

TIME: 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY
ESTIMATES - HIGHWAYS

MR. CHAIRMAN: Order please. We have a quorum gentlemen, the Committee will come to order.

I would refer honourable members to Page 36 in their Estimates Book, the Department of Highways. Resolution 68 Planning and Design, (a) Salaries. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Chairman, dealing in Planning and Design I would like to ask the Minister to give us one good plausible reason why we have built the most expensive piece of road in Manitoba, in our Trans Canada Highway west of Winnipeg, and built into it a wavelength that is almost impossible for any trucker to drive on. The concrete and the way the waves have developed in that, all you have to do is drive down the road and watch a truck with a load on it and that truck is bouncing six inches. If you are driving at night and you see those headlights bouncing it will drive anyone stare-crazy, and then we wonder why we have got accidents on that stretch of road.

MR. CHAIRMAN: The Honourable Minister.

MR. BURTONIAK: Mr. Chairman, I think we briefly talked about that the other night, and I think the honourable members will recall the answer that I gave, and I think the members know themselves, maybe it is worthwhile repeating.

Nobody likes to see the road, as the Honourable Member for Birtle-Russell says, trucks and buses bouncing. I want to say this, that I recall for many many years now, and I rode the bus many times into Winnipeg, and I do recall that particularly if you were sitting in the back of the bus, and this goes back into the fifties, early fifties, that it was like — we used to kid one another in the back, sit in the back of the bus and say, "This is like riding a horse, riding horseback." For awhile it was improved, now it's . . . I guess I have to admit that it's not one of the smoother rides, but I think if you take into consideration the tremendous variances in our temperatures, and as I referred the honourable members to their own driveways and the likes that in the wintertime they seem to crack and shift, and even the homes they shift because of the kind of temperatures that we have to live with. We will, I'm sure, in time have to put a top on that concrete — we are talking concrete here — with an overlay, something similar to Highway No. 75, which we did only a year or so ago, with an overlay over top, and I think that has certainly helped a great deal to what it was before. I think that this is something that has to be done in this area that we are talking about tonight, but I'm sure the members will agree that once you know that the road is still a fairly new road I don't think you would want to spend all that kind of money to put an overlay on top. But I do believe that if it has to be done it just has to be done, if it gets that bad. I am not denying that something shouldn't be done soon. I don't know what the answer is insofar as laying the concrete in the first place is concerned, that I leave to my engineers, and the engineers have not been able to come up with, whether it's here or in other areas, with what can be done to remedy the situation, but I think in the long run that, as I mentioned before, some overlay will have to be put in order to smooth out the surface.

MR. GRAHAM: Well, Mr. Chairman, we built Highway 75 in the fifties and we put concrete on at that time and that didn't work out. We are building PTH No. 1 and we are putting concrete on it and that's not working out. We've been 20 years through the concrete jungle in road construction and to my knowledge there are more problems involved with concrete surfacing than there are in areas where there is not concrete surface, and yet we are still using it. We're still using concrete, and I am convinced that the department will probably use concrete next year too in highway surfacing some place. But so far we have not found a solution to the problems that exist in this area, and we continue year after year to make the same mistakes we've made in the past and we will probably make them next year again too, unless we really get down and do some detailed research, and I am sure the research has been done in other areas. You only have to go 200 miles south, into the United States, and you don't find the problems there that we have here.

If we are having these continual problems, then I think we should reassess our whole position as far as our planning and design in road construction in western Canada, and Manitoba in particular, is concerned. It seems to me, and maybe I'm a little bit prejudiced, but in my constituency, and I live right on the borderline between the province of Manitoba and Saskatchewan, it doesn't appear to me that Saskatchewan has the same problems that we have here. Now I don't know what they are doing different, but when we talk about planning and design, I think we have to take a good hard look at the practices that we are using in the Province of Manitoba with respect to the planning and design of our roads.

I speak with no basic engineering knowledge, but as one who has had a fair degree of experience in road construction. I am convinced that there is no reason why economically we cannot design and improve a better road system than we have at the present time. If the cost is prohibitive that's another

matter, but I don't think the cost is prohibitive. It may be that with six or nine inches of asphalt we may have a better road system than even any attempt at concrete, and I would think that six to nine inches of asphalt would be a cheaper road, although we know the price of oil is escalating rapidly, but it may still be a cheaper road than a concrete road.

MR. BURTONIAK: Mr. Chairman, the honourable member says he has experience in road construction. I know that at one time he was in the business, but I would like to remind the honourable member that I don't think that he built one single mile of concrete.

MR. GRAHAM: That's right.

