I appreciate what you're saying. I realize that money is not as plentiful as we would like them to be. But, if at all, that you could crown that road to a point where it'll run the water off, rather than retain it at the centre of the road, and put a gravel on there. It will ease the problem for the time being.

HON. J. PLOHMAN: As I have indicated, we will undertake to review the condition of that road and

undertake some improved maintenance to enable the road to stand up for a short time yet until such time as it can be reconstructed.

MR. L. HYDE: Thank you.

MR. D. ORCHARD: Mr. Chairman, before we leave this, the Minister indicated it's 1 percent of staff that is involved in this later hiring, earlier layoff. What's the total staff complement under this section including part time and departmental, etc.?

HON. J. PLOHMAN: The total SY's allocated to this section is 1,190, almost 1,200. So, when I used the 1 percent figure it is slightly low, I guess, between 1 and 2 percent. I did not say that only 1 percent of the employees would be affected, I said that the result of the reductions in the length of time that they would be working would be 1 percent in terms of the total SY's.

MR. D. ORCHARD: So how many will be affected?

HON. J. PLOHMAN: The equivalent amount of time of 14, or between 1 and 2 percent will be the reduction in the total SY complement. It may be that a much larger number than 1 percent will be affected slightly. Obviously a larger number would have to be affected by whatever the case may be, one or two weeks shorter, in their time that they're employed by the department and that adding up, from a number of employees, would add up to 14 SYs.

MR. CHAIRMAN: 4.(a)—pass?

MR. L. HYDE: Mr. Chairman, before you pass that, I just want to make an enquiry on Page 8 of your project schedule for '84-85, the Highway P.R. 430, 12.5 miles, the second lift of construction gravel there, that's to the St. Ambroise Beach. No, I'm mixed up on that and I'm sorry. Okay, I pass.

MR. CHAIRMAN: 4.(a)—pass.

MR. D. ORCHARD: Mr. Chairman, the Minister is going to provide us with those estimates of maintenance component cost increases.

HON. J. PLOHMAN: Mr. Chairman, I think the honourable member should specify exactly what he wants us to get for him. I had indicated to him that maintenance gravel was down slightly from the preliminary indications . . .

MR. D. ORCHARD: What's slightly?

HON. J. PLOHMAN: . . . this early in the construction season. It's very difficult to determine a trend as yet, other than to say that they're down in terms of exact percentages, because it's a very small part of the total needs that have been in the process of being acquired at this time. We could get that information within the next few weeks, in terms of an actual figure that we're coming out with. I will endeavour to provide that information to the honourable member.

MR. CHAIRMAN: Moving along, the Member for Pembina.

MR. D. ORCHARD: Before we move along, Mr. Chairman, the Minister is now telling us that when he put a figure of \$50,881,400 down for Maintenance, that the department didn't provide him with any estimates as to what the cost increase for the components required in the Maintenance Department were. He's indicating that he didn't tell him what the guesstimate and price increase, decrease was. That's simply not factual, Mr. Chairman. No department will propose the spending of almost \$51 million without estimating as to what their cost increases are going to be.

HON. J. PLOHMAN: Mr. Chairman, the honourable member is finally making himself clear. What he's asking for is an estimate of what the department . . .

MR. D. ORCHARD: Exactly, that's always what I've asked you for.

HON. J. PLOHMAN: . . . not what the actual increases are, in terms of experience. I've indicated, in terms of experience, at this time that the maintenance gravel seems to be down, not up. However, the estimates of those figures, we can provide the honourable member and that was on the basis that the estimates were made. Obviously we have figures . . .

MR. D. ORCHARD: Well then, would you share them with us please?

HON. J. PLOHMAN: The honourable member did not ask for estimated figures.

MR. CHAIRMAN: Settle down. We might as well take the next item . . .

MR. D. ORCHARD: Would the Minister kindly provide us with the estimates of what the increase in maintenance component costs are?

HON. J. PLOHMAN: I indicated on at least two, maybe three - you'd have to go back in Hansard already - to find out that, yes, we will get him that information, but I do not have it here right with me now.

MR. CHAIRMAN: Reasonable enough. The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, will the Minister have them here Monday?

HON. J. PLOHMAN: There'll be no problem having them here Monday.

MR. CHAIRMAN: The next item is 4.(b) and 4.(b)(1), 4.(b)(2), 4.(b)(3), all relating to Mechanical Division, Salaries and Wages, Other Expenditures, Less: Recoverable from Other Appropriations.

MR. D. ORCHARD: Mr. Chairman, is there any equipment purchase in here?

HON. J. PLOHMAN: Mr. Chairman, under Capital Assets, Acquisition of Physical Assets, would be the Section, 8.(e), where new equipment purchases would be allocated.

MR. D. ORCHARD: Is the Minister satisfied that with a level expenditure on (b)(2) that the equipment will be properly maintained?

HON. J. PLOHMAN: Mr. Chairman, is the honourable member referring to 4.(b)(2)?

MR. D. ORCHARD: That is correct, Mr. Chairman.

HON. J. PLOHMAN: I thought he was referring to (d). Yes, Mr. Chairman, we feel that the mechanical equipment requirements will be met under the existing budget.

MR. D. ORCHARD: Could the Minister give us the department's estimate on the increasing cost of repairs in this section, not the actual, just what the department estimated.

HON. J. PLOHMAN: I'd like to congratulate the honourable member for being able to put his questions properly. Now we'll be able to proceed, I think, a bit more quickly.

In terms of Estimates, I'd have to get that information for the honourable member . . .

MR. D. ORCHARD: Mr. Chairman, would the Minister make that information available on Monday?

HON. J. PLOHMAN: Mr. Chairman, we'd be pleased to provide the estimated percentage increases for parts that the department has made in preparation of these Estimates.

MR. D. ORCHARD: Thank you. Mr. Chairman, the Minister might be interested in reading the title of the book. It says "Main Estimates," and any time one asks for clarification of costs, he assumes the Minister is not so bloody thick-headed that he realizes that it's an estimate he's asking for. But unfortunately, we're not so blessed with a Minister that has that level of intelligence.

MR. CHAIRMAN: No imputation here about personal character.

MR. D. ORCHARD: He knew what I was asking for, Sam. Can you pass that appropriation, Mr. Chairman?

MR. CHAIRMAN: 4.(b) Mechanical Division, 4.(b)(1) Salaries and Wages; 4.(b)(2) Other Expenditures; 4.(b)(3) Less: Recoverable from Other Appropriations—pass.

We move on to Item 4.(c)(1), 4.(c)(2) and 4.(c)(3), Warehouse Stores, Salaries and Wages, Other Expenditures, Purchases, and 4.(c)(4) Less: Recoverable from Other Appropriations - the Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, is the saving and expenditure in (c)(2) accomplished by, I believe, the

final year of the implementation of the Computerized Inventory Program?

HON. J. PLOHMAN: Yes, that is correct, Mr. Chairman. The system is in place and this is just to maintain and upkeep that system. There is an appropriation amount there, but it is a significant reduction from the previous year.

MR. D. ORCHARD: Has the department, with the inventory system, been able to reduce the value of inventory which was, if I recall correctly, one of the major saving areas to the department that was proposed to us when we adopted that program? Has that been achieved, by and large?

HON. J. PLOHMAN: Yes, Mr. Chairman, that is the case in the Warehouse Stores figure of 786,600 last year versus 474,700 this year, and the impact of that will be felt even more so over the next coming years, but that is reflected as a reduction of some \$300,000 in Warehouse Stores in that line.

I just might make a comment that I wasn't here at the time, the honourable member may have been Minister at the time this program was initiated, but it would have been rather more significant if he had perhaps begun with this systems program in the mechanical area as to opposed to in this Warehouse Stores where the amount of total dollars is much greater and, therefore, a much greater efficiency could have been achieved.

MR. D. ORCHARD: Mr. Chairman, I thank the Minister for acquiring instant wisdom in the nine months he has been Minister, wisdom that wasn't available amongst this group of staff that are sitting behind me, because they didn't recommend doing anything other than put in the Warehouse Store package. So it is really encouraging to know that we have such bright, astute people that, after nine months, they can take on 35 years of experience and solve more problems in the department than they have been able to.

Mr. Chairman, the Minister indicated that the savings have been achieved through purchases, and he mentions a \$300,000 reduction. Could the Minister explain how Purchases, in line (3), are up by \$220,000, and that the reduction of some \$400,000 or \$300,000 is achieved primarily from a higher recovery from other appropriations, and that he didn't exactly have his information correct in his last answer?

HON. J. PLOHMAN: Mr. Chairman, I would like to just take a moment to get some additional information on this.

Mr. Chairman, I think the honourable member will find that he compares the figures in terms of the purchases last year and the recoveries this year, or issuance of parts would probably demonstrate the fact that the system is in place and the inventory is down.

First of all, I might add that in (3) the \$5,280,000, that increase there is largely due to increased costs in those parts. In addition to that, he might notice that last year the recoveries were lower than the purchases, in other words, there was overstocking taking place. In line (3), he will notice that the purchase was

\$5,060,000 versus a recovery of \$4,860,000; and this year, while the purchases have increased, the recoveries have more than compensated for that by approximately \$80,000, so we can begin to see the effects of the decrease in the inventory.

MR. D. ORCHARD: Which is what I indicated, Mr. Chairman. Pass.

MR. CHAIRMAN: 4.(c)(1), 4.(c)(2), 4.(c)(3) and 4.(c)(4) Warehouse Stores, Salaries and Wages, Other Expenditures, Purchases, Less: Recoverable from Other Appropriations—pass.

4.(d)(1), 4.(d)(2) Northern Airports, Salaries and Wages, Other Expenditures - the Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, the Recoverable from Canada was on which airport?

HON. J. PLOHMAN: Mr. Chairman, I indicated Norway House.

MR. D. ORCHARD: In the Other Expenditures, I take it that includes costs of maintenance for those airports, is that correct?

HON. J. PLOHMAN: Yes, that is correct, Mr. Chairman.

MR. D. ORCHARD: And do the Minister's estimates of gravel cost, etc., etc., indicate that he will be able to, with \$12,400 less money this year than last, be able to maintain the same standard of maintenance?

HON. J. PLOHMAN: Yes, Mr. Chairman, we anticipate that to be the case. The decreases that are there are attributed largely to a reduction in travel costs with regional managers assuming greater responsibilities and the benefits of the previous year's insulation program that will result in lower heating costs in many of these facilities.

MR. D. ORCHARD: So the Minister is not concerned that the safety of the users of these airports will be lessened from last year?

HON. J. PLOHMAN: I don't think that it would be correct to characterize it as saying that I am not concerned. I certainly would be concerned about the safety, but I do not feel that there will be a reduction in safety that can be attributed to any decrease in this appropriation.

MR. D. ORCHARD: Mr. Chairman, before we pass this item, where do we discuss construction of airports?

HON. J. PLOHMAN: Under 8.(e)(1) Other Projects.

MR. CHAIRMAN: 4.(d)(1), 4.(d)(2) Northern Airports, Salaries and Wages, Other Expenditures—pass.

4.(e)(1) and 4.(e)(2) Marine Services, Salaries and Wages - the Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Chairman. I would just like to bring all my hockey fans up-to-date. Edmonton just beat the Islanders 1-0. Fine job.

Mr. Chairman, on the Marine Services, are the user fees up on the ferry services this year?

HON. J. PLOHMAN: I believe that none of the ferries have user fees at this time. They were eliminated last year. The increase in salaries is attributable to the fact that these are hourly people as opposed to dealing with the 27th pay period.

MR. D. ORCHARD: We still have the same number of ferries in the same locations, doing the same work, the same hours of operation?

HON. J. PLOHMAN: Yes, in terms of the numbers and so on and doing the same work and so on, that is the case. However, there was a rather longer season last year and that experience would account for the fact that we've allocated more dollars in the Other Expenditures areas for this year. But it certainly was a good long season of operation last year.

MR. D. ORCHARD: Any contemplation of expansion of the grain services?

HON. J. PLOHMAN: Yes, Mr. Chairman, there's a possibility that we could be expanding there with the M.V. Charlie Sinclair, which is mothballed at this particular time, formerly used at Cross Lake and we're looking with the study at this time as to where it could be utilized and that is a possibility for next year.

MR. D. ORCHARD: Do any of those potential new locations require a dismantling and move of the ferry?

HON. J. PLOHMAN: Yes, that is a possibility and we have a consultant that is advising us on the possibilities and how it would best be achieved. That is the study that I was indicating is ongoing at this time.

MR. D. ORCHARD: Does that ferry have to be split if you move it?

HON. J. PLOHMAN: Mr. Chairman, I guess I would know about the same amount as the honourable member when it comes to splitting ferries or boats and moving them. I understand that it can be done. I haven't personally had the experience of doing it.

MR. D. ORCHARD: Pity.

MR. CHAIRMAN: 4.(e)(1) and 4.(e)(2) relating to Marine Services Salaries and Wages and Other Expenditures—pass; 4.(f)(1); 4.(f)(2) relating to Winter Roads 100 percent Provincial, and Shareable - the Member for Pembina.

MR. D. ORCHARD: Which winter roads are now shareable, the ones in the north end into Indian Lake, etc.?

HON. J. PLOHMAN: Mr. Chairman, the lower section, of course, were the ones that were shareable previously and we've added the northern ones to Cross Lake and Oxford House, God's Lake Narrows, Split Lake - not the ones at the very top. But the ones at Cross Lake,

Oxford House, God's Lake Narrows, have been approved for cost-sharing - a \$300,000 increase in the recoverables from the Federal Government.

MR. D. ORCHARD: So the only one you're 100 percent provincially funding now is the South Indian Lake winter road then, is it?

HON. J. PLOHMAN: Mr. Chairman, two of them, Split Lake, York Landing and South Bay to South Indian Lake.

MR. D. ORCHARD: Who's doing the contracting? Are you still having native construction companies do the contracting?

HON. J. PLOHMAN: Yes, in the southern area, Norwyn Construction has undertaken that work for the last number of years, a native construction company and that has continued this past year. I believe a number of the others are all community-owned undertakings.

MR. D. ORCHARD: You simply negotiate with them. You don't have any formal tendering. It's still negotiating band by band.

HON. J. PLOHMAN: Yes, that is the case and this year we were of course fortunate enough to be able to hold our dollars at the same level as last year.

MR. D. ORCHARD: Did any departmental equipment have to be used to get the roads through this year, with the thaw in February?

HON. J. PLOHMAN: There was a difficult season with the mild weather in February. There wasn't departmental equipment that was used but they did bring in some private contractors to assist us, but in Norwyn Construction section.

MR. D. ORCHARD: But not at any cost in addition to the government.

HON. J. PLOHMAN: There was an increase in some costs that we had to allow there for Norwyn that, as I recall, was cost-shared with the Federal Government, in the neighbourhood of \$64,000 total of approximately \$32,000 each share because of the extra assistance that was required to be brought in to get that road open, so that we could achieve what we did in terms of 95 percent to 100 percent of the requirements for fuels and so on, that were required in those communities be brought in.

MR. D. ORCHARD: You indicate 95 percent to 100 percent. Were there some things that some haul commodities, some freight commodities, that the entire requirement was not delivered on the winter roads? The question I am asking is, does there have to be any supplemental transportation by air?

HON. J. PLOHMAN: I guess when I used the figures 95 percent to 100 percent - there are always additional things that perhaps could be brought in but we exceeded the haul by a significant amount over last

year in both cases, both the north and the southerly communities there was a significant increase in the haul - this year in particular the north one over last year.

MR. CHAIRMAN: 4.(f)(1); 4.(f)(2) Winter Roads - 100 percent Provincial, Shareable—pass; 4.(g)(1); 4.(g)(2) - Other Jurisdictions - Gross Expenditures, Less: Recoverable from Other Appropriations - The Member for Pembina.

MR. D. ORCHARD: Could the Minister give us a breakdown of the Gross Expenditures and what they are? My memory fails me.

HON. J. PLOHMAN: Other Jurisdictions include Hydro, MTS, LGDs, municipalities, private parties and so on and it's credited to General Revenue, and that expenditure in '83-'84 was \$2,689,900.00. It's projected for 1984-'85 to be \$2,335,000.00. That's slightly less than the amount of work that we will be doing, and thus recovering from other jurisdictions.

MR. D. ORCHARD: Is the reduction amongst Crown corps., or where is the main reduction?

HON. J. PLOHMAN: It varies from year to year, of course, the kinds of work that has to be done depending on the circumstances and situations, but we would anticipate that Manitoba Hydro would be the area where there would be the largest reduction.

MR. D. ORCHARD: Is that because of the Jenpeg Road and that being in place?

HON. J. PLOHMAN: It would depend on the requirements that they have in a particular year, and the requirements for construction of roads is down from previous years.

MR. CHAIRMAN: 4.(g)(1), 4.(g)(2). Other Jurisdictions, Gross Expenditures, Less: Recoverable from Other Appropriations—pass.

Resolution No. 98: Resolved that there be granted to Her Majesty a sum not exceeding \$60,118,000 for Highways and Transportation, Maintenance, Highways and Airports, for the fiscal year ending the 31st day of March, 1985—pass.

Item No. 5.(a), 5.(b), 5.(c) Air/Radio Services, Salaries, Other Expenditures, Less: Recoverable from Other Appropriations.

MR. D. ORCHARD: Mr. Chairman, the Minister mentions in his introductory remark that fleet rationalization is currently under way. Could the Minister indicate what the fleet is now? I understand you added a Piper Chieftan, I think it was, I'm not familiar with the name of the plane, but for the Northern Court Service, primarily. How many planes have you got on staff and what does your rationalization involve?

HON. J. PLOHMAN: Yes, Mr. Chairman, the total number of aircraft is 15 and there are three CL-215 water bombers; 1 Cessna Citation; Piper Navajo Chieftan, Piper Aztec, one of each of those; Cessna

Skymaster, 1; de Havilland Otter, 2; Turbo Beavers, 5; and de Havilland Beaver, 1, for a total of 15.

Now, as I indicated in my introductory remarks, as the member referred to, we have a new manager in that area and one of his major undertakings will be to review the aircraft, as they exist now, in terms of the recoveries that we get from those aircraft and the utilization of those aircraft, and then make recommendations to us as to what aircraft we believe should be disposed of and what the additional requirements would be.

When he has completed that study he will be forwarding those recommendations to us and we will review them and, at that time, make the decision with the view to making those for next year's Estimates.

MR. D. ORCHARD: Mr. Chairman, the Minister has three water bombers, 215's; he's purchased one more, I guess, and agreed to lease another one. The purchase price I understand is right around \$6 million. Is that correct?

HON. J. PLOHMAN: I believe it is \$6 million, Mr. Chairman.

MR. D. ORCHARD: Mr. Chairman, on the lease end of it, I understand it's a 20-year lease. Is part of the agreement that the government maintain the lease for the 20 years and keep that plane in the air for 20 years?

HON. J. PLOHMAN: I will provide details of those arrangements, Mr. Chairman, as soon as I put them in perspective here.

The agreement is that Manitoba would purchase one and lease the other on \$1, on the condition, of course, that it does purchase. The aircraft that will be purchased by Canada is scheduled for delivery in May 1986 and Manitoba will be responsible for operating costs estimated to be about \$500,000 per year. The aircraft to be purchased by Manitoba is scheduled for delivery in April 1988. Manitoba has agreed to a prepayment schedule commencing 24 months prior to the delivery date based on a cost of \$6.1 million, this will be done over a number of years.

Now, terms of the number of years that it has to be kept in the air, that the honourable member referred to, something like 20 years, I don't have any specific knowledge of that being the case at this time. I could probably get more information in terms of the length of that agreement, in terms of any requirements of usage of it over a certain period of time, but that is not indicated in the information that I have at this time.

MR. D. ORCHARD: Mr. Chairman, the Minister has given us some very useful information. He's indicated that the Government of Canada is going to own the plane and he's got a dollar-a-year lease. The offset on it is that Manitoba purchase another plane for \$6.1 million and start paying for it two years before we get it. I think the most significant information the Minister has given us is two things; first of all, that it's about a half million dollars a year to operate that aircraft, the leased one that's coming at a dollar, but I would assume the Minister was the one that ended up signing that lease agreement unless the authorities changed.

I know I signed for the purchase of a couple of them back in '80 and '81. I find it difficult to understand how the Minister would not know how long they have to keep a plane operative at a cost estimated to be \$500,000 per year and he doesn't know whether they have to keep it operative for one year, two years or three years. The reason I toss out the figure of 20 years is because his colleague, the Minister of Natural Resources, indicated that it was a 20-year term on the lease aircraft.

Now, maybe I'm expecting too much but I would think the Minister whose department negotiated this lease and the purchase would at least have known how long he was committing the taxpayers of Manitoba to .5 million of expense per year. I find it almost unbelievable that the Minister wouldn't know that because I'll ask him a simple question. When the fifth plane comes in 1988 and is delivered, can the Minister then take his plane, that he's got leased for \$1.00 per year and leave it sit on the ground, transfer his crew to the plane he buys and will be delivered in 1988 and use only four planes? Is that in the contract with the Government of Canada?

HON. J. PLOHMAN: Mr. Chairman, the primary lead department in negotiating the lease was the Department of Natural Resources who will be utilizing the water bomber primarily.

In terms of the details, I could get the details. It has been some time since I signed that and I have to admit that I don't know the exact length of the lease and I don't expect that the honourable member would have had that information with him either. I don't have it with me at this time and I can get that information for the honourable member.

I can say that if the honourable member is suggesting that the costs of \$1.00 are exorbitant he could certainly say so. I think it's a good deal for Manitoba and we would certainly be able to utilize all of those water bombers at certain times to protect our forest reserves in Manitoba and I don't know what he's suggesting by referring to the \$500,000 cost to operate. Naturally there's a cost to operate and that was one of the conditions we agreed on when we entered into this contract with the Federal Government.

MR. D. ORCHARD: Mr. Chairman, you know the Minister, when he's got himself a little bit of a difficulty or a memory lapse or whatever, he makes stupid statements. I never mentioned one thing about \$1.00 a year. I asked him about \$500,000 per year and I asked him how long he was required to keep a leased aircraft operational at \$500,000 a year. He said it was a long time ago when he signed that Order-in-Council. Well, I have one here that says the purchase was passed December 21, 1984. It was Order-in-Council 1407. — (Interjection) — well, now, it must be 1983 then.

MR. CHAIRMAN: Order please.

MR. D. ORCHARD: Do you want to see it? Good.

In 1408 is the other one which deals with the lease. Now if those were passed in December, is the Minister telling me that he doesn't remember how long he committed the taxpayers of Manitoba to .5 million per

year cost? Does that kind of money mean nothing to the Minister, that he forgets, doesn't know, can't remember?

MR. CHAIRMAN: Can the Minister obtain that information?

HON. J. PLOHMAN: I've indicated that I would be pleased to get more details for the honourable member if he wishes to have that. As I indicated, the first plane is scheduled for delivery in 1986, so what the member is talking about in terms of expenditures will not be incurred until at least after that date. So we're talking at least . . .

MR. D. ORCHARD: So that made it easier to forget.

HON. J. PLOHMAN: . . . down the road and again, if the honourable member feels that those costs are exorbitant, I didn't make just reference to the \$1.00, I made reference to the \$500,000 which is an average operational cost for that kind of a plane and the activities that it would engage in in the protection of our forests. If he feels it is somehow a bad deal for Manitoba, he should say so. I don't think it is.

MR. D. ORCHARD: Mr. Chairman, I just want the Minister before he gets himself deeper into the glue. It's bad enough having a memory that doesn't remember how long he's going to spend \$500,000 per year on the people of Manitoba; but his colleague, the Minister of Natural Resources, in response to questioning this week, indicated the department had said that they could certainly use one more to bring the fleet up to four; but five, well that was maybe different; but seeing as how they could get it for \$1.00 a year, they took it. Maybe they didn't really completely need it, but because they were saving the capital costs, I assume they made the decision to go for it. That would make the next decision of .5 million operating cost a year very important to anybody who has any fiscal responsibility. So I look forward to finding out what kind of a deal this Minister signed on behalf of the people of Manitoba and has forgotten.