MR. BURTONIAK: Furthermore, when you talk about concrete roads in the Province of Manitoba you will notice that most, if not all, the miles of concrete that we have in the Province of Manitoba is in the Red River Valley. Also, when you compare Saskatchewan soil to Manitoba, in the area that the honourable member was referring to, there is no comparison between that and the Red River Valley. So we have found, over the years, that it is better, more economical, to construct concrete roads in the Red River Valley rather than the bituminous paving or the likes. And that is the reason we have been doing it, maybe it hasn't been all that satisfactory, but it is certainly the best that we can do at the present time.

MR. GRAHAM: Well, Mr. Chairman, the Minister is absolutely correct when he says I never built a mile of concrete in the Province of Manitoba, and I would have to tell him that today, if I was in the construction business, I wouldn't be particularly proud to associate my name with some of the concrete that is being laid in the Province of Manitoba at the present time.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Chairman, I would like to ask the Minister if his department has done any research into the comparative cost between concrete and asphalt over a period of years, rather than just the initial construction, taking into consideration maintenance costs. In various sections of the province, he mentioned the Red River Valley, and I know that it is perhaps one of the most difficult places to build anything with concrete because of the shifting nature of the soil. But have they done comparison costs in the Red River Valley and other areas, perhaps sandier areas or lighter-soil areas, to determine which is the most economical means of construction, taking into consideration the period of years rather than just the initial costs?

MR. CHAIRMAN: The Honourable Minister.

MR. BURTONIAK: I believe — well, I am pretty sure — we have taken some comparative costs. I am not sure whether based on exactly the same theory as the Member for Morris is referring to, whether it is over a period of a number of years or actual construction costs. I think we will be able to get that very shortly. I think we have something on this, Mr. Chairman.

Well anyway very briefly, Mr. Chairman, the information that I have here is that in the Red River Valley area the costs, our costs, indicate that as far as asphalt is concerned, the asphalt surface, it costs more than an equivalent concrete pavement. Now I would just have to find out whether this is over the given period of time. —(Interjection)— It is over a period of time, I am advised. . . . costs are greater than paved costs.

MR. JORGENSEN: Yes, I rather suspected that that would be true in the Red River Valley. Is it true in other areas as well or have you conducted any experiments in other parts of the province to determine whether or not . . .

MR. BURTONIAK: Yes, I would say the cost studies whave been made and the indications are that really there is no need, as far as I understand, to go the concrete construction in other areas.

MR. JORGENSEN: That is really not the question that I asked. What I wanted to know is it over a period of years? In those areas, if you put in concrete in areas other than the Red River Valley or in the lighter-soil areas, would that in the long run be cheaper than asphalt, taking into consideration maintenance costs or are the maintenance costs just as high in those other areas as asphalt?

MR. BURTONIAK: That is what I mentioned earlier, that the studies have indicated that where there are soil conditions which are of a lighter variety, the centre soil and so on, that over the long run, asphalt is definitely much more economical in both construction and the maintenance.

MR. JORGENSEN: Maintenance as well?

MR. BURTONIAK: Maintenance as well. No, overall, maintenance and construction in total is less than that would be if it were concrete.

MR. JORGENSEN: What other areas of the province do you have similar conditions to that which exist in the Red River Valley, if any?

MR. BURTONIAK: We don't have any. Not the Red River guo that we have in and around the Winnipeg area.

MR. CHAIRMAN: The Honourable Meer for Roblin.

MR. MCKENZIE: Mr. Chairman, I wonder if the Minister and the staff in his department are prepared to now as we look into the future of our province and see what is facing us with the energy and the rail abandonment problems, to finally come up with a five-year or a ten-year plan and lay it on the table where we are going instead of coming year after year and I go through these reports here

and I see projects that were on a year ago, they are on again this year. They have never been touched.

I will leave a copy of one that was mailed to me from Nebraska to give you an idea of what I am talking about to see how they run their program down there. And here is the one for the fiscal years 1977-82 and it is all earmarked, dove-tailed, and tells you exactly what is going to happen in the next five years. And I have checked through some of their records of the past five years to see if they followed out these projects and they have in all cases unless for a simple reason, maybe a few miles here, but basically the program was carried out. So maybe the Minister — and I will now pass this down — and he can take a look at it and see if we can't put our highway planning into more perspective, I think it is terrible in our province. We have got transportation in Northern Affairs, we have got transportation in the Minister of Renewable Resources, we have got transportation in your office, we have got transportation . . . and why can't we put it into one perspective five-year plan in one department and let's build a transportation system in this province.