Now I would ask the Minister, and I may not be asking something that's within his competence because apparently the Natural Resources Department did the negotiating. But did the Minister have his department investigate the advisability of keeping the three existing water bombers' staff operational in house and take the Federal Government offer and farm it out to one of the private aircraft firms in Winnipeg and simply have those aircraft available on a demand usage at X number of dollars and avoid the fixed costs of crew, and maintenance crew, that are involved in owning and having those planes in house? Was that cost analysis done by the department's air division?

HON. J. PLOHMAN: Mr. Chairman, as I indicated the problem, if it is that that the honourable member is referring to, won't occur until after May, 1986 and there can be the staffing requirements that are required to operate the fleet as a whole, involving the three water bombers that we already own in addition to this one that will come on line in 1986 and another in 1988,

there's plenty of time to work out the details of staffing for the operation of these water bombers and that, of course, will be done in the most efficient way possible.

In addition to that, I might mention that the operating costs for our fleet that we currently maintain that we recover from other departments when they're being used, is somewhere in the neighbourhood of 45 percent which is of course of the cost, so it much less than the private sector would be able to offer any of these services. So we'd have to look at that as well in terms of whether we could get a better deal by having the private firm operate that plane for us and lease or pay a certain cost or fee for them operating it. That is certainly something that could be considered and will undoubtedly be looked at before we get to the point of having to actually get involved in the operation, since it is at least two years down the road.

MR. D. ORCHARD: Mr. Chairman, I appreciate the Minister's answer. It seems as if - and I don't want to put words in his mouth - he is thinking that maybe that is something they should take a look at, because it is something that we were going to take a look at. I don't think you have to have an ideological set of blinders on to say, well, if it involves the private sector and they're going to make a profit, we shouldn't do it. If it's an efficient way to own two more fire protection aircraft, then it should be investigated and you should have that kind of a cost analysis done so you can make an informed choice on how to handle those two additional aircraft.

I say that, based on the comments of the Minister of Natural Resources who said his department had found that there was a definite need for one additional water bomber, but not necessarily two additional ones. If the offer - and I don't think the Federal Government really cares who takes or where the \$1 lease aircraft goes as long as they've sold the one. The whole idea is to create employment in Canadair in Montreal.

A final question on that, Mr. Chairman. Could the Minister indicate whether the agreement that was struck, I believe in '80 or '81, whenever we bought the third one, I think it was, I forget now; but anyway we had an agreement with Canadair that certain portions of the tail section, I think it was, was to be manufactured in Winnipeg and I don't even know the name of the aircraft manufacturer. I can't remember who it was. The idea was that there was an initial set that were going to be done for a given run of aircraft and then if the production went up at Canadair then there would be another run-through and we'd get those. Now is that manufacturing offset still in place with this purchase of an additional aircraft?

HON. J. PLOHMAN: Mr. Chairman, I cannot give the exact details of that but I know that during the negotiations with the Federal Government on this issue, the Economic Development Department was very much involved in ensuring that we got as much benefit to Manitoba in the production of these planes as possible and any other spin-off benefits that there could be. That was a very important consideration of our government in undertaking those discussions.

Exactly what was finally agreed upon in terms of the benefits that Manitoba will get on that, I would have

to provide those details at a later time. But I can tell the member that we were very conscious of the need to do that and considered that in our discussions.

MR. D. ORCHARD: Thank you. Mr. Chairman, could the Minister - I don't imagine he has it here now - but could he provide us with an hours-flown-per-plane last year? The department keeps those and if he could just table one, that would be fine.

I have no further questions on this section, Mr. Chairman.

MR. CHAIRMAN: 5.(a), 5.(b) and 5.(c) relating to Air/Radio Services - Salaries, Other Expenditures, Less: Recoverable from Other Appropriations—pass.

Resolution No. 99: Resolved that there be granted to Her Majesty a sum not exceeding \$2,423,900 for Highways and Transportation, Air/Radio Services for the fiscal year ending the 31st day of March, 1985—pass.

The next item is Item 6. 6.(a)(1), 6.(a)(2) relating to Motor Vehicle Branch - Management Services: Salaries and Other Expenditures.

The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, there is a lumping of SMYs in (a), (b) and (c) on the Minister's handout sheet.

MR. CHAIRMAN: Do we want to consider all this together?

MR. D. ORCHARD: Well, my question will have to be because that's the way the information was given to me.

MR. CHAIRMAN: We will take them all together. 6.(a)(1), 6.(a)(2), 6.(b)(1), 6.(b)(2), 6.(c)(1), 6.(c)(2) Management Services: Salaries and Other Expenditures; (b), relating to Driver Licencing and Vehicle Registration: Salaries and Other Expenditures; (c) Safety: Salaries and Other Expenditures and there's a (d) too. We might as well take it.

MR. D. ORCHARD: No, we won't take that one, Mr. Chairman. That one's the good one.

When the Minister indicates that there's 1.11 SMY increase overall, (a), (b) and (c), are there any reductions in (a), (b) or (c) and additions in the other or has one of (a), (b) or (c) received 1.11 more SMYs?

HON. J. PLOHMAN: Mr. Chairman, there's an overall increase of 1.11, as the member has referred. This is attributable to the fourth vehicle inspection unit that was established this year. There's a requirement for 3.12 SYs for that fourth vehicle inspection unit and this was accomplished by only increasing by 1.11. There were 2.01 SYs that were reduced in this area. One regular position in the Driver Licencing section was vacant and eliminated and 1.01 SYs were removed that were term positions and used to support additional staffing requirements as required. Those 1.01 term SYs were reduced and, as I indicated, the one vacant in the Driver Licencing section; so both were vacant of course, so we end up with a net of 1.1 SY increase.

MR. D. ORCHARD: Mr. Chairman, the Minister has incorrectly described the additional vehicle inspection unit as "establishing" it - it's restoring it. It was established in 1980 or '81, was de-established last year and is now being re-established, preferably restored at the request, I might say, of a number of members in his backbench and government benches last year who were shocked that the department was cutting safety spending.

Mr. Chairman, when we're into Management Services, Other Expenditures are dropped down significantly. Is that because of the licence plates or what is the reason for Other Expenditures dropping?

HON. J. PLOHMAN: Mr. Chairman, that is the reallocation of administrative costs to the Manitoba Public Insurance Corporation, so that presently the Driver Licencing and Vehicle Registration and insurance are distributed on a formula basis, 45 percent by MPIC and 55 percent by the Motor Vehicle Branch, on a ratio basis.

I suppose that rather than having this ratio, which is not accurately reflected, the transactions that are conducted by each of the departments in the Manitoba Public Insurance Corporation and the Motor Vehicle Branch, that they be possibly reallocated on the basis of actual transactions made by each department, which would more accurately reflect the administration of those two areas. That will result, and I am sure the honourable member will be pleased to see that, in a reduction. It's unfortunate that he was not able to take some moves in this area when he was Minister. You see a reduction here and transfers to the Manitoba Public Insurance Corporation where they more appropriately belong, and we estimate them to be in the neighbourhood of \$2.7 million, \$2.8 million.

MR. D. ORCHARD: Mr. Chairman, what is the cost sharing now, then? What's the portion MPIC will be picking up and what's the portion that the Motor Vehicle Branch will be picking up?

HON. J. PLOHMAN: It is on a 45-55 ratio as I mentioned. Currently the Motor Vehicle Branch would pick up approximately \$8,430,700 under the proposed scheme, which would more accurately reflect the administration of these areas. The Motor Vehicle Branch would be paying \$5,638,700 and that's where the reduction of \$2,792,000 occurs.

In terms of the costs that the Manitoba Public Insurance Corporation picks up, we would have to do a little calculation here. The \$8,430,000 reflects 55 percent of those costs; so 45 percent would obviously be something less than the \$8 million that the Motor Vehicle Branch is currently picking up.

MR. D. ORCHARD: Mr. Chairman, the Minister is wise enough to know that it was 45-55. I am merely asking him is it 8-20 now; is it 75-25; is it 60-40? What's the percentage breakdown now?

HON. J. PLOHMAN: It won't be broken down on a ratio like that. It will reflect accurately the transactions that take place by each of the departments, and those exact figures have to be determined by the Department

of Finance. However, they are estimated at this time to be in the neighbourhood of \$2.8 million, a reduction for the Motor Vehicle Branch. If we want to set that up on a ratio basis, that could be worked out in percentage terms, but that's not the basis for sharing of costs in the future.

MR. D. ORCHARD: Mr. Chairman, the Minister demonstrated his newness in the House when he indicated, I believe, that when I was Minister I should have done something. If he only was smart enough to maybe listen instead of talk, he would have known that the 45-55 was established by our administration and I believe I was Minister when it happened. What it did was, in terms of staff negotiations with Mr. Peter Dygala at the time representing Motor Vehicle Branch, and with the former general manager of MPIC, they established a breakdown of 45-55, which I believe replaced a 20-80 sharing, where 20 percent of the cost was picked up by MPIC and 80 percent was picked up by Motor Vehicle Branch.

Mr. Chairman, it's interesting that this Minister is so proud of this, because I am surprised that they got this spy, a former MLA for St. Johns, Saul Cherniack, because when we brought in what was considered on the criterion that they negotiated to be an equitable sharing of 45-55, there was the greatest amount of screaming and crying and howling from the then opposition members in the New Democratic Party, that we were raping Manitoba Public Insurance Corporation, that we were just causing untold additional costs that weren't justified, that weren't warranted, that we were going to throw the costs of insurance up because of this terrible cost formula that we brought in. The argument always was, Mr. Chairman, that MPIC's rates were lower because they were being subsidized from the Motor Vehicle Branch, and we rectified that.

Now it's interesting that we now have a New Democratic Government who, two-and-a-half short years ago, screamed and hollered about bringing in equitable sharing and charging their beloved Autopac more, now coming up with a system where they are going to take \$2.8 million additional out of MPIC according to some formula that they say is reasonable and legitimate, presumably. — (Interjection) — That's right, the Minister cannot tell us what the formula is, or what the percentage breakdown or what the cost sharing is going to be, but it's going to be \$2.8 million.

I find it absolutely intriguing to see the change of heart in the New Democratic Party from the days of Saul Cherniack in opposition bemoaning an equitable sharing that we brought in to the stage today where the New Democratic Government all of a sudden is so desperate for cash and for money and to try to save dollars and reduce their deficit, that now they are foisting additional costs on MPIC. They are the ones that are raping Autopac and the vehicle insurers of Manitoba. What a difference a little bit of financial trouble makes to these people. I suppose it boils down to what my colleague, the MLA for Fort Garry said in his speech back about 10 days ago - that famous line from the movie - "Who are these guys?"

These New Democrats are not the New Democrats that defended Autopac to the hilt, that said we were going to ruin Autopac by bringing in a 45-55 sharing,

and now they are pulling \$2.8 million to keep the operating deficit of the government down to what they call acceptable levels while transferring the costs to the driving public of Manitoba. This is some gang of tricksters, shifters and characters that can change like chameleons with the times. It's absolutely incredible, Mr. Chairman, and it boils down to what the MLA for Fort Garry said, is these people are without principle, they don't stand behind one principle for Autopac, whether they're in government or opposition. Their principles can be bent like silly putty.

If they decide they have to show in their Budget that they're operating deficit is down they'll go to the Crown corps, Autopac, they'll pull \$2.8 million out to bring down the operating deficit. They will fabricate any reason possible to justify it. But I only ask the Minister of Highways now, in his newness to this House, to go back and read some of the famous moaning and crying speeches of Saul Cherniack and the criticism we took for bringing in the cost-sharing formula which now this Minister has abandoned and is taking \$2.8 million more out of the driving public of Manitoba.

I find these people almost laughable and almost a joke. It's incredible, Mr. Chairman.

HON. J. PLOHMAN: Yes, Mr. Chairman, I'd be pleased to address some of the issues that were raised by the member if he'd care to listen. Naturally when MPIC was first established in was in its infancy and there was a need to make sure that the administrative costs were as low as possible to establish the public insurance corporation, to get it off the ground. That was a natural thing to have happen, however, when Mr. Cherniack would have been referring to a concern that he had about the sharing of administrative costs at that time, that the honourable member is referring to when he was in government, he has to remember that this should be put in perspective. There was a Government of the Day in this province dedicated to the destruction of the Manitoba Public Insurance Corporation. It was their stated intention and so there was much reason to be suspicious of that government and what they were doing.

However our government, our party is the one who established a very successful public corporation for insurance in this province and, of course, everyone is fully aware that it wouldn't be us that would want to every dismantle a company like this, like his government and his leader at that time was set on doing, until it was proven otherwise, so the concerns were very real. The concerns were very real and let the honourable member say it's a lie and let them defend the public corporation; let them defend Autopac at this time, I'd be glad to hear it.

However I will say to them . . .

MR. CHAIRMAN: Order please. The Minister has the floor, the member has had his turn.

Point of order.

MR. D. ORCHARD: Mr. Chairman, on a point of order. Would you ask the Minister to withdraw his unparliamentary word, and I'm not going to repeat it because it's unparliamentary and I don't like using unparliamentary words.

MR. CHAIRMAN: I have heard at least two words that the member had used which I ignored.

MR. D. ORCHARD: Now the Chairman can ignore when the Minister is using unparliamentary language, is that what you're telling us, Mr. Chairman.

MR. CHAIRMAN: No, I'm not ignoring it.

MR. D. ORCHARD: Then will you ask him to withdraw unparliamentary language please?

MR. CHAIRMAN: Which one?

MR. D. ORCHARD: At the risk of being unparliamentary he said, it was a lie. Is that unparliamentary, Mr. Chairman? Would you ask him to withdraw it please?

MR. CHAIRMAN: The word "lie" appears on both lists, both parliamentary and unparliamentary, it depends on the context.

MR. D. ORCHARD: Mr. Chairman, on the point of order, will you check Hansard and the context with which the Minister used "lie" when Hansard comes out and then make a decision as to whether it was parliamentary or not?

HON. J. PLOHMAN: Mr. Chairman, on the point of order.

MR. CHAIRMAN: Point of order - the Honourable Minister.

HON. J. PLOHMAN: The Honourable Member for Sturgeon Creek was the one that made reference to a lie saying that what I was saying was a lie. That was my reference and I certainly didn't use it in the context of calling anybody else a liar.

I want to finish my remarks on this issue very briefly. The honourable member, as I said, Mr. Cherniack and the opposition of the day have every reason to be concerned about the intentions of the previous government with regard to Autopac and there's no doubt about that. In addition, I want to point out that we are not proposing that MPIC in any way be subsidized by the Motor Vehicle Branch. That is not what is being proposed here, only that each branch of government, MPIC and the Motor Vehicle Branch, pick up their costs that are incurred in administration for the transactions that they undertake. That is all that is being proposed here and if the honorable member is suggesting, in his comments, that we are asking the MPIC to subsidize the Motor Vehicle Branch then he should make that statement on the record; that is not the case.

MR. D. ORCHARD: Mr. Chairman, I will quote from the Minister's opening statement. It says, "in addition, MPIC will be required to absorb a greater share of administration costs." Not my words, his.

Mr. Chairman, can the Minister indicate whether, when this new cost sharing which pulls \$2.8 million more out of Autopac, will that influence the insurance rates of the Manitoba driving public?

HON. J. PLOHMAN: I don't have any reason to believe that they will effect the insurance rates, Mr. Chairman.

MR. D. ORCHARD: Well, Mr. Chairman, the Minister is saying that this \$2.8 million of additional costs that MPIC is going to pay is not going to impact on the licence and insurance rates to Manitoba motorists offered by Autopac.

HON. J. PLOHMAN: Mr. Chairman, I think the honourable member is aware that Autopac is in a healthy financial situation at this time and that will not be a situation that will effect negatively the insurance rates.

I might mention, as I have indicated previously, that MPIC is just being asked to assume those administrative costs that are legitimately theirs. So, therefore, if the honourable member is suggesting that the Motor Vehicle Branch should be subsidizing the Manitoba Public Insurance Corporation forever then that's fine, that's his statement. We feel that they should be equally distributed at this time when MPIC is financially able to do that.

MR. D. ORCHARD: Okay. Mr. Chairman, I think the Minister finally got down to it. He said, Autopac's healthy and, in fact, the government is not healthy so, therefore, this is the time to pull the money out of Autopac and put it into an unhealthy government. That's what the Minister just said.

HON. J. PLOHMAN: I did not say that. On a point of order, I did not say that.

MR. CHAIRMAN: For clarification on the record, the unparliamentary word was not used by the Minister, it was used by the Member for Sturgeon Creek.

MR. D. ORCHARD: Oh, Mr. Chairman, you're saying that the Minister did not use that word on the record. Are you saying that, Mr. Chairman?

MR. CHAIRMAN: You can check the record.

MR. D. ORCHARD: Thank you, please do.

A MEMBER: No he said you can.

MR. D. ORCHARD: No, he will, he's the Chairman, that's what we're paying him for.

Mr. Chairman, the Minister has got down to really the nuts and bolts of it, Autopac's healthy. He's trying to tell us it's not going to have any impact on the rates. If it doesn't have any impact on the rates then this extra \$2.8 million is going to reduce the profits, the net income. Is that right? Would that be a fair assumption?

HON. J. PLOHMAN: Mr. Chairman, I'd ask the honourable member to repeat that suggestion.

MR. D. ORCHARD: Mr. Chairman, I didn't make a suggestion to the Minister, I was asking him a question. He has a little difficulty discerning between the two sometimes. The Minister said that this \$2.8 million, in

additional cost to Autopac, will not effect the insurance rates in Manitoba because Autopac is healthy. I ask him, will it lower Autopac's profit?

HON. J. PLOHMAN: Well, Mr. Chairman . . .

A MEMBER: I thought we were discussing Highways.

HON. J. PLOHMAN: Yes, we are not discussing the Manitoba Public Insurance Corporation here, and that's what he's asking me to speculate on. What we are proposing is that the Manitoba Public Insurance Corporation pick up its share of administrative costs, that's all. That is an acceptable method of any company operating. So, I would say to the honourable member that it's not my place to comment on what it will do to the Manitoba Public Insurance Corporation. Certainly the rates are the lowest in Canada. People have benefited from the Public Insurance Corporation here in Manitoba over the last 10 or 12 years and certainly they will continue to benefit with the lowest rates in Canada. I'm sure that will be the case. If at some time there need to be increases by the corporation, they will make those decisions.

MR. D. ORCHARD: Mr. Chairman, if I follow the Minister's answer, it isn't going to impact on insurance fees charged to Manitoba motorists. It isn't going to impact on the net income. This sounds so good it can't be true. Could the Minister find not only \$2.8 million but about \$480 million that he can pluck out of the air like this that won't affect anybody, anywhere in Manitoba and eliminate the deficit, because this is a money tree. He can just go along and pick \$2.8 million out of Autopac. — (Interjection) — my friend, we are discussing highways. We're discussing highways from the standpoint that this boy and your government is taking money out of Autopac and he says it's not going to have any impact. It's interesting that this Minister now has found a money tree called Autopac. This is incredible.

MR. CHAIRMAN: Order please. There are certain rules of relevancy that we have to follow. Under Rule 30 of our rules: "Speeches shall be direct to the question under consideration . . ." Under Rule 64.(2), "Speeches in the Committee of the Whole House must be strictly relevant to the item or clause under discussions." Under Rule 39, the Chairman of the committee may call the attention of the committee to the conduct of the member who persists in irrelevance or repetition, may direct him to discontinue his speech. These are some of the rules.

Mr. Minister.

HON. J. PLOHMAN: Mr. Chairman, as relevant as I could be to the subject at this time with the comments of the honourable member, I know that it is very annoying for him and his colleagues to see a healthy Manitoba Public Insurance Corporation, something that they, of course, would never have predicted when it was formed here in Manitoba and that does irk them and bother them, but it has been successful and that is the case.

I would just ask the honourable member - and he'll say, well, I'm the one that's supposed to answer the

questions - is he suggesting that the Motor Vehicle Branch and the government, Department of Highways, should be subsidizing the Manitoba Public Insurance Corporation at this point?

MR. CHAIRMAN: The question should be directed to the Minister, not the Minister asking the question. It's a rhetorical question, I suppose.

The Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, in response to the rhetorical question, I just find that this Minister and this government are frauds because here they are, they're taking an entire reverse position from three years ago where . . .

MR. CHAIRMAN: Point of order being raised. If the member would like the other members of the committee to retract their words he might as well provide example by retracting his own word.

MR. D. ORCHARD: I will if it's unparliamentary, Mr. Chairman.

MR. CHAIRMAN: It is.

MR. D. ORCHARD: Is it not on both lists, Mr. Chairman? It wasn't me that mentioned two lists.

MR. CHAIRMAN: It's on both lists. It depends on the context.

MR. D. ORCHARD: You're right, Mr. Chairman.

MR. CHAIRMAN: So as long as we stay civilized and orderly and define the context. The Member for Pembina.

MR. D. ORCHARD: Right. Thank you. I just find the actions of this government to be very very strange. Autopac is healthy, the government's not healthy. They pull \$2.8 million out of it. Next year, if the government still isn't healthy, maybe they'll pull \$5 million out of Autopac. Who knows? They might pull the entire \$8.5 million of administrative costs. Autopac has now become this government's money tree that bails them out of problems. — (Interjection) — Your money tree. Saul Cherniak will be proud.

MR. CHAIRMAN: Okay, let's pass this then, if you want to finish tonight.

MR. D. ORCHARD: Are you going to pass (a)(1) and (2)?

MR. CHAIRMAN: 6.(a)(1), 6.(a)(2) relating to Management Services: Motor Vehicle Branch - Salaries and Other Expenditures—pass; 6.(b)(1), 6.(b)(2) Driver Licencing and Vehicle Registration: Salaries and Other Expenditures—pass.

The Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Chairman. The Minister indicates there is no change in staffing, if I remember correctly, in the Driver Licencing. But there

have been a number of people from the Steinbach area, from Winnipeg, that are complaining about lineups for driver testing. Has the Minister received any complaints?

HON. J. PLOHMAN: Mr. Chairman, I have on occasion received some complaints in that regard as to the fact that people have felt they've had to wait in line for driver testing and as I understand the situation, there are times when, in order to make most efficient use of staff, that appointments are taken. There are also periods when additional appointments are made or when people can come in to take tests that aren't on appointment because some people do not show up at appointment time or are finished sooner than would have been anticipated and so others are scheduled, and that, at times, does lead to some bottlenecks in that area. However, it has been an area that we have expressed concern about when the complaints were received and I believe that it is functioning relatively smoothly at this time. There can always be improvements made, but it is not on the basis of staff reduction, but a desire to utilize staff in the most efficient way possible.

MR. D. ORCHARD: If we get complaints, the advice we can give to people wanting a driver test is to make an appointment, and is that system in place in Winnipeg as well as in all of the driver testing areas in rural Manitoba?

HON. J. PLOHMAN: Yes, Mr. Chairman, that is the case.

MR. D. ORCHARD: So, once they make the appointment for 10 in the morning or whatever, it's their job to be there, and is that appointment guaranteed? There is no way that they're going to come there and find out that they're out of luck?

MR. CHAIRMAN: There are certain things that are not within the control of the Minister to guarantee.
Mr. Minister.

HON. J. PLOHMAN: Well, that certainly would be the intention that appointments would be kept promptly by both parties. Of course, we all realize that whenever appointments are made, as the honourable member would realize or even at this time when he makes appointments, sometimes meetings run longer than he had planned. It happens in other public offices in areas of appointments for professionals, doctors, dentists, lawyers and so on. Sometimes it doesn't happen that the appointment is kept right on time. We would hope that that would be the case and make every effort to make that the case.

MR. D. ORCHARD: Well, Mr. Chairman, I am not expecting the Minister to sign in blood an agreement that if an appointment at 10:00 o'clock is made that it's going to always be kept, because there are extenuating circumstances, but that is the route to take throughout all of Manitoba now.

HON. J. PLOHMAN: Yes, Mr. Chairman, that is the system that we would like to promote.

MR. CHAIRMAN: 6.(b)(1).