MR. BURTONIAK: Mr. Chairman, if we had the population and the funds that the Americans have and we had perhaps a different system, maybe we should be considering that . . . I wonder what the views of the honourable members of the committee are, that rather than build all the roads from general revenue that perhaps we should be thinking of toll charges like they have in the States. And based on that I guess it is much easier to come up with a three, four, five-year program than doing this way, but with the population of slightly over a million and limited resources, it is very difficult to come up and publish a five-year program.

But I will indicate, Mr. Chairman, to my friend, the Member for Roblin, that over the last five years, as I stated earlier, we have kept a pretty stable road construction program, that we have had certain increases in our maintenance and our construction work, but pretty well along the same level, that we have not reached the peaks and the valleys that once existed which has been beneficial not only to the people of Manitoba, but also to the contractors as well. So I would think it would be safe in saying that although one of the states in the United States publishes a five-year program, I think we can be just as proud to say that over the last five years I think we have accomplished that pretty well in the same manner.

MR. CHAIRMAN: The Honourable Member for Virden indicated this afternoon he had a question.

MR. MORRIS McGREGOR: I think mine probably would wait. I could take advice, Mr. Chairman. I was going to ask something on the access roads off the PRs. Now that might well come under in 71, Construction of Provincial Trunk Highways. . . . Would that come under the planning of this area or should I leave it for later? Access roads off the PRHs and PRs.

MR. BURTONIAK: Well, I would think, Mr. Chairman, that should come under Construction, perhaps.

MR. McGREGOR: Right. Okay.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. ARNOLD BROWN: Before we broke off for the supper hour we were talking about some of the commodities that railways participate in, but there are some commodities that railways do not cover and I am talking now mainly of the sugar beet and the potato industry. I wonder if the Department of Highways is taking some of these problems into consideration when they are designing roads. I wonder if they are giving consideration to building roads with higher load capacities when commodities such as these are transported.

MR. BURTONIAK: Apparently the honourable member was not present or wasn't listening earlier. I indicated, I think at least on two occasions since we started the Estimates and I mentioned it this afternoon, that we have increased the gross vehicle weights on many of our PTHs if not most of them from 72 to 74 to 80,000 pounds very recently with particularly that in mind, also with the highway strengthening program which brings the loading up to 110,000 pounds. So the province has been taking these factors into consideration and has been trying to do something about that.

MR. BROWN: I would like to draw to the Minister's attention this area, and it is my area in particular that is producing these types of commodities, that in a large portion of it you still have 74,000 and it is rather expensive to transport some of these commodities to wherever they have to go, potatoes to Carberry or sugar beets to Winnipeg. Just as an example, I would like to tell him that per acre we are paying about \$80.00 per acre for transportation of sugar beets into Winnipeg alone. And it would greatly reduce the cost if we could get the load limits lowered on some of these PTHs.

MR. BURTONIAK: Well, as I said, most if not all have been increased in load weights, but not all, and perhaps as time goes on, that will be done as well. Now, mind you, before any increase in load weights can be implemented, one of the things that has to be considered of course is, aside from the grade, has to be the structure as well because many of our structures on our roads and our PTHs would not be able to withstand the greater loading. So that before any increase in gross vehicle weights could be implemented, naturally some upgrading perhaps has to be done and if not, then particularly the most important of course are the structures on some of these roads and that has to be taken into account of course and that too takes some time before new structures could be installed to carry the greater load weights.

The point is well taken. I realize what the honourable member is saying and if we have not gotten around to increasing the road limits on the roads in his area, there definitely must be a reason and I think one of them is the fact that the structures have to be improved. Once, I suppose, that is done, I would think that some time in the future the increased load limits will be implemented there as well.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. BROWN: Well, this really doesn't answer my question, Mr. Chairman. I am wondering, is the Minister really giving attention to some of these problems that we have in these particular areas? Southern Manitoba, for instance, is growing more crops than the rest of Manitoba is growing and we do have a lot of problems with transportation, so I would hope that the Minister would be giving additional consideration to the plight of the farmers in that particular area so that they can deliver their commodities in the most efficient way possible.

MR. BURTONIAK: I would just say to the honourable member that definitely we will give it very serious consideration.

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

MR. GRAHAM: Mr. Chairman, to get back to Planning and Design, I firmly believe that the Department of Highways has the engineering capacity to design roads that would meet all the criteria of the various soil conditions and the traffic densities that are required in this province. However, the responsibility for the raising of the funds quite properly does not fall within the jurisdiction of the department itself but falls squarely on the shoulders of the Minister and if the Minister is unsuccessful in persuading his colleagues of the necessity for improvement in design of roads in the Province of Manitoba, then that responsibility for the failure to do so rests squarely on the shoulders of the Minister in that he has failed to persuade his colleagues of the necessity for an improved design for the highway system of Manitoba. That is a responsibility that he must accept because he has failed so far to improve the road design of any of the roads in Manitoba and that is a criticism that I must at this time, personally anyway, level at the Minister. He has not proven to me that he has had the ability to persuade his colleagues of the necessity of an improvement in the highway systems of the Province of Manitoba and that criticism is quite properly a political one and a just one that has to be levied at this Minister at this time.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, I was wondering if the Minister could tell the Committee if, in the light of the possibility of some substantial changes in grain hauling systems in Western Canada, if the design of roads and highways now are being done taking into consideration the possibility of those changes? It would seem to me that any new highways that are to be designed must be designed for increased load capacities first of all, secondly, to be directed towards those areas in which delivery points will be located. I wondered just what kind of liaison there is existing between the Minister's department and other departments of government that might have the responsibility of determining where those areas will be?

MR. BURTONIAK: Mr. Chairman, as I said before, and I repeat, the design of our road system has been towards the carrying of increased load weights on our highways as well as the design of bridges for the same reason. For example, the bridges are now being designed for H.S. 25 loading which would be capable of handling anywhere from 90,000 to 110,000 pounds. Now, this pretty well applies to the highway strengthening program as well as areas where the highway strengthening program is not in effect, so that's one of the things we are doing in the department. I don't know what else can be done. I can inform the members that we don't, in the Department of Highways we don't build what we used to call tote roads or some similar name, we build roads with the proper width, or at least we think it's a proper width, for asphaltting or for AST or whatever the case may be, or even a good grade of gravel. So all these things are taken into consideration.

Now, as far as to what areas we should be going as to various points, I believe that the Honourable Member for Morris was referring to certain areas like elevators and so on, towns where the elevators might disappear because of the branch line abandonment I believe that's what's what you were referring to. This pretty well falls into line. Now, I do know that we have not been able to really say that this particular town, this particular road has to be upgraded or rebuilt because we haven't really seen anything definite where that line is going to be abandoned or what. So that we have not been able to say specifically which roads, but we have taken more or less a general outlook and say, well, we have to improve the road construction. When I say improve, I mean to build the roads in such a way that they will be able to carry the higher load weights and I think at this point in time that is about all we can do.

But in the meantime, as I said earlier this afternoon — I may be repeating myself but these questions keep coming up from, I suppose, members not being in the Committee this afternoon, they were in the House — that we are making every effort to try and stop the branch line abandonment. I know we will not be able to stop it completely but I think every effort is being made by the province to make sure that the lines that are being proposed to be abandoned are not abandoned. Because I think that, as we all also can appreciate, the fact that the roadbeds are there, they have cost a lot of

money and perhaps some thought should be given that if any rail line is abandoned, perhaps either a road or something of that nature should be put on that roadbed because after all, it's been there for a long time. I personally would not like to see, even if a branch line is abandoned, I certainly would not like to see the rails being taken out of there because I think, as I said earlier today, that there is no more economical way to move grain than it is by rail.

MR. JORGENSEN: I take it then the Minister would agree with a Private Member's Resolution that was introduced into the Chamber — I'm not sure whether it was this year or last year — advocating that very thing, that we maintain control of the areas of the lines that are to be abandoned. But I want to ask the Minister now if, in his discussions with his counterparts in the other provinces and the Federal Government, if any thought had been given to maximizing the load weights that will be carried over the various provincial roads? It seems to me that every time that your designers come out with an improved strength and design of a highway, somebody builds a bigger truck.

MR. BURTONIAK: That's right.

MR. JORGENSEN: Is there going to be any limit to that, or is that just going to continue to grow?

MR. BURTONIAK: As the Member for Morris well knows, the 110,000 pound gross vehicle weight was suggested by the Federal Government on given stretches of road which the Federal Government themselves so have designated as the ones that they will participate in, 50 percent, to carry load weights up to 110,000 pounds. Now, whether or not the province will see fit to go to 110,000 on roads that are not under the cost-sharing program, I can't really say at this time. But as I said before and I repeat again, we realize, I realize that some greater load weights will have to be carried on some roads and that's why we have gone to the 80,000 pounds on most of our PTHs other than the ones that are under the Highway Strengthening Program.