MR. D. ORCHARD: Mr. Chairman, are driver licence fees going up this year?

HON. J. PLOHMAN: Not licence fees, no.

MR. D. ORCHARD: Are the costs of driver licences going up?

HON. J. PLOHMAN: Not licences or licence fees. There's no increase in that.

MR. D. ORCHARD: Did the minister indicate how we go from \$3,199,000 in drivers licences in the fiscal year ending '84 up to \$4,686,200 fiscal '85, a 46.5 percent increase in revenue if there's no increase in the fees?

HON. J. PLOHMAN: I would just like to ask the honourable member to the section that he is referring to, so that I can make reference to it.

MR. D. ORCHARD: Detailed estimate of revenue of the Province of Manitoba for the fiscal year ending March 31, 1985, Page 4, Highways and Transportation, (b).

HON. J. PLOHMAN: I would like to, Mr. Chairman, look at this further to give a definitive answer, however, the one area is that the drivers licences were equalized last year. The female licences were increased to be equal to male licences. They're all treated equally and I know that a number of our members are very adamant that be the case, and we felt it was reasonable and it was the case. That did result in some significant increase in revenue which was not reflected completely in the previous year's income, but will be reflected in a full year this year.

MR. D. ORCHARD: Unless there are no other questions, that one could pass, Mr. Chairman.

MR. CHAIRMAN: 6.(b)(1)—pass, 6.(b)(2)—pass. Relating to Driver Licencing and Vehicle Registration, Salaries and Other Expenditures.

6.(c)(1), 6.(c)(2), Safety, Salaries and Other Expenditures—pass.

MR. D. ORCHARD: Mr. Chairman, under the Driver Education Program, the Minister has indicated in his statement that its cost will be substantially funded by MPIC.

Is this where the Driver Education Program expenditures are located?

HON. J. PLOHMAN: Driver Education, yes, it's included in this section.

MR. D. ORCHARD: Okay, if MPIC is picking up a substantial amount of funding, is the reason for the increase in expenditures that are being budgeted because the Driver Ed. Program that 15-and-a-half year learner licences have been expanded to more school divisions and more students are going to take advantage of it?

HON. J. PLOHMAN: Yes, there's an increase in numbers also in the fact that there will be reduction in the cost to the student from approximately \$43. down to \$30.00. That will enable more students to be able to participate in this very important program. Of course, MPIC will be paying a major portion of the costs, however, they cannot forward that money directly to the Motor Vehicle Branch or to the Department of Highways and ask to go into general revenues, so we had to include the amounts that are required for the program in our budget. So it did not affect the reduction in our budget, however, there will be revenues from MPIC to reflect the cost that they will be picking up for the driver training program. There is a very significant reason, an important reason, why that has been undertaken. I'm sure the honourable member appreciates that better trained drivers result in much fewer accidents, and therefore fewer pay outs by the insurance company and they are the prime beneficiaries of such a driver training program.

MR. D. ORCHARD: I concur completely with the Minister, that's why I brought in the program.

Mr. Chairman, this is where you're bring on your additional vehicle inspection unit?

HON. J. PLOHMAN: Yes.

MR. D. ORCHARD: Is the Minister bringing in any heavy truck critical item inspection program?

HON. J. PLOHMAN: Yes, Mr. Chairman, I understand that the program was in place two years ago, was not done this past year, but will be reintroduced this year.

MR. D. ORCHARD: Here, here, Mr. Chairman, I'm glad they brought that back in that they cut last year.

That item could pass, Mr. Chairman, unless there are other questions.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Yes, I'd like to ask the Minister when the government's going to be proclaiming the section of the act which will require all used vehicles to have safety certificates? I understand there's something like 200,000 to 300,000 forms lying in the basement at the Motor Vehicle Branch which have been printed and been paid for and everything, and they're just lying there waiting for the government to pass the section of the act which will require all vehicles, all used vehicles, to have safety certificates.

Right now the only people that are forced to issue safety certificates are automobile dealers who represent what? - something like 50 percent of all used vehicles sold and 50 percent of all vehicles in the Province of Manitoba that are sold, used vehicles, never have to go through any safety net at all. What has happened here is we've got a double standard that has developed over the years. I will readily say, Sir, before anybody accuses me of having a vested interest in it, that having been in the business all my life and knowing some of the difficulties that successive governments have had in dealing with this issue, but it is one of safety because we've got cars coming out that have been repaired by

Autopac, that have been sold by Autopac, repaired in the back yard and never have to have a safety certificate. If we're talking about safety in this province, this is something, I know as agonizing that it might be for the government, but this is something that is going to have to happen because the way it is right now it's a farce.

HON. J. PLOHMAN: Mr. Chairman, I'm pleased to see that the Honourable Member for La Verendrye has expressed the fact that it was agonizing because I know that in June 1981, there was a move to proceed with this under the previous government. However, they determined that it was not the best time to do it at that time and put it back on the shelf in June 1981. I wouldn't want to speculate as to why they would have done that. However we have discussed this with the Motor Dealers Association in Manitoba, they've made me aware of the same concerns that the honourable member has expressed. I agree that there is a safety factor here that we're concerned with and I would like to look at this further, and am looking at that at this particular time. However we have to consider the kind of communications program that would have to be in place in order that that could proceed and those kinds of issues have to be developed and discussed further by caucus and by our government before we would proceed.

The honourable member is quite right that there is only a small percentage of the vehicles at this time that are sold, used vehicles that are sold under the Safety Certificate Program, being the dealers of course. We want to look at that very closely in terms of how it could be implemented. I know that's why it wasn't proclaimed originally. I'm sure the honourable member could verify that and we have to consider that very closely.

MR. CHAIRMAN: 6.(c)(1); 6.(c)(2) Safety - Salaries and Other Expenditures—pass.

6.(d)(1); 6.(d)(2) - Highway Traffic Board, Motor Transport Board, Taxicab Board and Licence Suspension Appeal Board - Salaries and Other Expenditures - the Member for Pembina.

MR. D. ORCHARD: Mr. Chairman, it's with some sadness that I want to acknowledge the contribution to the Motor Transport Board by the past Chairman, Mr. John Kinley. I think the transportation industry and certainly the Government of Manitoba and indeed the transportation industry across Canada lost a very innovative and understanding and knowledgeable person in the trucking industry in the passing of John Kinley and I certainly want to, on behalf of my leader and the caucus members who are associated with him, give our regrets to his family and thank him for the efforts that he put in in serving the department, the Motor Transport Board and the Province of Manitoba so well on both the national and the international scene.

HON. J. PLOHMAN: Mr. Chairman, in reference to that, I appreciate hearing those words from the honourable member. I'll let him know that our government and our department felt as well the loss of Mr. Kinley.

MR. D. ORCHARD: Mr. Chairman, the Minister indicated earlier on that there were two SMYs

transferred from, I believe, traffic inspection and placed with the appropriation 6.(d) here. There is still a decrease of 5 SMYs; could the Minister indicate what type of staff reductions are taking place in this?

HON. J. PLOHMAN: Yes, Mr. Chairman, there were three vacant SYs that were clerical, stenographical, secretarial positions that were eliminated. As well two SYs that were filled were transferred or redeployed. One incumbent was redeployed to traffic inspection, that was to a vacant position that was there. That was one of the taxi cab inspectors that were associated with the taxi cab board.

I should say, first of all the three SYs that are referred to were dealing with the Motor Transport Board and the one was with the taxi cab board and that was one of the inspectors that was redeployed. From the Licence Suspension Appeal Board one incumbent redeployed to driver testing, to a vacant position that was there.

A system study was undertaken for the board's last year and it seems to indicate that there could be room for reductions in that area. These positions were vacant and pending any outcomes of our task force and review of regulations and so on that may entail additional work at a future time, we would deal with that situation at that time. At this particular time it is felt that these could be eliminated.

MR. D. ORCHARD: Mr. Chairman, could the Minister indicate the carrying backlog before the Motor Transport Board, the length of time it takes to be heard before the board?

HON. J. PLOHMAN: Well one of the reasons, Mr. Chairman, that we want to streamline regulation processing in this province of course, as the member is aware, is because of the complexity and difficulty in enforcing and following up on requests from the trucking industry for authorities and licences and certificates and so on. It has been difficult for the board to maintain its workload current and I believe at the present time with the complications of a changing Chairman of the Board, the passing of John Kinley as well, that there is a backlog in the neighbourhood of four to six months. That is of concern to us.

However, I wouldn't attribute it to the clerical end of the operation.

MR. D. ORCHARD: What's the backlog behind the Licence Suspension Appeal Board?

HON. J. PLOHMAN: The Licence Suspension Appeal Board is not in a backlog position - there is approximately three week turnaround time there.

MR. D. ORCHARD: Mr. Chairman, in the Minister's opening remarks he indicated that the Taxi Cab Board will be responsible for regulating privately-owned commercial HandiVans. Will this regulation of the HandiVans have any impact on the rates the commercial HandiVans will be charging to their clientele?

HON. J. PLOHMAN: Mr. Chairman, once that is fully in place and the regulations and guidelines have been put in place in consultation with the industry, which I

might add were very favourable to such a move, we would know exactly how it would affect rates, but I anticipate that in certain instances certainly it would affect the rates. There are instances of very high, exorbitant charges being made and these would obviously be levelled out. I think there would be benefits obviously to the handicapped community, the users of the systems, and result in lower fares or at least stabilize fares.

MR. D. ORCHARD: With the exception of course of the chairman of the Motor Transport Board, are all the board positions filled?

HON. J. PLOHMAN: Yes, except for one position in the Licence Suspension Appeal Board.

MR. D. ORCHARD: Has the Minister got a candidate list, a short list for chairman of the Motor Transport Board?

HON. J. PLOHMAN: We have interviewed a number of people. We haven't - I guess you could call that a short list - made any final decisions on that at this time. We have solicited recommendations from the Trucking Association, for example, and we have not been able to complete those interviews at this time. So I wouldn't want to speculate on that short list; but we are cognizant of the fact that we should be putting in place a full-time, permanent - I guess I wouldn't say permanent, because that depends on government's decisions, but a person in that position and we're anxious to have that person filled and working as quickly as we can to do that.

In the meantime, of course, Bud Ramsay, is acting as the chairman.

MR. D. ORCHARD: Mr. Chairman, is the Minister looking - the last two chairmen, Mr. Kinley, Mr. Mackling and an interim chairman that was appointed for the — (Interjection) — no, we had Judge Charlie - a judge from the Manitoba Court system. The name just slips my mind right now, but basically, yes, Judge Charlie Rubin was chairman for about six or seven months whilst we didn't have a permanent chairman. Is the Minister, with primarily people of legal background, is that the sort of candidate the Minister is looking for, the government is looking for, for the chairman of the board, someone with a lawyer's background like the last three chairman have had?

HON. J. PLOHMAN: Mr. Chairman, that is I believe definitely an asset and a primary consideration that we would have someone with a legal background, although it's not exclusively limited to that, but that is an important consideration because of the nature of the operations of the Transport Board, realizing of course that we need to have a person that understands the trucking industry as well. So it is a combination that is difficult to find because of the nature of the demands of the job as I'm sure the honourable member appreciates. But that legal background, as I think the honourable member would agree, is very important for this position but we're not limiting our search to lawyers.

MR. D. ORCHARD: Mr. Chairman, that's right. We didn't necessarily limit our choice to lawyers either, but we

found that was very preferable, very desirable, and I think if there's one thing that the industry is interested in it's having a chairman of some stability. Mr. Mackling stayed on for a couple of years after governments changed, as did Mr. Kinley, and there have been names bounced around in the grapevine of the trucking industry.

Mr. Burtiak's name has come up from time to time. I don't know whether that's a name to be considered on the short list, but from my understanding of the operation of the Motor Transport Board, and of course that could change pending what the government does with their regulation review. But if I could offer some advice to the Minister, there are appointments that can be to boards that are made for political purposes and everyone accepts that, but there are also some boards like municipal, etc., etc., where there are legal aspects, technical aspects and a continuity that's desirable.

I think the Minister will agree that, for instance, the vice-chairman, Bud Ramsay's been there for a number of years, he would be a good chairman, but he isn't interested in that kind of workload, at least unless he's changed, since he had the opportunity.

If I could offer the Minister some gratuitous advice, that isn't necessarily one of the places, and I'm quite sure that they're not contemplating it or else they would have maybe filled the position already. It isn't a place necessarily to use the partisan appointment route because that industry needs something that's reasonably stable and isn't subject to the whims of change in government, etc., etc. I know the decision isn't going to be easy because we spent some time after Mr. Mackling left, I think probably eight months or so, before we ended up getting Mr. Kinley on staff as the chairman and it's for those kinds of considerations that were in Mr. Kinley's mind, there's no question about it, when he took the job on. I just offer those comments, Mr. Chairman.

MR. CHAIRMAN: 6(d)(1)—pass?

MR. D. ORCHARD: Mr. Chairman, before we through, there's a couple of other areas. I don't want to take too much more time tonight, but how close is he to making some decisions on the motor truck regulation?

HON. J. PLOHMAN: Our current timetable is that we would be in a position to introduce any legislative requirements for the next Session of the next sitting. However, at this time what we are expecting is a report from the task force that we would want to use as a basis for a further discussion with the industry and with various interested groups to be able to get their reaction to the kinds of points and changes that are being contemplated that would be suggested, so that we would be able to determine the reaction and then from there put together a position, paper that would reflect our views. So we're at the stage now where we want to go back out and discuss some of the major issues that would have to be resolved as a result of the first rounds of consultation.

I know the honourable member is aware of the complexity of the issues that face that area and we want to move slowly so that we have considered the opinions and concerns of all of those affected by any

such changes that would be contemplated. We are working in that fashion rather than any desire to push forward without the kind of consultation that is necessary with the effected facets of the industry, not only in the trucking business but shippers and carriers in the public as well.

MR. D. ORCHARD: Then I take it, Mr. Chairman, that the next step is a position paper or policy paper or White Paper, whatever you want, so that there can be another round of fine-tuning of opinion on how the change is . . . The government is going to offer, for lack of a better word, a target proposal that they may well put into action for further discussion.

HON. J. PLOHMAN: We wouldn't be at the stage where we would have a White Paper or a paper that would reflect the government's position. We want to first have the report from the task force that would then go forward for consultation, and from that we would put our position forward and we perhaps would even have it. It doesn't have to take a long time, as the member would appreciate if we could, with the contracts that we have with those various organizations, have consultation with them at that point as well. So we are probably looking at two more rounds of consultation; one on the basis of the report and one on the basis of a position paper that would reflect the government's position at that point before going into legislative and regulatory changes that would be necessary. As I said, the timetable is such that we would like to be ready to do that for the next Session.

MR. D. ORCHARD: Mr. Chairman, the initial report drew some alarm from rural Manitoba. The former Minister, the MLA for Lac Du Bonnet, when broached with the subject, indicated that it would not be his intention to implement any changes which would deprive the farm truck licensing category and purple fuel provisions. I take it this Minister has carried on with that policy agreement for the former Minister?

HON. J. PLOHMAN: Mr. Chairman, yes, that is the case. As a matter of fact, we have advised the task force that that is not part of the terms of reference. There were just some positions put forward, hypothesis put forward, that did not reflect any positions but certainly for discussion purposes that were put forward. We have indicated in announcements since that time, as well as through letters that I have sent to interested parties, and I am sure the members are aware of those, that we do not intend to effect any changes that will affect the vast majority of farmers as it applies to the use of purple fuel and their licensing for their farm trucks.

MR. CHAIRMAN: 6(d)(1) . . .

MR. D. ORCHARD: Mr. Chairman, I don't want to prolong this debate.

MR. CHAIRMAN: That's what you are doing.

MR. D. ORCHARD: Yes, Mr. Chairman, and it's unfortunate that we may want to do that when we are spending \$200 million.

MR. CHAIRMAN: I don't mind.

MR. D. ORCHARD: Thank you. The Minister offered the one comment there, and I am not going to get into a back and forth argument with him. There is lots of time to do that.

I think, from the tenor of the report, semitrailers, tractor trailer units licensed as farm trucks appear to be maybe one of those ones that may have some changes put to them. I just want to offer the Minister a couple of observations on that. I am not saying anything that he doesn't know and everybody else doesn't know. There are farm licensed grain trailers that are hauling commercial traffic, no question; but there are also a lot of farm licensed semis that have got flat decks that are hauling around bales. That's the up and coming way of hauling hay. So next time the Minister meets with his task force, I hope he conveys that to them because if you make a blanket attack on farm licensed semis, you are going to hurt some considerable, legitimate farm use and I wouldn't want to see that happen.

HON. J. PLOHMAN: We would be very cognizant of those considerations, Mr. Chairman.

MR. D. ORCHARD: One final item before we . . .

MR. CHAIRMAN: The Member for Pembina, this is the final item, he says.

MR. D. ORCHARD: It might be, Mr. Chairman. It might well be. It depends whether Mr. Harapiak gets into the fight here tonight yet or not.

There have been concerns over tag axles regulations. They are apparently going to be, by an interpretation of the regulation, phased out by 1987. Is that a legitimate assumption?

HON. J. PLOHMAN: That was the stated policy by the previous Minister in 1982 and we are working on that same timetable. We are aware that there is some confusion over that, and some concern, and want to clarify that position in terms of exactly what the requirements will be for those people who currently own tag axle trucks, and we will be doing that very shortly.

One of the considerations that we have to look at is the elimination of the ability to move the axle from inside the cab. That is one of the changes that will be reflected in that policy. There will be some other considerations that will - and I don't have the exact details at this time - but what they will do is to ensure that there is even distribution of the weight so that they are not in fact, as someone has termed it, cheater axles where they really are not bearing their share of the weight and thus doing damage to the roads in our province. We have to look further at what kinds of alterations could be made and could be allowed and yet still meet the requirements. We are looking at that now, but the policy is such that they will not be allowed after 1987 in their present form.

MR. D. ORCHARD: Mr. Chairman, I think this is an area that the Minister might want to consider moving

on rather rapidly, and if I could offer him some suggestions, I would like to.

Right now, Mr. Chairman, with the current abandonment coming up in 1987, these tag axle trucks at farm sales and anywhere are selling for roughly half what they were just four months ago even. Now, we have made some regulatory changes back between '77 and '81. One, I remember, was on wide steering axle tires that were ballooned, carrying more weight on the front axle when the chassis wasn't designed for it. We brought in a new regulation which prevented further conversions, but we grandfathered the balance of them, I believe, as long as they were on the road. I may be wrong but I think that was how we grandfathered them because people had sizeable investments in place. So I would offer the suggestion to the Minister that we do the same thing with these lift tag axles.

I know the department has always got a concern and they are sort of like mother hens in a lot of ways, these engineers in the Highways Department, because their ideal is to build a nice road and then keep everybody off it so it never gets hurt. That's maybe a — (Interjection) — Mr. Chairman, I don't say that with anybody in mind, but that was always kind of an attitude I got when I was talking to senior management and others in the department. But at any rate, Mr. Chairman, it's my understanding that these tag axles have roughly a 60-40 distribution by and large so that you haven't got your 50-50 split in weight. The cheater axles that are located up front, I have no objection to having those gone because they were just like that, as you say, a cheater axle, they didn't carry any weight. But if you take a look at the licensing standards that we've got, you can license a single axle with dual tires 10-inch rubber for 20,000 lbs., that's perfectly legal. You take a tandem axle and you can only licence it for 35,000 lbs. Now, if you take a 60 percent weight distribution, it works out that you've got 21,000 lbs., I think, unless my figures are wrong, at the most on that axle that's bearing the most weight. You're pretty well on what a single axle registered truck would do and unless there are some profound differences from that 60-40, I wouldn't be concerned about the damage these tag axles are purported to do.

If you make the regulations so that there can be no further modifications of them, in other words, new trucks coming out can't be equipped with lift tags and that you'll only allow fixed attachment live drive tag axles, then you're not going to have any new ones come on and then grandfather the ones that are there, and I will confess, I speak from a vested interest position because I happen to own one as do the majority of farmers in Manitoba because of rail line abandonment. Everybody's gone to a bigger truck and I would venture to say that of the tandems that are on the road licenced to the farm community, putting on 5,000 miles a year, I'll bet you 80 percent of the tandems are lift tag axles. You're going to put a pile of them off the road, or cut their carrying capacity down.

So, I would suggest to the Minister that he simply grandfather them and if you have to develop a regulation so that they can't lift the tag from inside the cab so that when they're heading down the road they say, . . . with a load on, fine, but grandfather them and save the farming community quite a bit of dollars because you're not talking in the majority. A truck that's on the

road all that much and indeed not on the road all that much on pavements and provincial roads. A lot of it is municipal road travel.

HON. J. PLOHMAN: Thank you for that advice, Mr. Chairman. I'd just like to add that we will show a degree of flexibility and we're reviewing that at this time.

MR. CHAIRMAN: 6.(d)(1), 6.(d)(2).

MR. D. ORCHARD: Just as a final final comment, Mr. Chairman.

MR. CHAIRMAN: I thought that was the final one.

MR. D. ORCHARD: As I mentioned to the Minister, the uncertainty that's there right now is hurting these farm sales of these trucks and if the Minister could get that review done and a direction announced fairly shortly, it would be pretty beneficial, it would give people an idea of where they're able to head with these things, whether they've got two more years or whether they've got a reasonable lifetime to operate these trucks.

HON. J. PLOHMAN: Just on that, Mr. Chairman. There was communication sent out at the time it was first announced, however we appreciate that people may not have been aware of the communication or it wasn't clear at that time. I have, as a matter of fact, turned back a press release just recently on that so that it's very close to being announced.

MR. CHAIRMAN: 6.(d)(1)—pass.
6.(d)(2) - the Member for Portage.

MR. L. HYDE: Before you close down, Mr. Chairman, I wonder if the Minister could indicate to the committee the scene that's on the front of his new map. Just where does it lie in the Province of Manitoba, I know it's a causeway. It would be nice for us to indicate to any inquiries made as just where it was located in the province.

HON. J. PLOHMAN: Yes, that is on No. 5, just west of Roblin approaching the Saskatchewan border.

MR. W. MCKENZIE: Thank you.

MR. D. ORCHARD: The MLA for Roblin thanks you.

MR. CHAIRMAN: 6.(d)(1); 6.(d)(2), Highway Traffic Board, Motor Transport Board, Taxicab Board and Licence Suspension Appeal Board: Salaries; Other Expenditures—pass.

Resolution 100. Resolved that there be granted to Her Majesty a sum not exceeding \$11,177,700 for Highways and Transportation Motor Vehicle Branch for the fiscal year ending the 31st day of March, 1985—pass.

Mr. Minister.

HON. J. PLOHMAN: Just before that, if the honourable member would like to finish tonight, I'd certainly be prepared to sit until doing that; however, if they have a number of concerns they would like to raise on the

construction program, I would think that — (Interjection)
— good, okay. Thank you very much.

MR. CHAIRMAN: Committee rise.

SUPPLY - NATURAL RESOURCES

MR. CHAIRMAN, P. EYLER: Committee, come to order. We are considering the Estimates of the Department of Natural Resources. Item 5.(a), Parks, Administration. The Honourable Minister of Natural Resources.

HON. A. MACKLING: Before we start the item, I think I owe it to the members opposite to briefly introduce the department, this section of the department. I had indicated that in my opening remarks I dealt generally with most sections of the department, and certainly, I would call it, I did review some of the significant initiatives and interests in this section. However, I'd indicated to the Member for Emerson that I would, with each section, review staff changes. I'll do that first and then I'll give you a quick thumbnail sketch of the objects and activities.

In respect to the overall staff changes; '83-'84 forecast - and I again remind you that that was the forecast - the total positions are not necessarily filled because of differences that occurred throughout the year where it may be that all of the staff are not employed for some reason or another. They were the targeted forecast in '83-'84; the total was 435.17. This year the target is 428.28, about seven staff difference, a little less than seven.

Where that is made up is as follows: Administration is down one staff person from 1005 to 905. Park planning increased from 18 to 19. Program management stays the same at 7. Park maintenance, a small reduction here, from 387.12 to 381.49. Visitor services from 13 staff person years to 11.26. — (Interjection) — No, it's just a little bit of dust.

The objective of the Parks Program - I appreciate, Mr. Chairman, the concerns of the Honourable Member for Arthur anyway, I appreciate that. The objective of the Parks Program is defined in The Provincial Park Lands Act and is as follows: To establish, develop, maintain a system of provincial park lands dedicated to the people of Manitoba and visitors to the province who may use them for healthful enjoyment and for the cultural, educational and social benefits that may be derived therefrom.

The department uses the following common criteria in assessing the efficiency of its program: (a) The ratio of cost for operating facilities versus accrued revenue; (b) the cost per park visitor; and (c) the cost per camper unit day.

The administration and existing activities are - this activity involves the development, co-ordination and supervision responsibilities for the purpose of providing the other components of the Parks Program with the following: Sound direction by establishing activity priorities and guidelines; initiation and establishment of short- and long-range program activities by assessing outdoor recreation needs, costs, benefits and goals in context with an outdoor recreation plan; an assessment of the effectiveness of parks activities, products and programs in meeting goals and objectives and

adjustments for future action in administrative support services.

Park Planning - the existing activities are as follows: The Parks Planning Branch provides overall functional supervision in administration per province-wide long-range planning in development of planning and design; long-range planning assesses public uses and needs respecting park roles and facilities of individual parks and the potential additions to the park system.

Park Resource Management and Development direction is provided by park master plans and interim management guidelines. Detailed development planning and designs are prepared for individual park area and facilities.

The Program Management existing activities are as follows: The Program Management Branch is responsible for conducting cost-effective analysis of past and proposed funding allocations by program, adjusting allocations within or between programs in the provincial park system, monitoring the level of maintenance of the physical park plant, analyzing and updating operating standards and procedures, recommending policy and legislation revisions, and implementing a development in merchandising program for vacation home loss.

Park Maintenance, the existing activities are as follows: The Park Maintenance Branch is responsible for the operation and maintenance of the provincial park system which consists of 12 provincial natural parks, 44 provincial recreation parks, 85 provincial campgrounds, 102 provincial wayside parks, 2 provincial heritage parks, 2 ski resorts, 2 golf courses, 11 supervised and 69 unsupervised beaches, more than 6,400 vacation home lots, 100 commercial facilities and 50 non-profit and religious organization camps.

Visitor Services, existing activities - the responsibility of the Visitors Services Branch is to increase visitation in Manitoba Provincial Parks. This is achieved by undertaking the following activities: The marketing activity is designed to ensure the parks system effectively services the diverse character of the outdoor recreation and tourism markets. The public affairs activity is designed to increase Manitoban's understanding of the parks systems preservation mandate and their awareness of the outdoor recreation opportunities available in provincial parks.

The interpretive program is designed to enhance the visitor's experience by increasing their understanding of the natural and cultural history preserved by the park system. The commercial operation program is designed to expand the range of recreation activities available to park visitors in co-operation with the private and non-profit sectors.

I think that in a quick overview, Mr. Chairman, indicates the staff changes that I promised, and a brief overview of the activities of each component of this section of the department.

MR. CHAIRMAN: The Member for Emerson.

MR. A. DRIEDGER: Thank you, Mr. Chairman. To the Minister, I suppose the most notable thing out of the Minister's opening statements under Parks is the fact that here again we see a reduction of minus eight staff people in that area which is consistent with all his

departments, that there's been a general reduction of staffing in all of his departments. As I indicated to the Minister before the supper hour adjournment, that I had two series that I wanted to pursue in the area of Parks and one's dealing with the El'nor Motel in the Falcon Lake resort area. As the Minister is well aware that the original owners went into receivership and that at the present time we have Coopers and Lybrand who are the receivers in that case and I think have been looking for offers on the project. My question to the Minister is, has he signed or agreed to an offer that was presented to him by a certain party to date?

HON. A. MACKLING: The course of events that I am familiar with as Minister in the last year or so - the honourable member refers to the fact that the former El'nor Motel - I think it's maybe had another name too, the Falcon Lake Hotel, the Falcon Lake Resort and Country Club - several years ago it was purchased and developments were initiated as part of a time-share arrangement to be co-ordinated with time-share rental on an international basis. That operation saw a considerable investment made by the developer in modernizing and improving the motel and considerable effort was made to develop a full sale of those units.

But for whatever reasons, and we are not being critical of anyone, the development did not proceed. It went into bankruptcy - I should say, it went into receivership. The Bank of Commerce, which held a preferred bond, some kind of debenture, took over through receivership and operated it for some time hoping to find a suitable buyer. After some considerable effort, they finally did decide on, or the court approved of a sale, and pursuant to the court-approved sale, we have executed an assignment of lease to the person who was approved by the receiver and the courts.

Now there is some difference of opinion on the part of unit holders as to what person or what company in bidding for takeover of that complex was in the best interests of the unit holders. We had taken the position that we don't intervene and favour one as against another. It is up to the receiver and the courts and the unit holders themselves to take whatever steps are necessary to find the right accommodation for all parties and that we shouldn't be involved in that process. Although I have been strongly urged to do so, I feel that is a matter of contract between the former owner or the receiver who stands in the former owner's place and the unit holders and we have conducted ourselves accordingly.

So the new owner, it's a numbered company, but it's Mr. Massey, Raymond Massey, I think the significant person behind that company, did receive approval and so the lease has been assigned. We understand he's commenced operations. There is still some agitation on the part of some unit holders for a change in that, but we feel that's up to the unit holders to deal with. If they are unhappy, they should deal with the courts and not us.

MR. A. DRIEDGER: Well, Mr. Chairman, to the Minister, it is my understanding that the Minister and his department because it is in Crown lands has the final authority in terms of signing a proper agreement with them and it also requires the Lieutenant-Governor-in-

Council approval, which means Cabinet has to give the approval. My question is, has the Lieutenant-Governor-in-Council approval been given at this stage of the game?

HON. A. MACKLING: There is no approval by Cabinet or Lieutenant-Governor-in-Council to any new contract. It's an assignment of an existing lease. There was an existing lease between CAPTRAN and the person whom the court has approved. That's what this amounted to.

MR. A. DRIEDGER: Mr. Chairman, because his approval is the final approval on this thing because he has to, as Minister responsible for Crown lands, has to give the final approval, was the Minister aware that there was another offer presented, an offer, if I might, instead of having the Minister go into the history, I'd like to maybe just relate some information I have and the Minister can correct me, I think Forest Hills Resource Incorporated is the company that has been approved by the Minister's department and by the receivers Coopers and Lybrand. Now, I believe there was also another offer, a numbered company by the name of 59205 Manitoba Incorporation that also submitted an offer.

The concern that I want to express at this stage of the game that the unit holders that were involved in the initial participation with the El'nor Motel put in \$1.7 million into this organization and when this thing went into receivership, and in looking at the offers that were being presented to the receivers, I believe that another offer was forwarded. My concern is whether the Minister really has had a chance to pursue and check out whether there was another offer, whether there was some protection for the unit holders, because it is my understanding that the second offer that was being presented - and I don't know whether the Minister has had a chance to look at that and that's why I raise it - but obviously there's arrears outstanding. There's lease arrears outstanding to the tune of - between the lease arrears outstanding and the hydro arrears outstanding - it's something to the tune of, I think, at the present time over \$20,000 which is coming to this province, which are arrears to Manitoba Hydro and to this government.

The second offer, it is my understanding, is the area that covers . . . and that offer, you know, there's a substantial difference in funding here, where the government can recover a bunch of their costs for outstanding accounts through Hydro and through the lease arrears that are coming to the government. What bothers me is that I'm wondering whether the Minister's had a chance to look at this, because in the one case the Minister tells us, listen, tell us where to save money. Here was a chance, on the second offer, to pick up \$20,000 for the province, because the one offer, my understanding is, that has been accepted is to the tune of \$110,000. The second offer was \$130,000, which was going to cover these arrears and the Minister's entering into an arrangement and the Minister's the final authority because nothing can happen until this Minister signs the proper agreement; so my concern is whether the Minister has given proper consideration or whether he has just, carte blanche, accepted an offer and written off \$20,000 of that was potentially . . .

The other concern we have is that the unit holders in the second offer were protected, whereas in the first offer that the Minister is indicating that he has accepted, there is no protection for the unit holders at all and this is why the unit holders are not happy with the situation. I want to caution the Minister. I hope that he has the information and can justify why he has agreed to sign an agreement through Crown Lands, which is the main authority, why he has agreed to go with one offer without giving proper consideration to the second offer.

HON. A. MACKLING: Mr. Chairman, I will try to make this rather involved matter fairly simple. I don't want to over-simplify it but let me try to make it fairly simple.

The Canadian Imperial Bank of Commerce had a debenture against all of the buildings and all of the equipment. It was under its debenture that it appointed a receiver. That receivership was approved by a court of law. The receiver entered into possession and did operate the facility. While they operated it, they were seeking to find a buyer.

The receiver has all the right in law to dispose of that facility . . .

MR. A. DRIEDGER: You are the final authority.

HON. A. MACKLING: . . . as it saw fit and in accordance with directions from the court. No, the honourable member is saying from his seat, we have the final authority. We were bound in law to continue the lease that was occupied by the receiver and . . . I'm hearing something from the Gods, Mr. Chairman. The receiver then sought a buyer, different offers were proposed. We, I say we, government, this Minister, did not evaluate which offer was the best. It was in the receiver's interest, acting for the preferred or secured creditor, to get the best possible deal for the receiver and therefore for the preferred creditor. I could not as Minister, nor could have the government said, you take this offer or that offer - it was the receiver's decision and the court had to approve that decision in respect to what offer they accepted.

Once the court had approved of the receiver's decision as to disposition of the asset, then it's incumbent on us as lessor, providing that the assignment is not unreasonable, to proceed with the assignment. That's what we have done. The honourable member says, one offer was better than the others - that was not for us to judge. That was a matter for the receiver to determine. This matter has been before the court. There have been some people, some unit holders who have complained about the receiver's selection of one offer and not another, and the court has looked at that matter and made its determination. It is not my role or this government's role to predetermine or prejudge or criticize a finding that the court made in respect to that process. That was fully aired in court and so far as I'm concerned we have no role to play in determining for the court or for the receiver which offer should be selected.

MR. A. DRIEDGER: A question to the Minister, No. 1 - the lease arrangement with the original owners - was that a transferable lease? Because if it was not a

transferable lease, then my concern is that the Minister has had final authority in terms of with whom he had signed a lease arrangement. It's very important because there's money here that if the Minister has not got himself involved to protect first of all 300 Manitobans in terms of the unit holders that have put 1.7 million on the line plus \$20,000 coming to the province; the Minister has not acquainted himself with the possible second arrangement on this. That's why I ask, is the lease arrangement with the original owners, was that a transferable lease?

HON. A. MACKLING: Every lease of real property that the Crown makes whether it be to a cottage lot holder or whether it be to a commercial lease holder in the Whiteshell Provincial Park or wherever in the system is assignable. I want to also say, the honourable members talked about arrears - I am advised that the receiver did pay all of the rental arrears. As to the concerns about utility arrears, I am not privy to that because I assume that the utility will ensure that all arrears are paid.

MR. A. DRIEDGER: Mr. Chairman, the concern I raise is whether the Minister has had any choice in the matter as to which agreement he signed because obviously I would think it would have been in the best interests for people of Manitoba and the government that he had maybe looked at the various options that were available, if they were options because a second offer was there and the second offer covered these arrears, in addition to being a better offer than the first one that he accepted. Plus the second offer gave protection to the unit holders - I don't know whether the Minister has any concern about the 300 unit holders that are involved in putting \$1.7 million but I was just indicating to the Minister, did he have any choice in the matter? That is what I am asking him. Did he have any choice in the matter in terms of signing the lease or did he even check out as to the number of options that were available in the offers to purchase?

HON. A. MACKLING: Mr. Chairman, I would like to indicate that I, as Minister, or this government had no choice as to who was going to bid, who was going to make offers to the receiver and who the court was going to adjudge should be approved in the sale. We had no role to play in that at all. If the honourable member had made an offer to the receiver, for whatever sum, it might have been \$300,000, it might have been \$20,000 or \$30,000 less but because the court adjudged that was the best offer then it was up to the receiver and the court to make that decision. We had no role to play to say this was a better offer than that one. We are bound by the rule of law and the law of contract.

Let me give the honourable member a further example. Some of his constituents - now maybe not in his time as member - received timber quotas; subsequently, they transferred those quotas to others. I know that some of them later felt that they didn't get enough money, or that the contractual arrangements weren't adequate for them.

The government had never interfered with the contracts that were entered into by independent parties, and so it should be. If there is any party that feels that

they are not receiving a fair and reasonable treatment, they have the right in court. It's my understanding that persons who were unhappy did approach the court and aired their unhappiness to the court, filed submissions, argued the points that their interests were not being adequately reflected in the final arrangements. The court heard all those things and made a decision, and we had no role to play in weighing the benefits to the persons involved in those contractual arrangements. That is not our role, Mr. Chairman.

MR. A. DRIEDGER: Mr. Chairman, to the Minister. Can the Minister indicate very simply whether his department, whether he himself had any options? Was he bound by court or this lease arrangement that he has to sign, that I understand has to go through Cabinet, did he have any choice in the matter or was he dictated to by the court as to what he should do?

HON. A. MACKLING: Mr. Chairman, it's always open to a Minister or to a government to choose to do something. So, if you say did I have any choice, yes, I had a choice. I could have intervened, Mr. Chairman, but in intervening I would have been putting the taxpayers of Manitoba at risk getting them involved in a contractual dispute. Sure it's open for government to get involved in anything. But is it right for that government to get involved in that contractual dispute? The receiver had something up for sale, people bid for that something, the court heard and evaluated the settlement that the receiver was making. Once that was done, then it was up to government, upon a formal request, to assign that lease like any other assignment that would be requested.

If CAPTRAN had not been foreclosed, in effect, by the bank, if it had decided, well, it just wanted to close it out and it sold it to the honourable member, then we would have assigned the lease. It's as simple as that, Mr. Chairman.

MR. A. DRIEDGER: Mr. Chairman, what bothers me is the fact that I think this Minister has not made himself fully aware of the circumstances because he had the final say in the matter and, as a result of his decision, he had the final decision and final authority to say that he has taken and cancelled out \$20,000 worth of benefit to the Province of Manitoba in terms of hydro rates and in terms of lease arrears which come off the offer that was made by the company known as Forest Hills Resorts Inc. That comes off that offer.

What in essence the Minister has done, he has given the big corporation bank, the Imperial Bank of Commerce from out east, he has put \$20,000 extra dollars into their pocket; he has ignored 300 people of Manitoba that were involved and put out \$1.7 million into unit holder involvement there. He's hung them all to dry. This Minister has hung them all to dry in not giving any consideration to that matter, and that is what bothers me.

When this Minister asked us before initially, when he made his statement - tell me where to save money - he could have saved \$20,000 for the province right there and he could have protected 300 Manitobans instead of stuffing the money into a big corporate bank in the east to the tune of an extra \$20,000 and that

is in essence what this Minister has done because he has not checked out and he had the final say in the matter. The Minister says, and he agreed, he admitted the fact that he had the final say in the matter, but he felt that because the recommendation was made by the receiver, he had to go along with it. If there was any possible way, because it is my understanding on the agreement that it has to pass in Cabinet. If it has not done so, that this Minister make himself aware of the other circumstances so that he can protect the people of Manitoba instead of looking after some major bank in the east.

MR. CHAIRMAN: Order please.

HON. A. MACKLING: Mr. Chairman, I don't know what I have to do to convince the honourable member that, first of all, I, as a Minister for this government, did not throw \$20,000 away. There were rental arrears of \$20,000 approximately. They were paid by the receiver

MR. A. DRIEDGER: Out of the offer. I don't care how the final settlement was agreed upon in court, but our arrears were paid. If I as Minister and we as government had said to the new owner approved by the court, no we are not going to assign - just let the member listen to me for a moment - we are not going to make an assignment of this lease to you because we don't like the colour of your eyes, we don't like the arrangement that was made in court, what the court approved. Have you any doubt that the new owner would have been able to successfully take us to court to demand that we follow the law of contract and assign the lease. We did not change any aspect of the unit holder's rights into what presently is there, we merely consented to an assignment of the existing lease.

If the honourable member wants to play lawyer, so be it, but he can ask any lawyer in Winnipeg what the course of action would be. If I as Minister and we as government said, no, we are not going to assign the lease; I leave it to you to determine what would have happened and guess who would have been left to pay damages then. The new owner was entitled in accordance with the court to be operating that facility. We would have been subject to damage claims and loss of profit, the whole business because we had no right to interfere with the contractual arrangement approved by court.

MR. A. DRIEDGER: Mr. Chairman, as the Minister indicates, I am not a lawyer, but it doesn't take very much to add up that the Minister has been acting irresponsibly in accepting because he had the final authority, I don't care what anybody says, lawyer or not, he did not fully act on his responsibility. He did not check it out. He just went on the recommendations of I don't know who, but signed an agreement that is costing the province \$20,000 and it's putting 300 Manitobans that invested money into there, he's putting their investment in jeopardy because of the rate increases that the present owner already has put in place and I charge this Minister for not fully being responsible in terms of acting out his duties. I feel very concerned about that.

I think that he has sold out a whole bunch of Manitobans because he didn't look at the situation; he got bad advice and he had the final authority. I don't care what the court said at this stage of the game, the Minister still, by contractual agreement, by a lease arrangement of this nature here, which is a substantial document, had the final say in the matter. He had the final say in the matter and he did not act responsibly and I charge him with that and I feel very strongly that this Minister who feels so conscientious about Manitoba and all these things is putting \$20,000 plus into a major bank and he is jeopardizing the investment of 300 people in this province by the actions that he's taken.

HON. A. MACKLING: Mr. Chairman, the honourable member has put it on the record that he doesn't care what the courts say.

MR. A. DRIEDGER: You have the final say.

HON. A. MACKLING: Mr. Chairman, I care what the courts say. I care about the rule of law. I care about the fact that government should not have put the taxpayers at risk, get involved in contractual matters where they're responsible.

MR. A. DRIEDGER: That's a cop-out.

HON. A. MACKLING: Well, the honourable member says it's a cop-out. The fact is that the unit holders made representations in court and the judge decided in respect to those representations. The unit holders have contractual rights. Those contractual rights are not with the Province of Manitoba but from the developer. The developer's rights were inherited by the receiver. The receiver had a contractual role and obligation in respect to those rights with the unit holders, the Province of Manitoba had none. The Province of Manitoba had no right to intervene, to interrupt, to try and change those rights as between those parties. The honourable member thinks that's the way he would govern, God help the people of Manitoba.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Chairman. I'd like to make a few observations and also ask the Minister a few questions with regard to the El'nor Motel, as the Minister is aware and I know the department is aware that that particular facility is within the constituency of La Verendrye which is my area. I deal with a lot of people from that Falcon Lake, Hadashville and East Braintree area with regard to the concerns about that particular part because there are a number of people who are employed in one way or another in that area; mainly through the golf course and through the different activities that do happen there in the summer months, as well as all the people who are trying to make their businesses succeed in that particular area. I guess over the last number of years now and aside from any partisan politics, this has presented a problem to a number of successive governments and that is the El'nor Motel.

Unfortunately, we had a fire where we lost the one hotel that was providing some services to people who

were passing through that area; namely, we lost the Falcon Motor Hotel, I believe several years ago and I think everything has been bulldozed down and all we've got there right now is a parking lot. So that left us with the problem of having no major facility or hotel within any distance of that area because everything is closed in the wintertime and I think the closest place that you could find something in the wintertime would be in Hadashville or in Kenora. So, we've got a real problem. We've got a ski resort out there, which operates in the winter months, and we do not really have any facility in there, even in the summer months now that is providing the type of service, I think, that the people of the area, as well as the vacationing public, would want to see. I sympathize with the Minister and with the Parks officials in regards to that problem because it's one I think that nobody is interested in seeing happen.

The history of government involvement, I guess, in the problems related to hotels and the running of hotels in provincial parks is a long one. I know when I was Minister I was trying to get the Grand Dome Hotel in Grand Beach out of a receivership problem; I think the government finally managed to do that. Even the Gull Harbour Resort, we've had a lot of problem; we put up a lot of capital, we spent a lot of money over the years and what seems to be the only way of either finally getting it running is to provide some incentive to a national chain type of an organization, people who have been successful in running hotels and know the hotel business.

So, I would say my first concern, as someone representing that area, is that the owners of this new hotel are ones which can in the final analysis and in the short run turn this complex around and make it one which is going to provide a service to the vacationing public and thereby also create some stability in the area.

As I mentioned, for the last five or six years, we've had a lot of problems. We've had operators in there, where I know the Department of Health has gone in and closed them down for awhile. I was involved in a few of those, trying to reopen that, because of the pool problems, because of some of the restaurant problems and it has over the years got a really bad reputation. That bad reputation has not helped the whole Falcon Lake and the whole Whiteshell - how shall I call it? - the prestige of the area and it's hurt, unlike some people might think, it hasn't helped the other operators in the areas, the seasonal operators, I'm talking about other resort owners. They would like to see this thing go because if there is more activity, they feel that their businesses will increase too, even if they're running rental accommodations in the summer months. In other words, it will help.

My concern and my suggestions to the Minister would be, is that I am concerned basically about the long-term viability of this and I would ask him whether or not, now that a lease has been assigned to a new owner, if the new owner does not - for a lack of a better word - perform; in other words, if there are continuing problems, has the government, in the new lease that they have now signed and given to the new owners, is there any provision in that lease to ensure that the facility is being run so that it enhances the Parks area, than rather detracts from it?

HON. A. MACKLING: Mr. Chairman, I guess the honourable member didn't follow as closely as I thought he might have, the words that I used before. I indicated that the court approved an offer from the receiver, an offer that the receiver had accepted and apparently has approved the disposition of liens and so on; and that is of an existing lease that the receiver had inherited from the previous owners.

The new owner, approved by court, asked us to approve of an assignment of that lease - not a new lease - but an assignment of the existing lease and we have done so, so there's no change in the lease that the previous time share developer-owner held with the province.

MR. R. BANMAN: I wonder if the Minister could confirm, the assignment of that lease, what is it, roughly a 29 or what's left in that lease. Is there 28, 29 years left in that lease?

HON. A. MACKLING: I'm advised that the original lease was a 21-year lease with a renewable clause, and it's assumed that there's about 18-19 years left in that 21-year term.

MR. R. BANMAN: Mr. Chairman, just a final observation and maybe a comment. I guess, as I mentioned earlier, one of the difficulties in dealing with receiverships and problems with hotel management in the parks - I refer again to that one at Grand Beach - I think it became necessary in Grand Beach for the government finally to step in and pay out some . . . I think we paid out the arrears and paid out an existing mortgage on it and then worked to get that facility, instead of standing empty, that there was some use made of the facility.

I just point out to the Minister that if there are problems that are going to appear on the horizon with this that it might become necessary for him to step in and ensure the long-term viability of this by interfering in the operations of it, should that be necessary.

As I say, it's my hope that the new owner, that the Minister has assigned the lease to, will provide the necessary managerial skills and the right entrepreneurial skills to see this thing become a credit to the Falcon resort area. It's a wonderful area and we need a good hotel in that area; but should that not happen, I can assure the Minister that I will get back to him and will pressure him to ensure that this facility does enhance the area, rather than be a negative factor in the operations of that particular resort area.

Having said that, I have one further question. I met the other day the Executive Director of the Red Rock Bible Camp. They are pleased with negotiations that have gone on with the department, with the development of a new lease. I believe he has written the Director of Parks, and I don't know if there's been a reply to the letter, but I understand that they're anxious to finalize the term of their lease. They haven't got any problems with the department. I think it's just a matter that they're thinking of some expansions and I'm wondering if the surveys are completed and if there's any time frame that the department has with regard to signing the lease with Red Rock Bible Camp.

HON. A. MACKLING: I've asked staff to give me a confirmation on the status of the Red Rock Bible Camp

arrangement. I just want, by way of response to the honourable member, to indicate I appreciate the sincerity of his concern in respect to the Whiteshell and that commercial facility there.

We too, of course, want to see a first-rate facility, a good restaurant that will be of service to the park and be a credit to the area and to all of Manitoba. We want a high standard and let me say also that, in respect to the existing arrangements, I know that there is a continuing disquiet on the part of some unit holders, some disappointment that one proposal was not received as against another. While I can sympathize with that and appreciate their uncertainties and their concerns, it's a contractual matter that I don't think that the government can interfere with, I don't think in any way shape or form.

They are a significant number of people. They have legal rights. They have rights under contract and they are supportable in the event that there are any problems, under that contract they have rights and they can initiate those rights through the court process.

We certainly wish to see that facility proceed. We hope the unit holders will find satisfaction and there will be a coming together of good will in respect to the development of that facility. In respect to the Red Rock Camp, I'm advised that there are no problems anticipated in the leasing arrangements and, for our part, we'll be happy to see an enhanced and continued use of the facility.

MR. A. DRIEDGER: Mr. Chairman, I have one further question, just back to the El'nor Motel area. Can the Minister indicate whether himself or Cabinet, whether there is any possibility to reconsider the decision that they've made? I feel it's an erroneous decision. Is there any way possible that decision can be reversed at this stage of the game?

HON. A. MACKLING: Mr. Chairman, I would be very, very loathe to get involved in reconsidering a decision that was arrived at by court, in effect, by denying what the rights to someone the court had formally approved upon. As it indicated, I think the problems would be subject itself to court action and I don't think there's any merit in that proposal at all.

MR. A. DRIEDGER: I'm not necessarily happy with the position that the Minister has taken with this thing and time will tell, I suppose, whether we have to come back and discuss it again sometime in the future.

I'd like to now move on to the area of the Parks itself, under Administration, the Park designation, and I want to specifically talk about Lake Mantario Wilderness Area. I think one of his administrative staff was meeting at the same place that I was last winter when there was a lot of dissatisfaction expressed about the mechanical restriction.

I want to indicate to the Minister that the people that were involved in the demonstration - not demonstration, but the gathering out there, I suppose - indicated that they're not opposed to the general concept of what the Minister is doing. They raised grave concern about the mechanical restrictions in the area and there's further concern and I hope the Minister can indicate how many park areas like the Lake Mantario area that

he is contemplating on designating that way, because here's a government that's concerned about job creation and what they have done, by the designation of the Lake Mantario area there and the restriction of mechanical use in the area, have restricted many jobs.

The other concern I want to raise with the Minister is the fact that this is an area that is very close to the major centre that we have in Manitoba where 600,000 people live in the City of Winnipeg and have access to that area, in the Whiteshell area, which is a very popular area, the most popular recreation area in Manitoba, and by the Minister restricting approximately 45 fishing lakes, which is my understanding at this stage of the game, and that restricted area for a few people for hiking and canoeing. I want to be very blunt with this, Mr. Minister, I think that possibly his advisor, the Member for Inkster, whose been very instrumental in this, an environmentalist, has been bending the Minister's ear, and he's listened to him instead of listening to the people in the area that have voiced their concerns. They have fair concerns and this is a Minister and a government that say they listen to people and he's listened to people. He's listened to about 20 people that are concerned about doing canoeing in a designated area that is accessible to the people of Winnipeg. If the Minister had taken an area up North somewhere and designated that, now he's doing that as well.

We're concerned and I'd like to know the Minister's position in terms of Lake Atikaki - whether that is going to be a mechanical restriction area too? We looked at the Grassy River area where we've had all kinds of letters from mining people who have expressed concern about being able to get in there and do explorations for mining. It seems that this has been the strong point of this Minister. Of all the things, as I mentioned in my opening remarks, this is the area where the Minister has moved, and in other areas that are more necessary for the people of Manitoba where there's been grave concern this Minister is using the financial or economic aspect of it and has not moved, but in this area he's moved and is restricting all kinds of units, commercial units, fishing units, people that make their livelihood in that area, he's restricted that. We are concerned whether he will continue to do that throughout the province.

I say again, the Minister has been listening to the wrong side. He's used his wrong ear and heard the wrong advice. I want to know exactly what the Minister envisions in terms of designated wilderness areas and mechanical restrictions in Manitoba besides, including Lake Mantario and other areas in Manitoba.

HON. A. MACKLING: Mr. Chairman, I'm delighted to be able to respond to the honourable member's concerns, particularly I do appreciate the fact that he did indicate earlier that this was the other area of concern. I know that there are some very sincere concerns about park development, but I think these concerns are largely, if not fully, unfounded.

Why I say that is that in the Whiteshell Master Planning Process, the honourable member knows that it was a process that went on for not a matter of days or weeks or months, it went on for some years. There was very, very extensive consultation in respect to the

development of this park system. The wilderness area of Whiteshell comprises 12 percent of the park area. Now I know that your people are unhappy if they cannot use their motorized equipment in the total area of the park, but I want the honourable member to know that this government, the previous administration, and the previous NDP administration before had spent a considerable amount of money and considerable effort in developing very extensive motorized recreational equipment within our parks system.

The honourable member should know that there are 798 kilometers of snowmobile trails in our parks system. Now for snowmobile operators and those who love to operate those machines, and I am not critical of their love for those machines or whatever, I personally am not very keen on them - that may be an understatement - but for this government and this Minister to be subjected to extensive criticism about the fact that 12 percent of the park cannot be enjoyed from a snowmobile point of view; I think is unreasonable.

The honourable member uses the word "restricted." Really there's a separation of interests. There are people in Manitoba — (Interjection) — well, there are people in Manitoba and I don't know what the honourable member's interests are, for example, that couldn't conceive ever of shooting a deer or shooting a moose, or a duck. I've enjoyed hunting, I haven't got out as much as I would have liked to in latter year, and yet I prize wildlife, but there are people who are horrified to think that some of us, for example, would do that because they want to see wildlife undisturbed. They want to watch it, they want to study it, they want to photograph it. They are thrilled just to see wildlife.

So there are differing uses in Manitoba. There are different priorities of interest in Manitoba. While I as someone who has enjoyed and hopes to continue to enjoy some measure of consumptive use of wildlife and I fight for the protection of those whose livelihoods depend upon, for example, trapping, a harvest of wildlife; nevertheless I appreciate the sincerity of those who are concerned with some areas where motorized activity is reduced, if not eliminated. There is still trapping permissible in the Mantario Wilderness area and to me that arrangement, the master plan arrangement, where you have no motorized activity at all, other areas where there is kind of a cross-section, you've got some hunting, some fishing and so on, and other areas where it's intensive use, you've got commercial use. You've got the full range of activity within that park system, and I think it's excellent.

I here publicly commend, my staff and all those associated with that long, difficult process, but that culminated in the Whiteshell Master Plan. I think it's an excellent effort and every Manitoban can be proud of the fact that that work has been accomplished. Rather than naysaying any aspect of it, I think the wilderness area is a tribute to that effort.

Now in respect to the honourable member's concerns about other parks, Atikaki is one of the remaining areas where we have untamed rivers. As the honourable member knows some of our large, otherwise tremendously beautiful, shield rivers have been developed for water power. Now on the east side of Lake Winnipeg, we have several rivers, the Bloodvein being the largest, that are probably unparalleled in North America for their beauty, fast-moving water,

narrow ravines, large expanses of quiet water, beautiful granite cliffs and precambrian forest - it's pristine in its beauty.

Now at one time the Federal Government was looking at Atikaki for a federal park and for whatever reasons those things didn't come off, but we are convinced that in the preservation of that area as a wilderness park, wilderness primarily, that we will have a jewel in North America, something that people from not only all over North America but from all over the world will come to visit and to enjoy.

A MEMBER: How are they going to get in there?

HON. A. MACKLING: "How are they going to get in there?" the honourable member says. Well, people have travelled - you know the voyageurs and canoes travelled the length and breadth of this country. — (Interjection) — The honourable member doesn't appreciate our history and the fact that — (Interjection) — well, the honourable members don't appreciate — (Interjection) — I'm hearing catcalls, Mr. Chairman, about the history of this province and it's long history associated with the canoe. Some of the finest — (Interjection) — Mr. Chairman, I hear continued derision about my comments about those who love to canoe in this province. Mr. Chairman, some of the finest whitewater in North America is found in the Atikaki area. I'm convinced and so is my department that this will really be a splendid asset to our park system.

Within Atikaki at the present time, we have some wild rice harvest, we have two fly-in lodge operations and we have forestry. I might be missing something else, I'm not sure. Of course, we have trapping and some hunting. It's our expectation that we will be able to continue the uses that are presently there, with but slight modification, providing that we ensure that our planning is thorough. The staff of the department and I, myself, am very excited about the potential there. We don't believe that we are going to be encountering any grave difficulties in developing a plan that will be suitable to all.

In respect to the Grass River, the honourable member should know that representatives of the mining industry have been in to see me, talk to me. I've been out and talked to the Mines Association in Winnipeg. There is a very sincere interest that in our planning process - the honourable member is giving the signal to speed up, I will - a sincere interest that mining not be inhibited in the province. I think it will be possible to accommodate the mining operations, the mining potential in Grass River such that we will have something similar to what we are expecting to happen in the Whiteshell where we can have some mining but not in its fullest sense, that the ore wouldn't be processed, floated, ground and smelted in the park, but can be drawn out of the park under limited conditions.

A MEMBER: Restriction of employment.

HON. A. MACKLING: Mr. Chairman, the honourable member says restriction of employment. We don't see it that way at all.

MR. A. DRIEDGER: Mr. Chairman, I don't want to belabour it, but I think it is a very important area and

before the Minister goes off designating all kinds of areas across Manitoba in that term, might I not caution him and ask him that because he has designated the Lake Mantario area and put mechanical restrictions on that, that took place this spring, instead of running around and starting to designate other areas, why does he not take a step at a time?

Well, the Minister is always sensitive when somebody talks when he is speaking up, and he is doing the same thing and I get sensitive the same way because I want to draw this to his attention that - and I want to caution the Minister - why doesn't he take a step at a time instead of going out and designating other areas under the same terms as he has the Lake Mantario area? Wait and see what happens. Let's see how many people make use of the Lake Mantario area in terms of canoeing and hiking and things of this nature. Let's see how many people really make use of it compared to the people that are making use of it now before the restriction came on.

I will indicate to the Minister right now, surely, it should not be a problem to find out how many people make use of that area for hiking, for canoeing, for whatever reason under the restrictions now because I will ask these questions again next time when we meet in the Estimates of this Minister, and I want to know how many people have made use of it in that respect. Surely, he must be able to calculate the amount of people that make use of it, but why not wait with the other areas until we see how many people make use of it at this stage of the game because he is a colleague that is very concerned about it and wants to seclude it all by himself and restrict everybody else from getting in there except a chosen few that can make use of it. That's why I caution the Minister, one step at a time. Let's see what happens here first before you run off and start designating the same thing for the Lake Atikaki, or the Atikaki Park area.

I agree with the Minister about the prospects of the northeast area, the Bloodvein River. I have had occasion to be up that river on a camping trip for a week at a time, it's a beautiful area, but we went up there not with canoes; we went up there with motor boats. If he is going to use the same designation all across Manitoba, he is going to cut off many people and only a selected few will be able to take advantage of it.

MR. CHAIRMAN: The Member for Minnedosa.

MR. D. BLAKE: Thank you, Mr. Chairman, just on the same subject. It was interesting to hear the Minister give his description of the wilderness section of the Whiteshell. It's only 12 percent of the area. But all we hear about jobs and about employment and creating the economic activity in Manitoba, the area that has been designated, they have knocked out the best fishing lakes in the Whiteshell, fly-in lakes that are a 20 minute hop in there from the area.

The one operator has had to move to Lac Du Bonnet. Do you know where all that traffic is going now, Mr. Minister? It's going into Ontario. You have doubled the cost of flying into Indian Lake or some of those lakes. It was a very quick little hop; they go in the morning and they came out at night. You have moved that operator out to Lac Du Bonnet, and now it's just as

cheap for him to fly into Ontario and that's where they are going. So that's all been lost. The other operator has to fly twice as far.

On one hand, you are trying to develop tourism; on the other hand, you are kicking it out the window. So the wilderness area, it's all great and wonderful to observe nature, we all like to see the animals in their natural state, but that is rugged country in there. For somebody to get into these wilderness trails, you have to be in top physical condition with proper equipment and know what you are doing in there, or you don't go in there. The other areas, how many people canoe? There are a lot of people who love canoeing and maybe more of us should do a little bit more of it, but you can't go paddling 20-30 miles in a canoe when you are 40 or 50 years old unless you are in top physical shape. You might like to go in there with some small power and get in there and do some fishing. So I won't belabour that, but I just can't buy this great glossy picture the Minister gave us of how wonderful it's going to be and it's not going to hurt anybody. As my colleague for Emerson said, there's going to be a very very select few get in there to use it. You will probably have a couple hundred people use those trails where you are keeping out maybe thousands from going in there and enjoying it.

My concern is the Grassy River park area, Mr. Chairman. I just came from the Annual Manitoba Chamber of Commerce Convention in Flin Flon where the president of Hudson Bay Mining and Smelting expressed great concern and the concern of all the residents in that area on what's happening in the Grassy River area. That particular park area has the greatest potential for new mineral discovery in the Precambrian Shield or in Northern Manitoba, and if that park is going to be designated and eliminate that area for future development in mineral resources, when we are trying to keep alive the mining activity in Northern Manitoba that turns in the many millions of dollars of revenue to this government, I think he has to take a long hard look at it before we start driving mining companies out of Northern Manitoba.

MR. CHAIRMAN: The Member for Portage La Prairie.

MR. L. HYDE: Thank you, Mr. Chairman. I have a short question to the Minister. I would like to inquire of the Minister what his long-range plans are of his department for the Norquay Beach? Mr. Minister, is it your plans to dispose of this beach and make it available to private enterprise? It's been brought to my attention that is a possible thought in your department.

HON. A. MACKLING: In respect to Norquay Beach, we certainly intend to continue the operation. I must say to the honourable member that last year the Deputy Minister and I drove into Norquay Beach and found it a beautiful place. The water quality, it was very nice and clean, but some people that were in there were complaining strongly about leeches in the water. Now, leeches like very clean water but they are a nuisance. I brought that to the attention of my department and I am sure that they looked after that, and I am sure they will keep watch on that water area again because it is a very attractive place. Some visitor users have

fallen off it maybe, because of those conditions of water. We certainly are watching it.

MR. L. HYDE: Mr. Chairman, the Minister really didn't answer my question. I am asking the Minister: Is it in his plans to dispose of that beach area to a private enterprise?

HON. A. MACKLING: As one option we are looking at, as against operating it ourselves, is leasing it, but we are going to operate it ourselves right now.

MR. CHAIRMAN: 5.(a)(1) to 5.(f) were each read and passed.

Resolution No. 124: Resolved that there be granted to Her Majesty a sum not exceeding \$12,881,100 for Natural Resources, Parks, for the fiscal year ending the 31st day of March, 1985—pass.

Item 6. Lands (a) Administration - the Honourable Minister.

HON. A. MACKLING: Mr. Chairman, I would like to quickly review the staffing and then the activities of this section.

The staffing component is slightly altered. In 1983-84, total staffing here was 57.44; this year 54.39. Approximately, this total staffing component in this section Lands in '83-84, 57.44; this year, 54.39; a difference of about three staff person years. Administration remains unchanged at 5; Crown Lands Administration down two from 28 to 26; Regional Management the same at 9; Crown Lands Registry down slightly from 11.44 to 10.39; Northern Development Agreement - Provincial - Wild rice component stays the same, at 4 staff person years.

The objectives of the Lands Program as provided by the department are as follows:

- to administer the Lands Program within management procedures and guidelines to realize program objectives, to provide a central registry system containing all dispositions of Crown land;

- to administer Crown land resources to fulfill the long-term social, economic and environmental needs of government and private sectors in accordance with current acts, regulations and policies within reasonable time frames;

- to negotiate and finalize outstanding Indian land claim settlements;

- to meet Crown land requirements in the Department of Northern Affairs and remote communities;

- to provide regional management of the use of Crown land within the Department of Natural Resources regional boundaries;

- to complete appraisals requested within agreed time frames and handle justification and appeals of set appraisals;

- to administer the wild-rice resource and to maximize the economic benefit to the producers through development of the wild-rice resource;
- to co-ordinate and finalize all land exchange negotiations between the province and the local government districts and the rural municipalities.

The Administration existing activities, I think I've pretty well covered that, I don't think that I have to

review all that. I think those general words, Mr. Chairman, pretty well comprise everything.

When we started I should have introduced Jim Potton, the Director of Parks, probably members know Mr. Potton. At this time, I would like to introduce Dale Stewart, who is Assistant Deputy Minister, and Arnie Barr, Director of Lands. With that warm welcome, gentlemen, be comfortable.

I turn it over to you Albert.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, we won't belabour this area too long. I'm just wondering, can the Minister indicate whether there is a change in the sale of policy of Crown lands at the present time from what it used to be one or two years ago.

HON. A. MACKLING: I don't think I can do anything but say, yes, the policy is the same. If, for example, once Crown land is classified as an agricultural utility, and it's classed agricultural Crown land, it's administered under the Department of Agriculture, the leasing arrangements. We are permitting the purchase of Crown land for recreational unit lots. We are also permitting the sale of Crown land to lodges and resort owners. That was one thing we implemented about a year-and-a-half ago. The lodgers and resort owners were anxious that they be able to have better security for borrowing purposes and that policy change was made. Other than that specific change, I don't think there was any change in the process.

MR. A. DRIEDGER: Mr. Chairman, to the Minister. There has been an ongoing program of designating Crown lands as agricultural and I think forestry, etc. Can the Minister indicate whether that program has been completed or is it still ongoing at the present time?

HON. A. MACKLING: There is a Crown Land Classification Committee and that's an ongoing process.

MR. A. DRIEDGER: It is my understanding there is also an ongoing program in terms of exchanging Crown lands with certain LGDs at the present time. I'm referring specifically to the LGD of Stuartburn, where there is a wildlife management area which I want to cover a little later on that is being contemplated and designated, and there is also lands I think that are under PFRA Community Pasture at the present time. Can the Minister indicate where that exchange program with the LGD - LGD vested lands, I should clarify that, it's LGD vested lands that is being exchanged with the Crown lands, where that program is at at the present time, specifically in that area?

HON. A. MACKLING: It's been an ongoing program for some time in respect to those changes as the honourable member has indicated. I'm advised that considerable progress has been made and it's anticipated that during the course of this fiscal year, all of those remaining exchanges will have been completed.

MR. CHAIRMAN: 6.(a)(1)—pass; 6.(a)(2)—pass; 6.(b)(1)—pass; 6.(b)(2)—pass; 6.(c)(1)—pass; 6.(c)(2)—pass; 6.(d)(1)—pass; 6.(d)(2)—pass.

6.(e)(1) - the Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, we had a new Wild Rice Act that came into effect, I believe, last year, can the Minister indicate how things are working in that and where it's at right now?

HON. A. MACKLING: The act has been proclaimed; regulations were developed; licences, I believe, are being processed at the present time.

I'm advised that the bulk of the licences will have been issued by the end of this month - 92 production licences, 298 development licences and 38 block licences. Last year, there were 109 leases. This year, there is 428 licences.

MR. A. DRIEDGER: Just for clarification, could the Minister repeat those figures? Last year, there was . . .

HON. A. MACKLING: Last year, I'm advised that there were 190 leases. This year is a total of 428 licences.

MR. A. DRIEDGER: A clarification on the licences and leases, is that the same category, is there a change in that area?

HON. A. MACKLING: Those persons who held leases in he previous year now would hold a production licence, but there are a number of additional development licences, a very substantial interest particularly in the North and in new areas of the province.

MR. CHAIRMAN: 6.(e)(1)—pass; 6.(e)(2)—pass.

Resolution No. 125: Resolved that there be granted to Her Majesty a sum not exceeding \$1,974,900 for Natural Resources lands for the fiscal year ending the 31st day of March, 1985—pass.

Item 7. Forestry: (a) Administration - Mr. Minister.

HON. A. MACKLING: Just before Mr. Barr leaves, I'd like to draw the attention of members that Arnie, who has been with us as a career civil servant for many many years, is taking retirement in June and we wish him well.

MR. CHAIRMAN: The Member for Lakeside.

MR. H. ENNS: If the Honourable Minister would allow me, I think it would be appropriate, as a former Minister, and certainly to put it on the record as a member of the opposition that we all acknowledge the work that Mr. Barr has done for the people of Manitoba in the many years that he has served in the province and in the department, and we, too, wish him well.

HON. A. MACKLING: Now joining me is Mr. Dave Rannard, who is the Director of the Forestry Branch. In respect to staffing, the overall totals remain unchanged - 1983-84, 108.42 staff this year. There are some slight changes within, but since they are very slight, I don't think the honourable members would want me to read all those statistics into the record. There is no change in the overall total, some slight adjustments.

The general information about this section of the department, the objectives are as follows:

To maintain present ecological diversity and promote the renewal of forest lands in order to assure a continued supply of wood, increased opportunity for economic expansion, employment and a diversity of recreational demands through the use of the province's forests;

To ensure that provincial Crown forest lands are managed according to The Forest Act and regulations, the policies of the department and guidelines set by the branch following the most up-to-date techniques and methods in an economic and efficient manner;

To ensure that the viability of the forest industry is maintained relative to the supply of timber, so that the economic benefits of the province of 40 million in sales and 5,200 direct employment opportunities continue to establish acceptable branch goals and to ensure that such goals are achieved to limit the spread of Dutch Elm Disease within the province and maintain elm losses at 1 percent to 2 percent annually within major urban centres and communities.

I think perhaps I could go on in further elaboration of the details, but basically that gives an overview, Mr. Chairman, of the Forestry section.

MR. A. DRIEDGER: Mr. Chairman, before we adjourn for the supper hour, the Minister indicated that he would try and give us copies of the agreement, the federal-provincial agreement signed re forestry. I wondered whether those would be available. Aside from that, Mr. Chairman, I wonder whether the Minister could possibly just elaborate on the agreement to some degree, and give us a bit of a scope as to what is involved in the agreement, the period of time, the extent of the program itself.

HON. A. MACKLING: I think that if I give honourable members a quick overview of the essence of the agreement, it probably will be sufficient. This is a five-year forest renewal agreement. It involves a total of \$27 million: \$13.5 million being put up by the Federal Government, \$13.5 million by the province.

Out of that total of \$27 million, there are specific areas of forestry effort that will be funded completely by the province, and others of it that are completely funded by the Federal Government. Then there are some areas where there is a joint funding of specific areas.

Now the shared, but we deliver portion involves \$3.22 million. The 100 percent provincial is 11.94 million. So we deliver 15.16 million of the program; 100 percent federal portion is 11.94 million, and they deliver that program - all told, 27.1 million. We've got copies of this too.

Now, I think I should indicate, Mr. Chairman, that we have an agreement for \$27 million. We desired to get much more than that from the Federal Government, because we perceive the needs for reforestation in Manitoba will require even greater spending than this. In order to achieve what we think is a sufficient investment to ensure continuity and supply of material for a forest industry, there will be a further injection of money during the five-year period.

That injection of further money will come from the Jobs Fund, and I don't know whether I am really at this point elaborating anything new. There is no question

but we do have to put more money into forestry, and there will probably be more formality to the announcement of that additional funding at a later date. But I want to indicate that while we are very very grateful, we are very happy to finally obtain agreement with the Federal Government for significant funding, we nevertheless feel that even more money has to be spent to bring our forest resources back to a state where, in the future, we will continue to have a sufficient quantity of wood.

I have already indicated, I think, in the generality of my opening remarks progress in respect to the Clearwater Nursery and the Hadashville Nursery. Those efforts, I think, speak for themselves. I want to compliment staff in respect to negotiations with the Federal Government. It was a long, tedious process. Particularly do I want to single out my Deputy Minister, Dale Stewart, and the Director, Dave Rannard, for their efforts in finally getting the agreement consummated. I'm probably leaving out others that I should mention - pardon me. Yes, Harry Laws, I should recall as well who was involved in much of the negotiations, particularly the early part of it with the Federal Government. As you know, Harry retired last year, and he retired at least knowing that his efforts were nearing a completion and in fact were completed just this year.

MR. A. DRIEDGER: Mr. Chairman, to the Minister, having received the document now, you know, I'm not a speed reader. I won't be able to go through the highlights of it. I wondered whether the Minister could just - if there are any specific highlights that he would maybe want to put on record at this stage of the game just to give us an idea what we're at because, if we had received the documentation earlier, we could have maybe pursued some of it - if the Minister would maybe just give us the concept, the direction that it's going.

HON. A. MACKLING: I think that would be helpful. Let me indicate under Forest Renewal, a sub-program on provincial Crown land, where this will be 100 percent provincial funding. In the first year, it's nursery development. Beyond the first year, it's planting, site preparation and scarification.

Sub-program 2 under Forest Renewal is leasehold and private woodlots and federal lands. This is federal funding now, 100 percent funding. In the first to the fifth years, it's forest renewal activity, and forest renewal activity on those lands. Those are leasehold private woodlots and federal lands. Program B is intensive forest management.

Sub-program 3 involves provincial Crown land. Again it's provincial funding completely, Dwarf Mistletoe control to include remote survey techniques, computer modelling and site specific disease management techniques. As honourable members know, Dwarf Mistletoe is a persistent problem that has to be attended to.

MR. D. BLAKE: Does it act the same as ordinary mistletoe?

HON. A. MACKLING: No, quite different. No kissing. It's not kissing sweet.

Sub-program 4, leasehold private woodlots in federal lands, again federal funding, thinning and stand

management on these lands; Program C, research technology transfer and nursery development; Sub-program 5, applied research. That's shared funding. This is an area where we both put dollars in. There's a joint committee of the Memorandum of Understanding on research has been seconded to the agreement. The project work plans are presently being developed under that head.

Sub-program 6, the technology transfer where there's shared funding to make potential users and beneficiaries of programs aware of activities, employment, business potential, etc. in relationship to other agreements and funds. Sub-program 8, resource data base is shared funding again, computerized mapping, first-year consulting in machine purposes and, beyond the first year, load and use data.

Sub-program 9, electronic protection, this is all federal funding, a microcomputer network for forest fire protection; Sub-program 10, nursery development, shared funding. In the Pineland in the first year - that's the Hadashville Nursery - four greenhouses, four shade frames, additional bare root fields and assorted nursery machinery; at Clearwater in the first year, two greenhouses, four shade frames, seeding line and building, and continued site development. In the second to five years under that sub-program 10, complete nursery expansion at Pineland, and second to fifth years at Clearwater complete that nursery. A total of 20 greenhouses will be in operation then. Program D is public information evaluation and administration. I think those words kind of indicate what that is.

In respect to staffing, the Federal Government is establishing 14 positions in Winnipeg during the next year to operate their part of the agreement. So that's a healthy introduction. Let's hope they're high-priced civil servants, Mr. Chairman.

MR. A. DRIEDGER: Mr. Chairman, I first of all want to indicate to the Minister that I heartily endorse the reforestation program. I think it's been long in coming, and I think everybody has concern.

I wonder whether the Minister could indicate the status of our cutting timber supplies that are available. For example I'm not that well aware of the circumstances in the Northern part of Manitoba. I just know that in the southeastern part the quota holders, and I think that's possibly the area where most pressure's being exerted in terms of harvest, is there a continuing decline of the harvestable forest products in the area? Are the quotas being cut back? I have some concern in that area.

HON. A. MACKLING: I'd advise that in the southern part of the province, and the honourable member certainly is correct, in the southern part of the province, particularly the southeast part of the province has been subject to intensive forest use because of its close proximity. I'm advised that there's no change in the allowable cut in that area.

MR. A. DRIEDGER: Okay, to the Minister then.

Our general supply that is available for harvesting to the province, is there a deletion in the available cut? If not, or if there is, the other question I have is how extensive a reforestation program would we have to

have to finally start hitting that balance where we maybe plant as many trees as we're cutting. My understanding is the program that we see is for every stump you have to plant another, the people that are in business they have to plant one. I don't know if I'm correct in that but, you know, how extensive would our program have to be to get to that point where we finally hit a balance in terms that we replace what we take?

HON. A. MACKLING: When we got the 20 year forest inventory, and that was a little over a year ago, in looking at the supply line, and I think that's what the honourable member's referring to, the supply line of the available forest and the demand line. They were at a critical point right now, about 1984, where at the present rate, the then present rate of harvest, that was about a year-and-a-half ago, we would be starting to run out of wood into the future unless we did something about reforestation. It's kind of misleading.

Manitoba has a good deal of forest area where there is merchantable timber but it isn't all that accessible. I mean that the costs of getting that wood out make operations prohibitive. So looking at our resources there was no question but we had to move, and move quickly to get more plantings. We have done that. I'm assured that with the kind of investment we're making now, and the further investment that I alluded to, that will be made, directed by the Provincial Government alone, out of the Jobs Fund, we should be able to sustain our present consumption of wood for 20 years. If our load growth grows that will increase the problem however. But at the present demand on our forests we believe we're all right for 20 years at least.

MR. A. DRIEDGER: I realize, Mr. Minister, that the situations throughout the province, for example, vary a little bit. As I indicated before, I have more knowledge of the activities in the southeast part of the province where there is always a fair amount of pressure. What has happened to the quota system is that the bigger operators have gotten bigger, and there's less smaller operators. A suggestion that I would just maybe throw out for consideration to the Minister is we have further to the north, areas, as the Minister indicated maybe not that accessible, but you know timber that is available to be harvested, and should maybe be considered to be harvested before, and at a certain point all of a sudden a forest begins to deteriorate that isn't harvested. I'm wondering whether there's a possibility of maybe considering allowing some of the quota holders in the southeast part of the province, for example, to move their operations north by an enticement of giving them additional quota up north and taking some of the pressure off from the southeast area.

The other area that I would like to have the Minister maybe consider, or his staff consider, is under the quota system and everything is on a very productive scale nowadays. Our operators, quota holders, they get a quota for a certain area and they virtually clean out the whole area. In talking to some of the older woodsmen in my specific constituency, they feel there is room for more selective harvesting. Certain areas are designated, we won't harvest here, but I've had the occasion to be toured by some of these people

out there and they show me where there's a fair amount of jack pine, for example, or any other kind of wood but I'm talking specifically of jack pine now as an example where there's forest that should be harvested, selective harvesting. There's trees in certain areas that are older trees that I think would, you know, benefit the forest situation if they were harvested and they're being left.

Instead what happens, quota holders get designated certain blocks and they virtually clean out the whole area. I realize that the bigger operators might not feel that favourably inclined to this kind of harvesting but possibly we could be looking at allowing some of our smaller operators, and we have a fair amount of those that subsidize their little farm operations out there with harvesting - I realize it's a sensitive area with the quota system - but that it could be selective harvesting there. Now I know it opens the door for abuse again. Anything that we do really always opens that kind of door for abuse. But I personally have seen a fair amount of timber that I think should be harvested but it's in an area where if you allowed a bigger operator to move in he'd clean out a lot of timber that maybe is not quite ready for harvesting.

I'm just wondering whether there's any way of maybe allowing, specifically in the southeast area, because further north you have bigger operators moving in because there's a lot more money involved in putting in road, etc., where we could maybe allow some of these smaller operators select harvesting of certain resources and it would probably enhance income, and I think it would do the reforestation program some good as well.

HON. A. MACKLING: First of all in connection with the pressure in the southeast and the member's suggestion that some of the timber cutters in the southeast might usefully be moved northward, I understand that some of them have moved into the north but it is difficult to change. A lot of the area is already under quota and it's not easy to make those adjustments. Besides, you know, one doesn't want to tell people, that they should move their operations. It should be more of a volunteer effort. I can appreciate that maybe we should be encouraging that. Certainly that's something that we can always continue to look at.

In respect to the member's concerns about cutting techniques, his views are shared by me. I am very concerned, and Mr. Rannard will, he's not at liberty to speak here in this process but if he were he could confirm that I have had conversations and I had them . . . about, I don't think they're just my concerns. They're concerns of a good number of people about our harvesting techniques. I am very, very loathe to see very large clear-cutting areas because they have a profound effect on the environment when you destroy, or remove a very, — (Interjection) — yes, a very significant area then you change the environment of that whole area. You have changes in the amount of snow, you have changes, for example in the north as to run-off from that area. You have changes in wind patterns, you have changes in wildlife. So far as I'm concerned clear cutting, while perfectly acceptable from a forestry point of view, to me is something that I don't want to see in very large plots.

I have also indicated that I would like to see some areas of selective cutting only, and certainly I want to see margins of forested land left to insure that we have ample basis for wildlife and ample snow retention in our forests and so on. These guidelines, I believe, that they're being drafted within the department and they will be set out and everyone right throughout the department will be looking and talking about guidelines in respect to forest operations that I think are consistent with the thinking that both the honourable member and I share. Some of our efforts naturally have to be in respect to a salvage operation when we had large-scale fires, etc, which we talked about earlier in the east of Lake Winnipeg area and efforts made there in kind of a crash harvesting of that wood. I'll leave it at that, Mr. Chairman.

MR. A. DRIEDGER: Well, I don't have too many more comments here. When I suggested the possibility of having some of our quota operators, major operators maybe moving further North, I was suggesting that on the basis of an incentive for possibly bigger quarters out there than the restricted ones they have here. I'm talking of the major operators because there's many smaller operators that still use the limited cut that they have to supplement their income.

Aside from that, Mr. Chairman, to the Minister, I wish the Minister well in his program of reforestation. I think it's a vital one and I certainly support the efforts.

MR. CHAIRMAN: 7.(a)(1) to 7.(g)(2) were each read and passed.

Resolution 126: Resolved that there be granted to Her Majesty, a sum not exceeding \$7,339,600 for Natural Resources, Forestry, for the fiscal year ending the 31st day of March, 1985—pass.

Item 8.(a) Fisheries, Administration - Mr. Minister.

HON. A. MACKLING: Mr. Chairman, quickly highlighting staff changes here. The total last year forecast is 84.20; this year 77.10. I don't know whether the honourable member wants me to run through the detail or not. There's a difference of seven staff years. — (Interjection) — Yes. Do you want me to read them off?

84.20; 77.10 - I'll run through them quickly for you. Administration 7 in 1983-84, 6 this year. — (Interjection) — Pardon me. Yes in administration, isn't that great?

While I just take a break, I want to welcome the Director of the Fisheries Branch, Worth Hayden, to our gathering.

Regional Management 25.05, reduced to 21 this year; Fish Culture 23.36 to 22.10; Fisheries Enhancement the same - well .31 difference, 18.31 to 18; Commercial Fishing Management the same at 6; Sport Fishing Management the same at 4.

I'll just go over the general information and activities. The objective of the Fisheries Program, as stated by the department, is to manage the fisheries of Manitoba in a manner that will result in the greatest long-term benefit to Manitobans and ensure survival or improvements of fish stocks.

I don't know whether I should read all of this detail— (Interjection) — All right, fine okay.

MR. A. DRIEDGER: Mr. Chairman, there's a few areas of concern that I'd like to raise with the Minister here.

One has to do with fishing regulations and I'm sure the Minister has had correspondence with a certain Mr. Thompson, who has been raising several concerns from time-to-time. The question I want to just raise, the new fishing regulations that are in place at the present time, is there a requirement to have them published in the gazette, and if so, has this been done?

HON. A. MACKLING: Yes, Mr. Chairman. The same practice has been followed for some many years in the province. We submit the regulations to Ottawa because of the rather different jurisdiction here. It's almost a duality of jurisdiction or an overlapping jurisdiction. There is some concern on the part of the branch that we amend the act to the regulations, so that we wouldn't have to do this and we're going to certainly look at that, but we have followed the same procedure that's been followed in the past.

MR. A. DRIEDGER: Mr. Chairman, first of all, I would indicate again the concern about the constant reduction in staff all over the place. We have it again in this department and I hope when we get through what we anticipate doing tonight that somewhere along the line the Minister can indicate within his department the total staff relationship. He's given it individually, but I haven't had time to tabulate it here. I'm sure the Minister has it available, so we'd like to have a look at that. We can do that at the end when we get to the Minister's Salary.

I'd also like to indicate to the Minister whether he could give us an indication of the status of his involvement with the Freshwater Marketing System. I believe there's a bill before the Federal Government at the present time extending the loaning authority substantially at the federal level. I wonder to what extent his involvement or how much he is involved with the Freshwater Marketing Board. Because I had occasion - on one of our trips to Saskatchewan the other day where we met on the agricultural committee - where members from Saskatchewan and Alberta expressed grave concern about the functioning of the Freshwater Marketing Board and some of the indications we got from members out there is that approximately one out of five of the fresh fish caught in the area are marketed through the system, through the board. The balance are sold by the wayside.

We also have a concern here as to the functioning of the board itself and we see, illustrated by the fact that there's a lot of fish being sold on the black market, we just had an occasion not that long ago, and obviously, if the system worked right these kind of problems would not be developing. There's major concern being expressed by our colleagues in the western part that are involved in this board in Saskatchewan and Alberta and I wonder whether the Minister could indicate what are the problems. Why is this happening? Why do we have people selling fish on the black market?

Again we're getting into an area that has created grave concern I think for many Manitobans - along with poaching - is the illegal sale of fish and the marketing of it and these are our natural resources. I think more concern has to be expressed and has to be dealt with more diligently, in terms of control in this area. I'll leave it at that for now and ask for the Minister's reply and then I have a few more comments on that.

HON. A. MACKLING: In respect to the Freshwater Fish Marketing Corporation, as the honourable members will recall, that organization established by the Federal Government back in 1969, was established after a very extensive commission of enquiry into the freshwater fish marketing. The enquiry found that there were terrible abuses in the freshwater fishery. Fisherman were virtually slaves to large private fish companies. They certainly were never out of debt to the fish companies. The Federal Government and the provinces agreed to establish a corporation to ensure that the interest of the fishermen were advanced.

The Province of Manitoba has one representative on the board, Mr. Ray England, who is knowledgeable about the fishery. I've met with him. He has participated with the board and he's indicated to me that the problems that the Freshwater Fish Marketing Corporation have encountered recently, in respect to marketing, is largely a result of the renewed fishing success in the Great Lakes.

For some years, the Great Lakes Fisheries was a very troubled one. The whitefish in the Great Lakes, the trout, the other species, were very very reduced in quantity and in quality. Members will recall that in respect to the trout in particular, the lamprey eel invaded the entire Great Lakes Fishery and virtually destroyed the trout fishery. They're still spending many many hundreds, I think, millions of dollars in continual larviciding for the lamprey eel. Generally, the Great Lakes Fishery has come back very very well and since they're so close to the mid-United States market - Chicago, all in that area - it's had a profound effect on the marketing competitiveness of the Freshwater Fish Marketing Corporation.

That being the case, their efforts at marketing have suffered from that competition. They also indicate that the markets in the recent past have been affected by the economic downturn in the United States where the marketing of our fish, which sells at a very fairly substantial price in those markets, has suffered by a reduction in the purchasing power of the people of the United States. Now, that is a cyclical thing, hopefully. Recently, that is, as recently as last fall and last winter, the prices were not very good, but they have come back significantly.

The Freshwater Fish Marketing Corporation, I'm convinced, is really trying very hard to market the fish. They are even, for example, shipping mullet, or suckers as they are more commonly known, to such far places as Africa - whole, frozen, and shipped in that state. They, in my opinion, are doing their utmost to secure effective marketing of fish.

The honourable member asks about the extent of fish being sold at black market. Well, as I indicated last year, there was a successful prosecution of one company that obviously were getting fish illegally, out of quota, without any quota, or fish that had never been harvested by commercial fishermen - from whatever means - and were marketing internationally. We were able to successfully prosecute there, and that was shut down.

There are instances where people catch fish illegally and try to sell it. We rely on a responsible public to let us know about that. We don't think it's hundreds of thousands of pounds, but it could be a considerable amount. You really can't tell, except from the successful prosecutions we have.

We had a case recently in Winnipeg and people have been charged. There was a seizure of some quantities of pickerel filets. We had another case recently in a rural Manitoba town and charges have been laid there, the sale to a hotel. When we get the information, we are able to act on it. The only way that we can get after poaching and illegal marketing is when we have co-operation from the public and we beseech that earnestly.

I know that there is concern on the part of some fishermen from time to time about having more fish sold on local markets. I've asked Mr. England about that, I've asked members of the Freshwater Marketing Corporation about that, and they indicate that their best efforts are made to try and get more local fish into the market, but it isn't the market that exists in the States.

Fishermen from time to time, particularly when the prices are down, get very concerned about the capacity the Freshwater Fish Marketing Corporation to represent their best interests. As you know, a fisherman can sell directly to the public providing it's a sale from the fisherman to someone in the public, but they can't sell to someone who then brokers it.

There will always be some measure of criticism by some but, by and large, I'm satisfied that they're doing their utmost and the continuance of the Freshwater Fish Marketing Corporation and its marketing is in the best interests of the fisherman. I might point out that I know we are involved - not our department but Mr. Kostyra's department - in funding some additional research in respect to marketing in new areas in the United States on behalf of the Freshwater Fish Marketing Corporation to try and strengthen their marketing capacity in the United States, and of course we hope that is successful.

MR. A. DRIEDGER: Further to that I just have a concern that I raised with the Minister as to why western provinces, Saskatchewan and Alberta, are that unhappy with the system, that there is I think the problem of illegal sale of fish is probably more predominant there than here, and obviously it does not necessarily bode well; obviously there are problems. I'd just like to indicate to the Minister that I feel very selfish about the fish within our province.

Being an avid sports fisherman, I'm very concerned that everybody has the pleasure of fishing and that our natural resource is not necessarily depleted in a wrong way. When the Minister indicates that he's relying on the public, for example, in terms of helping control the illegal sale of fish - we call it poaching of fish - might I suggest to him that maybe he work out an incentive program whereby somebody can bring information forward. Very often that might be the answer where they feel more free to do that, that under circumstances where they bring forward complaints of wrongdoing or illegal sale and a prosecution involves through it that possibly there's a reward program on it - I'm just throwing that forward as a suggestion - but the Minister - (Interjection) - my colleagues say the stoolie program, but at the same time the Minister, when we discussed the poaching aspect of it the other day as well as today again, indicated that he relies very heavily on the public sector. I would suggest that maybe he

look at the possibility of incentive for people that come forward and maybe that would help to some degree in having more people bring the concerns forward.

The other area of concern that I want to express with the Minister is one always hears of course the accusations and stories possibly of some of our out-of-country fishermen, specifically the Americans, that do a fair amount of fishing in here. I've had occasion to meet with them, and at a time when possibly our costs of fuel, etc., are higher here than they are across the border, I've had occasion to meet with some of them that come in for 3, 4, 5 and 6 days, bring all their own gas, even bring their own booze, Mr. Minister, and they virtually spend no money, but they come here, they harvest our resources and head back across the border. I think possibly there is a laxity in terms of control. — (Interjection) — I love tourists, I love to have the tourists spend money here, and I think a presentation has been made to the Minister that maybe something should be looked at in terms of getting the fishing tourist to spend more money in this area and our province.

I think it is much more of a concern in areas like Lake of the Woods, for example, where the Americans move in and, very sophisticated sportsmen, the Americans are. They send out a pilot ship and when the pickerel are biting, they have two-way radios, and before you know it you have 50 to 60 major units out there and they do a tremendous harvest out there in Manitoba waters. I know it's very hard to control these things, but I still, like I indicated before, feel selfish that it is our resource — (Interjection) — Well, I don't know whether it's Nick Carter's fault. I think that problem has been there even when we were government and prior to that. But these are areas where I think we can possibly maybe look at tightening the ropes a little bit.

Again, of course, when you have a Minister and within his department he keeps cutting staff all over the place, I know it's very hard to do that. Instead of doing the cutting of staff, maybe an expansion of staff would help control some of these areas of concern that he has. I've indicated before that expressing concern about it is not enough, there has to be some concrete action. I think there's many areas where we can tighten up the control a little bit, still keep our tourists happy, but we don't want to be selfish and take one of our natural resources back home with them. If they're going to come here we would like to have their money, we'd like them to have a good time, but I think it has to be controlled as well.

HON. A. MACKLING: I appreciate what the honourable member says. While we want the tourist dollars, we would like them to spend more of them in Manitoba. I can understand that sentiment because I hold it myself. We welcome visitors here, we're happy to share our resource. We don't share it too fully, we want to leave some for ourselves and, when they leave, we hope that they've left more than just empty beer cans, but some dollars. I respect that concern.

In respect to those concerns, I know that I've heard some friends in the Pelican Lake area, for example, in the winter fishery there, sports fishery, it is subject to intense fishing pressure, as is the hunting. When we get to that, perhaps we'll comment about that. But

certainly we are concerned to make those people welcome, but to try and get as many dollars as possible.

In the North, we want to ensure that the lodges employ as many local people as possible, and ensure that that operation does bring sufficient money into Canada from those operations.

In respect to the concern about perhaps setting up some rewards, one of the problems we have is that, particularly in smaller communities, those people who would advise or rat or squeal on their neighbour would find it very uncomfortable some time after they did that.

So we do have problems in working out that kind of a program. It's not a perfect world. We don't think it will ever be, but we wish it were better. We rely on the good graces of people to let us know, because we can demonstrate that when we get prompt information we're able to act on it and act successfully.

MR. D. BLAKE: I don't want to end the discussion with my colleague or with the Minister on our American friends. It seems that we're dumping on them all the time, and that's a story we've heard for years about them coming up here and bringing all their supplies with them. A lot of those fishermen are average wage earners or poor agricultural men of the land, and they've got to travel about 1,500 miles to get up here to catch one or two of our fish. When the Minister and his lodges are charging them 4.50 for a martini up here when they can buy it for about \$1.50 down there, I can't really blame them for bringing some of their own supplies with them.

I want to question the Minister on his stocking program. I think we can get some of our questions answered, and then we can move along on this department, but I wonder if the Minister could give me some indication of what the stocking program is, what areas are being heavily stocked or what areas aren't being stocked and, in particular, if they're stocking Stony Creek, brown trout in Stony Creek in my area.

HON. A. MACKLING: In respect to the fish stocking program, as has been the priority in the past because of proximity to the resource, the stocking of sport fish is primarily in southern Manitoba.

About Stony Creek, I don't know whether I have the detail. Perhaps I can give the honourable member that information later. Staff are trying to look that one up.

In 1982-83, there were 175.6 million fish of various ages and species along with a quantity of fish eggs were produced in the five hatcheries located at West Hawk, Swan Creek, Dauphin River, Grand Rapids and Clearwater Lake. Distribution of that was: to commercial fishing, 170 million; sport fishing, 5.6 million, but the sport fishing is primarily trout, walleye and pickerel and so on in the southern waters.

MR. D. BLAKE: I'd appreciate if the Minister would check on Stony Creek. There are rumours around the area that the farmers on each end have put up "No Trespassing" signs. They said, well, if you're not going to let anyone in there, we're not going to stock you anymore. But the trespassing signs were really to allow the farmer to know who was on his property, some control. He wasn't stopping fishing.

The people, especially the eastern people that move into Camp Shilo, are very ardent trout fishermen. They can smell a trout stream 100 miles away. They fish that stream very successfully every summer. They're a lot more successful at catching ground trout than I am. I don't know why. I have watched them often enough and thought I had the skill and the knack of it, but they can beat me all the time. But it's an excellent little facility there, and it provides enjoyment for an awful lot of the rural people.

I would urge the Minister to continue stocking that program, as I would to beef up the stocking program, because sport fishing is a very very popular pastime with a great number of Manitobans, and I think the program could be expanded with great benefits to the tourist industry and to all concerned.

HON. A. MACKLING: I am advised, Mr. Chairman, that in respect to stocking, the general policy that has been followed for some time is that only waters that are accessible to the public are stocked. That is, if it's private, if there is no access to the public generally, it is not stocked.

MR. D. BLAKE: Well, there is access to the public, they just have to go and ask the farmer if it's all right for them to fish the creek. I don't really think that's a good enough reason not to stock the creek. It's been stocked for years.

MR. H. ENNS: Just three short questions, Mr. Chairman, to the Minister, there has been a problem for a number of years with respect to the Lake Winnipegosis Fishery. Is that problem getting worse, stabilizing, or holding its own? That's one question, Mr. Chairman.

The other question is a problem that arose with the quality of particularly the whitefish, South Indian Lake Basin. Appreciating that fishermen in that particular fishery were getting some assistance through the compensation payments of Manitoba Hydro as a result of the flooding program, but if the Minister has just in a word or two a brief summary of how the fishery is faring in that area.

My third question, through you, Mr. Chairman, to the Minister, is the Cedar Lake Fisheries. Cedar Lake, Mr. Chairman, of course is one of the reservoirs that was flooded some time ago with the construction of the Grand Rapids Hydro-electric Dam. It caused the usual disturbance to the lake in question, and the resultant loss in the fisheries. But my understanding is, that that fishery has recovered very well in the last number of years. I would just like to hear confirmation from the Minister if that is indeed the fact.

I would like to know if the Minister can or if his advisers can indicate to the Honourable Minister what the normal or average harvest from the Cedar Lake area was prior to Hydro flooding and what it is today. Has it recovered totally? Has it increased substantially? Can Manitobans, as a matter of fact, take some comfort, I suppose, or some solace of the fact that admittedly the environment damage is done for a period of time when these projects are imposed on an area, but are they of long-lasting nature and is a recovery possible?

HON. A. MACKLING: In respect to those questions, the Lake Winnipegosis Fishery has been down for many

years. It's latterly somewhat better than it has been. That is, it's been lower than it is right now. What it really needs, I think, is a real respite from fishing altogether, but that's difficult to work out because of the dependency of people in respect to the fishery.

In respect to the South Indian Lake Basin, there has been some recovery of that fishery. We think there'll be much more activity in the future. Mercury levels have declined, and that's a very hopeful sign. In respect to Cedar Lake, that fishery is in excellent shape. Before the forebay was developed, the harvest was about - now I'm talking about pickerel, walleye - 250,000 pounds; it's a million now and it has been for several years. Reservoir fisheries generally have worked out pretty well. I can say that - the Honourable Member for Roblin-Russell isn't here - but he talks I think very proudly about the Aseissippi Park and that lake and it's true of reservoirs. However, often with reservoirs, there are complications, mercury complications, but in the case of Grand Rapids, there hasn't been that problem. There were four years of closure with mercury. It seems like the history of mercury in Manitoba is one where, after a period of time, it does subside somewhat and hopefully stay subsided.

MR. D. BLAKE: Two short questions to the Minister. I wonder if he might indicate if there are any continuing studies in connection with fish farming of rainbow trout that's very prominent in my area, and also I notice the Northern fisherman's freight assistance hasn't changed from one year to the other. Could he tell me if that's all taken up each year or what the situation is with the Northern fisherman's freight assistance?

HON. A. MACKLING: In respect to fish farming, I have to indicate that I don't think we've done a great deal about that.

MR. D. BLAKE: You better come out for a weekend, Al. I'll show you how it's carried on. It is near Johnston's cabin, it's close.

HON. A. MACKLING: I have had representations made to me by Mr. Cyr who is president of the . . .

MR. D. BLAKE: Trout farmers of Manitoba.

MR. H. ENNS: Al, I think you're fibbing us right now.

HON. A. MACKLING: Mr. Cyr owns a trout hatchery in - I don't know whether it's in Emerson constituency - oh, in Marshall, and I know he's concerned that we should be aquaculture. He's concerned that we should be doing more there and I have asked staff to look at that. Mr. Hayden advises me that just last night there was some discussion with the trout farming representatives, the Trout Farming Association, about initiatives there. I appreciate the concern there, because I have some personal experience in that, as the honourable members know of.

MR. D. BLAKE: Yes.

HON. A. MACKLING: Well, the honourable member can say what he likes, but when you pull a five-pound

fish out of a very small pond in your backyard, that's pretty nice.

MR. D. BLAKE: As long as it's not muddy.

HON. A. MACKLING: In respect to the Northern fisherman's allowances, those allowances haven't been used up every year and we are looking at some suggestions for some enhanced payment.

MR. D. BLAKE: How much was used?

HON. A. MACKLING: The bulk of it was used, about two-thirds. About \$270,000 out of \$340,000 this previous year. — (Interjection) — Well, when the markets are down, there's less fishing, that's part of it.

MR. A. DRIEDGER: Mr. Chairman, before we leave this area here I just want to — (Interjection) — did you want to speak some more?

Mr. Chairman, just one area of concern or clarification that I want to mention to the Minister and that is regarding the transfer of fish between provincial boundaries. Concerns have been expressed to me about the regulations regarding people from Manitoba that fish in Ontario and vice versa.

I'm wondering and I'm suggesting to the Minister whether we could have a better clarification on that in letting people know exactly what the rules and regulations are in terms of people that fish on the Ontario side, for example, or Saskatchewan - I think there's more maybe on the Ontario side - and I would suggest to the Minister that we have a clarification as to what the regulations are, so that people do not get themselves into trouble as to exactly specifically what it is. Because there's a lot of confusion on behalf of people that do fish, for example on the Ontario side, and bring them here, depending where they get stopped and checked on. I would ask the Minister to take note of it and maybe clarify that area for the sport fisherman that we have.

HON. A. MACKLING: There are some difficulties associated with border lake fishing that we're trying to work out. There has been some success in working out co-operative arrangements with our sister provinces and we have reached some consensus with Ontario. What we're looking at there is using the lower limit, I believe. I think our limit is somewhat lower. It's a problem for the conservation officer because if the limits are larger in one jurisdiction or the other, it becomes difficult to know where those fish were caught. I think that one suggestion I had was that we do more by way of publicity on that and certainly perhaps we can improve on our communication of these arrangements.

MR. A. DRIEDGER: Just a final comment on that. If there's some agreement that gets reached between - let's say Ontario and Manitoba for example - I think it's very important that the people that sell licences, etc., that they have the information available so people know exactly where they're at, so that there's no confusion as to exactly where they're at with the amount of fish they can catch or bring back across the border both ways.

MR. CHAIRMAN: 8.(a)(1) to 8.(h) were each read and passed.

Resolution 127: Resolved that there granted to Her Majesty a sum not exceeding \$3,666,500 for Natural Resources, Fisheries, for the fiscal year ending the 31st day of March, 1985—pass.

Item 9 Wildlife, (a) Administration - Mr. Minister.

HON. A. MACKLING: Yes, Mr. Chairman, in respect to this section, we have Ross Thompson joining us. Ross is well-known to many of you. He's the acting director in Rich Golden's absence. Just a quick overview of the staffing. There was a difference last year, 1983-84 77.07 staff years; this year 73.39. I don't know whether the honourable member wants the detail or not - 77.07 last year; 73.39. The area of reduction is in Biological Services. Last year it was 13.44 and this year 11.24.

Now last year in that section there were 2.44 term staff years that were authorized to enable the hiring of staff under the NEED Program, which accounts for that being two staff years more than this year.

The objectives of the Wildlife Program are to administer the province's Wildlife Program, to ensure that appropriate use is made of wildlife and that the resources passed onto future Manitobans, in at least as vigorous state as it was received by our generation, to provide a variety of forms and amounts of wildlife use opportunities for the recreational benefit and enjoyment of Manitobans. I think I will leave it at that, Mr. Chairman. I think that honourable members are familiar with the Wildlife Branch.

MR. A. DRIEDGER: Mr. Chairman, this is an area I think we covered a portion of that. Our major concern in the wildlife area of course - I think we covered under the Resources or Conservation Officer aspect - where we expressed our concern about the poaching end of it. I think there's still people here that would want to maybe touch on that again and the Minister might feel that it is repetition to some degree. I think it is a valid enough concern, even if there's a little bit of repetition expressed regarding the concerns of poaching.

Ironically here again, as we did see in the other areas, we have a reduction of staff and this is the Government of the Day, where opposition criticized this government at the time prior to 1981, for their cutbacks and what have you and here we have a Minister that - and I want to deal with that a little further under the Minister's Salary. I have to express the concern that the continuous reduction in all these areas is of major concern. When we talk of the major concern we have about our resource of wildlife, many problems with it, I think over the years in Estimates concern has been expressed about the lack of moose population, hunting practices. I know that some of my colleagues from the western part of the province are expressing major concern about waterfowl hunting and the impact of out-of-province or out-of-country hunters in our province here.

In talking to the Member for Turtle Mountain - I think the Member for Arthur may be wants to touch on that as well - the impact of American hunters and fowl for waterfowl, and the concern that some of the people have. My colleague from Minnedosa feels a little concerned that I'm being critical of Americans, but I

think it is our resource here and I think we have to look at it and gauge it in the proper light so that the resource continues to be there.

I feel that the program of asking permission to hunt on private property has been working relatively well. There'll always be certain problems cropping up, but I think that to date there's been a certain amount of, not laxity, but consideration given by our conservation officers in the field, unless it's a major issue where somebody feels very much perturbed about it, there's been a congenial type of approach. I think it has enhanced the attitude between the farmers and the hunters. I think that program has come along relatively well. As I indicated before, there's always the odd case where somebody is going to abuse it, there's always going to be some people upset, but generally I think that program has worked relatively well. There's more of a susceptibility among the hunters and farmers, I think everybody is much more satisfied with it.

I would like to indicate to the Minister that I would encourage very strongly an enhancement of retaining of wildlife habitat. The same thing with the establishment in certain areas of wildlife management areas — (Interjection) — Well, my House Leader is concerned that I'm being huggy bear with the Minister. I will indicate to my House Leader that his Estimates are not over yet, and when we get to the Minister's Salary, the knives will be out.

I would like to ask the Minister specifically about the wildlife management area that is being contemplated in the LGD of Stuartburn, and I wonder if he could maybe update me on that aspect of it, because I think that is the direction that we have to go in terms of enhancement for wildlife areas. I think the discussion has taken place before where we encourage possibly farmers to retain some habitat. I think consideration should be given to the Minister in terms of possibly tax breaks to people that retain wildlife habitat, instead of the Minister designating all kinds of park areas for his colleagues sitting on his right-hand side at the present time. Possibly these are areas that would be much more beneficial in terms of having wildlife around for people to look at.

So, Mr. Chairman, there are many aspects — (Interjection) — I appreciate the help I'm getting here, but I think there's a very genuine concern, and the Minister has expressed it. I think he's expressed it maybe in the wrong direction when he talks about designating a wildlife area. Lake Mantario, for example, where he says people can go and watch wildlife. Well, very few people will be able to get in there and watch the wildlife. Much better we enhance the wildlife situation around the rural area so that they can watch it here instead of just one individual or 20 others that go and watch it out there.

Mr. Chairman, I might suggest to the Minister it was our intention and sort of a subtle agreement that we would try and maybe finish these Estimates today. I would suggest that maybe the member that is leaving would enhance that type of movement, because he has the ability to maybe prolong things, and I'm just suggesting that to the Minister because our concerns are sincere. We could go on the area of wildlife for a long time, it is a major concern, there are many aspects of it. I just want to express that and I think some of my colleagues would want to express that as well.

When the Minister gets up, I wonder, among other comments, whether he could indicate to me what the status of the wildlife management area that is designated. I think initially there was a thought of maybe designating 10,000 acres, and I think we're looking at 1,000 hectares or something like that, that is under consideration at the present time. Together with the Rat River containment area, it's a total project, there are many people involved in that. I think that kind of program I would encourage the Minister to consider much further than maybe the designation of wilderness areas.

HON. A. MACKLING: I appreciate the member's comment in respect to those areas.

In respect to the big game, I do want to indicate that in respect to the seniors' moose hunt at Hecla, that's been extremely well received. We hope to continue that this year and perhaps facilitate the seniors to allow a member of the family to join them, because one of the problems of some of the seniors is that they didn't have someone if they couldn't match up with another — pardon the express, I'll just say another senior — it became difficult. So we're looking at that proposal.

In respect to the pressures on waterfowl in the southwestern part of the province, yes, we have been looking at that very carefully. We did some monitoring in that region. There's no question but a very large number of U.S. hunters were coming, and not that they're not welcome but they did hunt extremely successfully. A lot of the birds taken in that area were taken by U.S. hunters. We are looking at some changes in regulations which we think will address that problem.

In respect to habitat, the honourable member is quite right, much has to be done to secure additional habitat in this province. I believe that staff are continuing to work on the development of wildlife management areas, and I think the area he mentioned is one of those.

In respect to habitat generally, the honourable member will recall the announcement that we made in respect to the Habitat Heritage Program which provides, as we get down later, to another area in the budget for additional funding in respect to the habitat enhancement. You'll find that later on in the Estimates. So I'll leave it at that, Mr. Chairman.

MR. DEPUTY CHAIRMAN, H. Harapiak: The Member for Lakeside.

MR. H. ENNS: Mr. Chairman, very briefly I would like to acknowledge and, indeed, congratulate the department for the program that involves the reintroduction of the wood bison back to Manitoba. I've asked the Minister to just in a few words indicate how the program is progressing and some expectations that he has for the program. I have particular interest in the program, inasmuch as that it was a program that certainly captured my imagination when I had the privilege of briefly — all too briefly, I might say, Mr. Chairman — being the Minister of the Department of Natural Resources back in 1981.

I'd also like to put on the public record, Sir, the efforts of one Mr. Dennis Surrendi, who made that a particular project of his, and I regret that he wasn't around to see fruition of that program, but I'm sure that he will

nonetheless regard it as an achievement shared by the present staff and present government for having reintroduced that historic species back to Manitoba. I'd appreciate a few comments by the Minister with respect to that program.

HON. A. MACKLING: The reintroduction of wood bison in Manitoba, it's with pleasure that we were able to participate in this program. The Waterhen Indian Band were very persistent in their efforts to ensure this program developed, and they convinced Canadian Wildlife Service and ourselves to participate. Our participation was largely in respect to staff assistance.

The Band did an excellent job in constructing the holding areas, the pens, the chutes. They constructed these with local timber, all with chain saws. They did just an excellent job. I saw the pictures of it. I wasn't there; Mr. Stewart was up there and others. The enthusiasm for the development is just something we can all be happy about.

There are 34 bison all told there now. Seven of the cows are now calving, and there are 16 more animals will be released this year. It has been a very good program, and the long-range expectation is that the calves when they've been weaned and they're old enough will be released further. They will be zoned into the area.

MR. H. ENNS: Actually the words - they'll have a natural gravitation to the area where they were born.

HON. A. MACKLING: And that too, Mr. Chairman. They will have a homing instinct to stay in that area.

It's our expectation that after a period of time there will be a major release of animals into the wild. These animals did roam as far north as the constituency of the Honourable Chairman, so the expectation is that they will survive and replenish.

MR. D. BLAKE: One or two questions just on that topic, the Minister might give us some more information. Do they create any bison steers, or did they allow nature to take its course? What happens if they get out of balance? The Minister might - are there going to be any of them harvested commercially? He might comment on that.

I've spoken to the Minister before on commercial raising of elk in Manitoba. There seems to be little problem in the other provinces to obtain some co-operation, and when an individual wants to expend his own funds and try maybe some crossbreeding or whatever methods he might use to try and develop this particular enterprise, because the Minister may well know the conversion rate of that animal compared with the livestock beef animal is quite substantial. There could be a great source of food here, if it was successful. If not, the government would have very little at risk.

Now I know the Minister is not very keen on this, but I have a constituent who is very anxious to receive some co-operation and get into this venture. I wonder if the Minister might just comment on that.

HON. A. MACKLING: Mr. Chairman, I can appreciate those who have been looking at game ranching. I think that we have to not rule out the potentials that are out

there, but realistically there is no question but that any deviation from our policy would make the problems of administration and policing of big game extremely difficult.

The buffalo, for example, that is game-ranching is no problem, because they are not out in the wild. But if you start permitting the harvest of other animals that are found naturally in the wild for which we have seasons, there would be a very very difficult situation in respect to the . . .

MR. D. BLAKE: You can't catch the poachers, so you wouldn't have any more problem.

HON. A. MACKLING: In respect to the buffalo, the wood bison, in the event that there becomes an imbalance of bulls as against cows, it's anticipated that they will be able to trade or market to other areas that are in need of the animals.

MR. D. BLAKE: There would be no chance of having a draw and getting a chance to - just for the Minister's information then, he may bring me up to date on the turkey season which has just ended. I wasn't successful this year, so he might give us a report on the wild turkey season. For his information, a former member of this House, the Member for Gladstone, he'll be interested in the Whitemud area where he farms. They've got some 15 hens, I guess, and six or eight toms released this spring into the wild. Hopefully, they will catch on in that particular area. This was done on an individual basis. It wasn't through wildlife or through Wild Gobblers Association, but hopefully they'll catch on. But how has the turkey season been this year, Mr. Minister?

HON. A. MACKLING: I am advised that we haven't had any reports as to the success thus far. In respect to the releases, about 200 birds were released.

MR. DEPUTY CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, I would like to make a comment or two, as well as ask a direct question. The first question would be: some two years ago I had a constituent who had bullets shot into their house in an accidental shooting in hunting season. At that particular time, there weren't any funds available for damages caused by that kind of situation. However, if an individual lost livestock due to an accidental hunting situation, there was compensation paid. Has there been implementation of other personal property payments for such situations?

HON. A. MACKLING: No, Mr. Chairman. It's still confined, I believe, to injured livestock and not property damage.

MR. J. DOWNEY: I would ask the Minister what his position is as the Minister dealing with this situation.

HON. A. MACKLING: While I sympathize, I know that sympathy doesn't compensate people if they suffer material property damage by hunter neglect. As the honourable member knows, we do have compensation for crop loss or honey loss in the event that wild animals

destroy crops or beehives, but in respect to stray bullets that have created damage to private property, no plan has been developed for that.

It would be very difficult to monitor that. I'm sure it has been looked at by previous Ministers of Natural Resources, because you know those concerns have been there for a long time. It's not an easy one to develop criteria for that would be reasonable to maintain and to monitor.

MR. J. DOWNEY: I'm disappointed. It might have been a new thrust for this particular Minister to take on, and not to just to take it upon himself because I'm sure the dollar value would be very small. They can determine the loss of livestock through a hunting accident, and I'm sure that loss of other personal property could be determined as well. It wouldn't be too hard to put a criterion in place.

Mr. Chairman, I want to make a further comment, and ask the Minister specifically about the white-tailed deer population in the southwest. I would say just - and make this as a comment and ask whether I'm correct or not, or maybe the Minister has a more accurate count - due to extremely heavy hunting pressure and not tough winters but hunting pressure probably, maybe some other problems, it appears as if the white-tailed deer population is somewhat reduced this year as opposed to other years.

I know from personal observation that it appears as if there aren't very many. Normally this time of year, we would see herds of 100 to 200 on a lot of the fall rye fields. However, I have only seen individual deer, maybe as many as five or six. It would appear as if the numbers are greatly reduced.

If that is the case, will there be a cutting back of the hunting in that particular area this year, or what is the actual situation as far as the department is concerned?

HON. A. MACKLING: The honourable member's perception is probably as correct as anyone's. The white-tailed deer population appears to be down somewhat. The hunter harvest this past year was down. There were 22,800 harvested in 1983, indicating the success rate is down somewhat. The surveys could not be completed this year because of a lack of snow. We are going to be looking at changes in the regulations to reflect our concerns about the condition of the herds.

MR. J. DOWNEY: I believe it's important that a very close look be taken at it because of the current situation as it is seen and would hope that the Minister sees fit to make some changes that would help replenish that resource.

One of the other areas of concerns and that is one that's an ongoing one. I would like to know, in specifics, where the government is now at in negotiations with the Federal Government on crop depredation, because I believe it was 1979 it was increased from \$25 to \$50 per acre for the years of the Conservative Government, but there was an increase at that particular time. We have now, to 1984, I think the crop depredation is still at \$50 an acre and the cost of production and the returns are somewhat greater than that through harvested crops. Is the Minister and the government negotiating or trying to obtain greater returns for crop loss under this program?

HON. A. MACKLING: Good question, the honourable member asks. At long last we were able to get a long-term agreement with the Federal Government. It's a five-year agreement.

MR. J. DOWNEY: Yes, but how much money?

HON. A. MACKLING: Well, if the honourable member will permit me I will answer. The compensation, we've been able to increase that. It's up to \$65 an acre.

MR. J. DOWNEY: Well, I'm pleased to hear that there was an increase and I'm sure that, as my colleague, the Member for Minnedosa, indicated, Ducks Unlimited will throw in \$25 an acre, it'll be up to recovery costs. I am a little facetious when I say that. But I do think it's important to make sure that that is kept up to standard.

Mr. Chairman, I think that pretty well concludes my comments on this portion.

MR. A. DRIEDGER: Yes, Mr. Chairman, I have a few more comments. I basically wanted to know the status of the moose population in Manitoba that has been going down to some degree. I want to raise that concern with the Minister. I don't need the information now, but I would like the information from the Minister possibly after the Estimates sometime, as to the status, as I indicated before, of the wildlife management area that is being contemplated. The Minister didn't answer and that's fine, but I'd like that information later on, if I could please, to know exactly where it's at and what the intention is in that direction.

Then the other area that I want to raise and we are moving along rather fast with some of this because these are areas of major concern, especially in wildlife, but I want to flag these things so that the Minister can make note of it. I just want to indicate the concerns and we'll be watching in the future. The game farms - I've had numerous people complain, people that have small game farms - you know, that have some pheasants, birds, etc., on a very small scale. The rates have been increased substantially and many of these are just hobby operators, retired people that have some of these things and they're very concerned about the increase in a game farm.

My suggestion would be to the Minister that it should be staged to some degree, depending on the amount of birds or animals that you have, because right now the rate applies carte blanche to some degree and to many of these people it's not a monetary or economic thing with them, certainly not a means of livelihood. It's a hobby, and here the Minister is going ahead and jacking up the rates and I think there should be some differential between people that have game farms on a larger commercial scale than the ones that do it as a hobby. I want to raise that with the Minister to see whether he could give consideration to split that category, that we do not penalize these small operators that have a few birds or a few animals that they have to pay a high price and be licensed as a game farm, when basically it is a hobby and into something - the Minister himself alluded to it - about people that want to look at some wildlife and some of its nature. It would be enhancement if we had a low fee for those hobby

operators that do it, not to make money at it, just for the pleasure of doing it.

The other thing I wanted to raise with this Minister in this area, I'm going to ask him whether he is considering any moves in terms of the nightlighting for Native people, whether he plans to move in that direction. We discussed it to some degree under an earlier department and I'd like to touch on it again and ask whether the Minister is considering moving in that direction at all? Because I think if he does that will show a sincerity that he wants to really pursue that area of poaching and I think that would be a step in the right direction.

HON. A. MACKLING: In connection with the game farms, we have drafted some regulations and guidelines and we are going to be taking those out and discussing them with the interested groups, the hobby game farms and the game farms generally. The honourable member is concerned about the licence amounts. Presently it's \$25 for example for hobbyists. We were going to suggest that it should be at least \$50; that's not an enormous amount of money for an annual fee, Mr. Chairman, not in these times.

MR. A. DRIEDGER: For a hobby guy?

HON. A. MACKLING: For a hobby farm, yes.

MR. A. DRIEDGER: You're talking of people that are pensioners.

HON. A. MACKLING: Well, that's what we're going to put out there for discussion. We'll hear from them. If they say that's too much, we'll consider their views.

MR. A. DRIEDGER: I'm not always sure that you listen properly.

HON. A. MACKLING: This isn't a fee that's been struck, I gather. We're going to talk to them about it.

In respect to the night hunting, the honourable member has heard me speak on more than one occasion on this subject and indicate my views that night hunting is not a desirable practice from any point of view. I have made my views known clearly to Treaty Indian people and I have every expectation that with persistent effort on our part there will be a growing recognition on the part of Native people that it is not in their interest to continue night hunting. Because, as I have pointed out to them, it makes it extremely difficult for us to deal with poaching, and poaching hurts their interest as much or even more than it hurts ours. So I think our long-run objectives of eliminating night hunting have to succeed. I'm going to continue to press for their co-operation in that. We can't take away the rights they hold that have been established by courts of law, but I think they will be persuaded over time to change those practices and we will continue our efforts in respect to that.

MR. A. DRIEDGER: Might I just add to the Minister, as I indicated before, when we were under Fisheries, that possibly a reward program for the public, because he's always coming back and saying that the public

should make his departmental people aware. He was aware of infractions and possibly the reward system to some degree might be an incentive in that direction as well.

MR. D. BLAKE: Mr. Chairman, just before we leave this area I neglected earlier when I was up. The Member for Gladstone had to go out to attend at some constituency matters and left me her folder. There was great concern - as I expressed to the Minister and I got a fairly good explanation from him last fall - expressed in her particular area, namely, the Sprucewoods with the issuing of licences. It was reported that there were several German soldiers stationed there that got licences and many of the rural residents were extremely upset over that prospect when it was revealed that the NATO forces didn't have reciprocal hunting rights over there. Just to assure her that I got her questions before the Minister, if he would like to maybe just roughly run through that situation for the record.

HON. A. MACKLING: Yes, there was a longstanding understanding - pardon the double use of that word - that turned out to be a misunderstanding in respect to the reciprocal rights of German nationals that were here training in Shilo. That has been clarified and there is certainly now that in the 1984-85 hunting season German nationals, living in Shilo - unless they satisfy the residency requirements by otherwise being here for a great length of time - it may be that the camp director or whoever, if he's here for six months or more, they may qualify, because they become residents for the purposes of the regulation. Other than that, there is no hunting privilege — (Interjection) — ja, das ist so. That's it, Mr. Chairman.

MR. A. DRIEDGER: A final comment to the Minister, has the Minister established a policy as to whether he will be selling fishing and hunting licences in the community of Camperville, or will they be issuing their own from hereon in?

HON. A. MACKLING: Mr. Chairman, there is no jurisdiction on the part of anyone other than the Province of Manitoba to sell those licences.

MR. DEPUTY CHAIRMAN: 9(a)(1) to 9(h) were each read and passed.

Resolution No. 18: Resolved that there be granted to Her Majesty — (Interjection) — no? Okay.

Resolution 128: Resolved that there be granted to Her Majesty a sum not exceeding \$3,821,400 for Natural Resources for Wildlife for the fiscal year ending the 31st day of March, 1985—pass.

The next department is Natural Resources, Surveys and Mapping.

Mr. Minister.

HON. A. MACKLING: Mr. Chairman, now I would like to introduce Dave Crandall who has succeeded Mr. Roberts in Surveys and Mapping.

Mr. Chairman, I won't review the detail of the staffing unless the honourable members would like it. The total '83-84 staff was 80.26; '84-85 is 78.26. It's a

reduction of two. I think honourable members are familiar with - the difference in staffing is two staff-years, two staff person-years, from 80.26 to 78.26, one reduction on Geographic Mapping from 15 years to 14 years; one reduction in Map Distribution and Remote Sensing from 9.26 to 8.26. Those are the only changes there.

I think members are relatively familiar with the Surveys and Mapping section. I won't read the general information on that unless members wish.

MR. CHAIRMAN, P. EYLER: The Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, that's fair enough. I think we can accept that. I just want to raise the problem that I think has been raised almost every time in the area of surveying, especially in some of the rural areas where the requirements at the present time are - the Minister's well aware of it - that when a sale of property takes place, especially when there is funding required, borrowing through the banks, etc., that a legal survey is required. It creates a real financial problem, maybe not in the organized municipalities as much, but when we talk of the unorganized territories or the Local Government Districts where many of the mounds have disappeared over the years.

There is a major problem with this in terms of a sale of property now. Very often where, if it is not a big property or a smaller subdivision, things of this nature, in some cases when a legal survey is required which is in most cases they have to bring in - you know, they maybe have to move six, seven, eight miles, whatever the distance is. Very often the cost of a survey of that nature are higher than the value of the property involved. This creates real anguish in many of the rural areas. I don't necessarily know the answer to it in terms of resolving the problem unless possibly there was some flexibility maybe established in terms of the survey requirements in some of these places, because there are titles there to establish a legal survey if the costs are going to be that high, as indicated.

I think we've brought this up many times already before. Hopefully the Minister within his department could establish a system of ongoing surveys to re-establish some of the major mounds so that the costs in this case - that is No. 1. But that's a long, ongoing process and whether there possibly could be some consideration given that the legal surveys are not always required in the case of a transaction. I wonder if the Minister could maybe comment on that.

HON. A. MACKLING: The honourable member alludes to a problem that does exist. There is a problem. The Surveys Branch took over the responsibility for surveys from the Federal Government in 1930, and many of the old survey posts, many of them wooden, placed by the Federal Government were lost or obliterated. The problem is recognized, and we are maintaining the program at the same level as we have for some years. The areas that receive attention are determined through reports from the Land Titles Office and from private surveyors.

In respect to the suggestion of perhaps not requiring a formal survey, that's a question that really is for determination by the Land Titles Office. Since we in

Manitoba, under the Torrens title system, as a public guarantee title, there are standards that are set by the Land Titles Office that seemingly are more rigorous than what might prevail in other areas. But because of that guarantee that we make, they set the standards, and we have to accept the fact that in order to be certain of the land and the guarantee as to title, it's necessary to have a survey. That's a matter for determination by the Land Titles Office.

MR. A. DRIEDGER: Mr. Chairman, might I suggest to the Minister - because this problem is not going to go away. We can talk about it all we like. Might I suggest to the Minister possibly working out a cost-sharing arrangement? Because if we are going to nail an individual to start establishing posts when he's eight miles away from an established post, the benefit is to the municipality as well as to government. Maybe the Minister could work out some kind of a cost-share program between the government, the municipality or LGD, and the private individual who is required to have the legal survey done, because I do not think it is fair. It seems the Minister would agree that it is not fair to take and nail an individual for the total cost of it, because the province and the municipality does get some benefit out of it because once you've drawn - I'll just illustrate an example.

If some individual in an extreme corner sells a property and a survey is required and the individual has to pay the costs to the surveying crew that comes out, and draws a line for eight miles or something like that and establish posts along the line, the benefit is there for the person that maybe six months later sells the property. Already his costs are a fraction of it, and we burden the costs of total shock to one individual, and others get the benefit of it, the same thing with the municipalities or LGDs as well as the government in terms of their program of resurveying portions of the province.

I would suggest to the Minister very strongly to consider the aspect of a cost-sharing arrangement, and maybe discuss it with the municipalities and LGDs so that it would be a more equitable and fair way of sharing the costs in these things.

HON. A. MACKLING: The honourable member is quite right. Once a survey is made, it's of lasting value to generations to come. There ought to be more spread of the costs of that into the future. I am advised that municipalities are now participating to some extent in some areas with the department in some cost-sharing.

The other point that should be made is that, as I've indicated, the nature of the survey system that was transferred to us left a good deal to be desired. We are concerned to approach the Federal Government for cost-sharing in respect to restoration of some of these surveys as well. So we are going to be looking at that, Mr. Chairman.

MR. A. DRIEDGER: As my final comment, I would very strongly urge the Minister to pursue that area very diligently to cost-share federally, provincially, and municipally, and with the individual. I think that would be not to talk about it, but to do it.

MR. CHAIRMAN: 10.(a)(1) to 10.(e)(3) were each read and passed.

Resolution 129: Resolved that there be granted to Her Majesty, a sum not exceeding \$3,088,000 for Natural Resources, Surveys and Mapping for the fiscal year ending the 31st day of March, 1985—pass.

Item 11.(a) Resource Support Programs, Manitoba Water Commission - Mr. Minister.

HON. A. MACKLING: The next section Resource Support Programs, Mr. Chairman, I think the item is reasonably straightforward. The staffing changes, there is some significant change here and perhaps I could go into the detail here. The Water Commission staffing is the same; Garrison Diversion opposition is down one staff person because we don't have the seconded person from the Attorney-General's Department this year.

Conservation Districts Commission, we have four staff person years set up for Conservation Districts Commission. That's to staff that commission to get on with the work of ensuring development conservation districts in Manitoba and the development of schemes or plans for those districts. So, there's an increase in staff and the honourable member, I'm sure, is interested in the increase in staff from four to seven in this section.

I think the honourable members are reasonably familiar with the support activities, the Water Commission, the Garrison Diversion, the conservation districts. Now, in respect to the conservation districts, perhaps I should elaborate just slightly there. Honourable members will see there's an appropriation for \$160,000 and this is designed to ensure that we get conservation districts programming enhanced. There has been for some years five conservation districts in Manitoba, but not one of them have developed a conservation district scheme to this date. We want to ensure that those districts do develop schemes, that we promote conservation district programming throughout Manitoba, and it is my hope and expectation that this commission will enhance that opportunity.

MR. A. DRIEDGER: Mr. Chairman, on this area here I have a concern I'd like to raise just briefly on the Garrison which has been a much-debated and talked-about thing. I wish the Minister success in his trip to Washington along with my colleague, the Member for Arthur when they leave on Sunday, and I hope that they can continue to express our concerns about the opposition to it. It appears that certain agreements are being reached at this present time, and I'm wondering whether the Garrison Focus Office is still required at the present time in view of what has happened to date, and whether the Minister intends to maintain that office and the expense of it?

HON. A. MACKLING: Yes, Mr. Chairman, one thing that we must not lose sight of is that while there has been some increased recognition on the part of the American proponents that the International Joint Commission's conditions are significant and ought to be considered, there has been no formal commitment to that change. Unless and until that occurs, we can't relent in respect to our continued pressure to try and get them to change that scheme. While they've said, and this was the interesting while heartening change

in attitude, that they've indicated that they're willing now to look at alternatives to irrigating lands in the Hudson Bay watershed and replacing them perhaps with irrigating lands in the Missouri watershed, that is not a formal commitment, and so the efforts of all Manitobans and the Federal Government continues to be to secure a change in that development, and until that occurs we should not relent in our efforts. That's key to our continued opposition to the plan as it now is. Once the plan is changed and there's a formal commitment, then I think we could breathe a great sigh of relief that the Americans do recognize the environmental threat that Garrison continues to have to Manitoba.

MR. H. ENNS: Mr. Chairman, just a word or two with respect to the Garrison. It does appear as the Minister announced in the House several weeks ago that certainly the Americans are cognizant of our concerns. I would wish to acknowledge, I think, past efforts on the part of this Minister, other Ministers, and, indeed, other administrations' well-documented efforts and lobbying efforts to bring this matter to the American officials' attention.

Mr. Chairman, it would seem to me appropriate, particularly as you embark, Mr. Minister, along with, as already has been mentioned, my colleague, the Member for Arthur, on yet another trip to Washington to consider seriously whether or we should review some of what I consider to be somewhat offensive material that is being printed and distributed in Manitoba with respect to the legitimate concerns that we have about Garrison.

I refer specifically to some of the material that the Minister of Education is distributing through the Manitoba school system where fears or possible probabilities, as remote as they may be and quite legitimately, are being represented as fact. There is a legitimate fear to our fisheries, but it is not a fact documented anywhere by any scientific study that Garrison will wipe out Manitoba fisheries. These kind of stated facts in some of the material that we are distributing through Manitoba in my judgment does not really add to the level of debate and to the integrity of the debate and to the integrity of our argument. Our argument is quite legitimate enough to say that if there is a possibility, then it's a concern.

I object, Mr. Chairman, that possibility is translated and being presented in some instances as a fact, as a scientific fact, as a biological fact. I say this, Mr. Chairman, more so because I have always had a continuing concern in this whole Garrison debate that there are a host of problems that we should be addressing with respect to our American friends that are joint to both our province and to our immediate American neighbours. They have to do with other water projects, they have to do with other management systems that we would like to get on, and these are of long-standing and of a long-term nature as basic and fundamental as addressing the problems of the Red River Valley flooding, Pembellier Dam, the problems of the Souris River, the problems of Grand Marais and other issues that have literally been put on hold because - I'm not making these statements as an attack on the Minister at this particular time - of our preoccupation with the Garrison problem that a number of other issues

that are of tremendous importance to the welfare of Manitoba have just not been addressed.

I suggest to the Minister - and he responded just a moment ago with respect to the Member for Emerson's questions about the maintenance of the Garrison Focus Office. All right, and I should perhaps share that view that there is reason to maintain our vigilance about further plans that could impact on Manitoba should further phases of the Garrison be proceeded with.

But the point of the fact is that today, as the Minister is about to embark on a trip to Washington, the Americans have and our Canadian officials, our technicians, have come to an agreement that what the Americans are now doing is not contrary to the Joint International Study reports. They have met. I suggest to the Honourable Minister with considerable amount of effort, the Canadian concerns as expressed thus far, and I would think that it would behoove us, Mr. Chairman, to re-examine our position on the Garrison relative to our relationship with the Americans and see whether or not we cannot at least present the facts of the matter more accurately to our own citizens. That should govern to some extent our conduct when we are carrying on future negotiations with our friends to the south.

HON. A. MACKLING: Mr. Chairman, I agree — (Interjection) — pardon me? I agree with the honourable member that it is always dangerous to overstate your case, because you may antagonize people by being vociferous in your opposition if you are overstating or alleging that the facts are different than they are. But, Mr. Chairman, in respect to the biological threat, the environmental threat, we are not indulging in speculation that comes out of nowhere. The biological threat that was identified in Garrison was not identified by this government. It was identified by the International Joint Commission who heard . . .

A MEMBER: That's a possibility, it's an unacceptable risk.

HON. A. MACKLING: . . . experts in the fields of the fishery and related biology of waterlife, and they made a finding. The International Joint Commission made a finding that if, as they believed, a biological transfer was very likely to occur, the freshwater fishery in Manitoba would be very very seriously impacted to at least 50 percent loss of the fishery.

A MEMBER: That's not true.

HON. A. MACKLING: I'm sorry, sorry. That is the finding of the International Joint Commission. What we have done in our argument is maintained the position of the International Joint Commission.

Now I know at one stage, I advanced argument even further than the International Joint Commission's position. That is that, even though the International Joint Commission said that the Lonetree Reservoir was possible with these safeguards, I argued before Lonetree became almost a fait accompli that from our perspective the Lonetree Reservoir should not be developed at all, because with the Lonetree came additional dangers.

The International Joint Commission said that Lonetree could be constructed, but there were certain conditions they wanted imposed. I remain skeptical about the maintenance of those conditions. One of the conditions was that there would be no fishery allowed, no fishing of any kind allowed, on the Lonetree Reservoir. It's going to be a big lake. The opportunities for fishing are obviously going to be attractive. As a matter of fact, the proponents have outlined on the plan for Lonetree recreational activity areas. So that's going to be very difficult. Now the proponents say that they are going to respect that condition. That's going to be difficult, but we have to trust them that they say they're going to.

The other condition that the International Joint Commission put on was that there be no return flows of any kind into the Hudson Bay Watershed, again a very very difficult condition. When you see plans for the Lonetree Dam with an industrial and municipal water supply directly connecting from the Lonetree Reservoir into the Sheyenne River, you wonder about the integrity of the proponents, that they are not following the conditions of the International Joint Commission.

So we are not overstating our case. We are stating the case that is made by the International Joint Commission. To deviate from that, to go back from that could be a disaster to the Canadian and Manitoba position. We must uphold that position.

What we are concerned to do is get a formal commitment by the U.S. Government and the proponents that there will be no irrigation, no release of water into the Hudson Bay Watershed. Only then can we relax in our opposition to it, Mr. Chairman.

MR. A. DRIEDGER: I have a further question to the Minister under Habitat Enhancement Fund where there is \$250,000 designated for this year. Can the Minister maybe just give a clarification on that?

HON. A. MACKLING: Mr. Chairman, out of that fund, we anticipate establishing some additional wildlife habitat, either by direct acquisition, purchase or entering into a long-term lease of suitable wildlife area. Additional to that out of that same fund, small as it is and I would like it to be much more, a consideration for the costing of enhancement of fish propagation areas whether it be a fish ladder, where there's no fish ladder now, an enhancement of a spawning area, that sort of thing.

It is my hope that we will set up a corporation that will receive bequests of land, bequests of money to that fund, and a corporation that would be representative of a broad spectrum in society in Manitoba who would be directors and involve in assisting government in establishing priorities of habitat enhancement.

MR. A. DRIEDGER: I would hope that there will be a lot more money funded into that.

MR. CHAIRMAN: 11(a)(1) to 11(e) were each read and passed.

Resolution No. 130: Resolved that there be granted to Her Majesty a sum not exceeding \$709,100 for Natural Resources, Resource Support Programs, for the fiscal year ending the 31st day of March, 1985—pass.

Item 12, Expenditures Related to Capital Assets - Mr. Minister.

HON. A. MACKLING: I think, Mr. Chairman, I did share with honourable members the capital program in respect to water and the capital program in respect to parks. The balance of the capital - have we got copies of this? On it you will see that there is provision for some equipment purchase in respect to forest renewal of 45,000, equipment purchases in respect to fisheries of 100,000, and there are equipment purchases - the Delta Channel improvement, improvement at the Narcisse snake dens, the Oak Hammock Marsh capital being the largest item there of 250,000, a total of \$298,000 under wildlife.

In Surveys, equipment purchases of 25,000; Lands, cottage lot subdivision upgrading for municipal takeover of 100,000, a total of 568,000.00.

MR. A. DRIEDGER: Mr. Chairman, I think we covered, as the Minister indicated, some of the capital projects especially under water resources to some degree. I'm just wondering, to the Minister, is there any room for further capital consideration depending on projects that will be presented to the Minister. Why I ask that question is, for example, along the - I indicated earlier - the Rat River containment area on a very dry year like this possibly work could be undertaken for a fraction of the cost that it would any other year because this year is unique, in the fact that there's very little water problems anywhere in the province really in terms of flooding. I'm wondering whether the Minister has room for consideration in this area that some of these projects could be undertaken at the present time and this year's considerations of some of the other capital projects cannot be totally dealt with - whether there's room in his Budget for a consideration of items of that nature?

HON. A. MACKLING: Mr. Chairman, I'm always interested in trying to solve problems in areas where there is obviously a need for government action, but I can't be hopeful that once our Estimates are struck that I can find additional sums of money to deal with those things. — (Interjection) — I have to be frank about that.

MR. A. DRIEDGER: Just to repeat the comment I made earlier that I would hope that maybe the Minister could work out a longer-range program on some of the - especially on the drainage aspect and on planning for the future - so that municipalities can do their own planning as well. I raised that issue before already and I'd just like to repeat that one more time that maybe a longer-range plan than just a year-to-year plan would be beneficial for the government as well as for the municipalities.

MR. CHAIRMAN: 12.(a)—pass; 12.(b)—pass; 12.(c)—pass.

Resolution 131: Resolved that there be granted to Her Majesty, a sum not exceeding \$9,873,300 for Natural Resources, Expenditures related to Capital Assets for the fiscal year ending the 31st day of March, 1985—pass.

Item 1.(a) the Minister's Salary - the Member for Emerson.

MR. A. DRIEDGER: Mr. Chairman, in dealing with the Minister's Salary, I have to indicate that we moved through the Estimates of the Minister at a relatively fast pace - I think we possibly set a record over the last years in terms of the progress that we've made. The fact that we have moved through them fast, I want to just indicate to the Minister, the concerns I had driving in today in the morning, as I indicated in my opening statements, I am not that pleased with this Minister's actions to date.

He's been in there for some time now and there's a lot that we would like to see move on. This Minister is a great Minister for giving us all kinds of talk and sweet words. He's a great debater, but there's a lack of action on his part. I was almost tempted, together with my colleagues, many of them who have other concerns that we did not express here - and we will be watching the activities of the Minister in the future - I was almost tempted to indicate my displeasure by moving the Minister's Salary down to the traditional indication of displeasure for the lack of confidence in this Minister, however, Mr. Chairman, we will refrain from that.

But I'll tell you, Mr. Chairman, that we are generally not happy with the performance of this Minister. There's a few areas where I think we have graciously consented that there has been movement in his department, one is the reforestation. I also indicated earlier that there's been over-activity in terms of park designation - it shows where the Minister's priorities lie - that he has not given proper consideration in many areas. I feel very strongly that this Minister - and he's a capable debater - it's pretty hard to back him into a corner because invariably he gets up and can twist things around and deviate from things. I'm concerned about that because if this Minister really was sincere in what he's doing within his department, when we look at the fact that he allowed monies to be transferred out of his department into the Jobs Fund, and then gets up here and tries to defend the fact that he is doing everything possible and that it is because of bucks that he cannot provide certain services, then we have to just express our displeasure to this Minister.

When we questioned this Minister on the additional staffing of conservation officers to control the poaching aspect of it and initially he started off - he hasn't done it too much after that - indicating well where am I going to get the bucks. You can't expect us to decrease the deficit and create jobs and still do my job. But now that we've gone through his Estimates, we can see that it's a matter of how he prioritizes it. He's given us sweet-talk about the concerns that he has, but he has not illustrated that within his departments. Almost every department has had a decrease in staffing and then the Minister says that he's doing a good job and we say he's not doing a good job.

I also want to chastise the Minister to some degree for his lack of direction. In fact, in assessing the situation and the kind of capable staff that he has, I would sometimes feel that we don't need this Minister at all because this Minister certainly has not come up with new initiatives. This Minister has come up with no new initiatives except the one where he has, as his colleague for Inkster, who always coaches him, in terms of designating more wilderness areas. That is the only area where we see a positive action by this Minister.

All other areas we wouldn't have needed a Minister and we certainly didn't need him in that category.

So, Mr. Chairman, I just want to indicate to this Minister that we've let him off relatively easy this year. It has been my first experience as a critic. I have enjoyed doing that, being critic for the first time, especially with a department I enjoy, and let the Minister not take any comfort from the fact that we moved through this relatively rapidly. The fact that we have not moved his wages down to \$1.00, we will see what his performance is going to be in the next year, whether his words of performance that he's indicated to us of what he will undertake in the coming year, but that is not going to happen. His Estimates are going to be a lot longer next time when we next meet to discuss his Estimates.

I think, Mr. Chairman, that there's various ways that I could express further displeasure with the activities of the Minister, however I hope, I think there is some sincerity with the Minister. In closing I wish to indicate my pleasure of working with him to some degree and I wish to wish the Minister and my colleague from Arthur well in their trip to Washington. I hope that his staff will carry out the functions that are required of them this year. Thank you.

HON. A. MACKLING: Mr. Chairman, let me say that I've appreciated many of the questions that were put to me. They reflect a concern about the Department of Natural Resources that I respect. I know that this department has usually received a good deal of attention, as well it should, because it does have a lot of contact with many many people because of the diversity within the department itself.

I appreciate the kind words that the honourable member used. In respect to his words of displeasure, I use that old expression that I think the honourable member "protesteth too much." I have enjoyed the

informality of our exchange and while I haven't followed the letter, I think it's been a very good exercise and I appreciate very much the courtesy that I've enjoyed. Thank you.

MR. DEPUTY CHAIRMAN, D. Scott: Resolution 120: Resolved that there be granted to Her Majesty a sum not exceeding \$3,931,400 for Natural Resources, Administration and Finance—pass.

Committee rise.

IN SESSION

MR. DEPUTY SPEAKER, P. EYLER: The Honourable Member for Inkster.

MR. D. SCOTT: Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report same, and asks leave to sit again.

MR. DEPUTY SPEAKER: The Member for Inkster.

MR. D. SCOTT: Mr. Speaker, I move, seconded by the Honourable Member for Logan, that the report of the committee be received.

MOTION presented and carried.

MR. DEPUTY SPEAKER: The Honourable Government House Leader.

HON. A. ANSTETT: Mr. Speaker, I move, seconded by the Minister of Natural Resources, that the House do now adjourn.

MOTION presented and carried and the House is adjourned and will stand adjourned until 10:00 a.m. tomorrow (Friday).