MR. JORGENSEN: If the Federal Government has designated 110,000 as a maximum load weight, can any province afford to have less? If you have your neighbouring provinces, say, to 110,000 pounds, your roads are going to look awfully foolish after a year if truckers are indeed going to start out with those loads. It's going to be terribly inconvenient for them to be unloading at our borders and then loading up again at the other end. Should there not be a standard all the way across Canada? Is that standard an objective that the provinces are aiming at, or is it being done in a haphazard way?

MR. BURTONIAK: Mr. Chairman, it would be very nice to have a kind of a standard of load weights from coast to coast, but unfortunately that has not been possible until now. We have, I think, pretty well the same standards across Manitoba, Saskatchewan — I'm talking about the cost-shared program on this Highway Strengthening Program — and Alberta.

MR. JORGENSEN: Excuse me, would that just involve the Trans Canada Highway? **MR. BURTONIAK:** No, there are several roads, like Trans Canada — Number 6 Highway to the north; the Yellowhead Route; Number 75; Number 59, as an example. That does not mean that all — they're not participating in all the roads, you know, it's only on roads, certain mileage on certain roads. The rest, as I say, are strictly under our own jurisdiction and they have not made any effort or made any attempt or have given us any word that they would like to participate. I don't think that they are all that anxious, but on certain of these roads they have agreed and we are now in the fourth year of a five-year contract which means that we will get \$32 million from the Federal Government over the five-year period. That means that we will match it equally, which brings it up to \$64 million. But that is only really a drop in the bucket. If we want to improve most of our roads in the Province of Manitoba, it would cost us several hundreds of millions of dollars to bring them up to 110,000, if that is what we want to do. But I don't think, Mr. Chairman, no matter what you do, whether it's 110,000 pounds or 120,000 pounds or 150,000 pounds, as the honourable member said, we don't know what the industry is going to do as far as trucks. The higher the load weights we allow on the roads, and construct the roads to be able to carry those weights, somehow, somehow, somebody comes along and manufactures a larger truck. I think that somewhere along the line we'll have to say, "This is it," and that's it.

MR. JORGENSEN: That's just the point that I was trying to make, whether or not your counterparts in the other provinces and the Federal Government had decided upon a maximum load weight that would be laid out very clearly as the maximum that any province or any road would be able to sustain. One other question that has concerned me. I've asked this question on other occasions and I'll ask it again to see if a further decision has been made on it or any more planning had been done on it, and that is, in the hopeful event that you are going to be four-laning Highway 75 and I see by your Road Program that you'll be purchasing some more property for that purpose — I presume it's for that purpose — this year. What happens when you get to Morris? What do you plan to do there?

MR. BURTONIAK: I would like to indicate, I really can't answer that question, what we are going to do when we get to Morris. But the purchase of right of way, I believe that the members will recall that what we are trying to do is establish, and we are well under way, establish a three-year program and in

order to do so, we must have the necessary right of way ready so that when the government decides to proceed with a certain road, whether it's four-laning or widening or whatever, that the right of way is there. Otherwise you do run into problems by trying to either upgrade or construct a new road without first getting the right of way and that of course delays your program. So that is the reason why we have quite a bit of right of way purchasing in the program for this year, as we did last year. But that doesn't mean that as soon as the right of way is purchased, if it's purchased this year, that next year we are going to proceed. We may, we may not, because we are aiming for a three-year program and that is the reason why the acquisition of right of way is there.

Now, what we are going to do, as the honourable member asked, about Morris, at this point in time I really don't know.

MR. JORGENSEN: . . . partly answered the question about the purchase of the right of way. I take it then that the purchase of that right of way is for the four-laning of Highway Number 75? That is correct, is it, that's a proper assumption?

MR. BURTONIAK: That's for the purpose of four-laning the 75 Highway some year in the future.

MR. JORGENSEN: The Minister seems frightened to make a commitment as to when that will start.

MR. BURTONIAK: Mr. Chairman, you see, this is the problem, you can't have it both ways. Somebody here, one of the honourable members, has suggested that we should have a five year program. Well, I agree. But we'll just have to start with a three year program. You know, when you have a three year program, I'm not in the position — and I think the Honourable Member for Morris, if he were Minister of Highways — he would not be in a position to say that this year, we're purchasing right-of-way and we're going to construct a road next year or the year after. You may, you may not. I'm sorry, I'm not able to give a definite answer on it.

MR. JORGENSEN: Then my constituents will forgive me if I can't give them a definite answer.

MR. BURTONIAK: That's about the size of it. I hope they forgive you.

MR. CHAIRMAN: Resolution 68(a)—pass; 68(b) Other Expenditures—pass; Resolution 68, Resolved that there be granted to Her Majesty a sum not exceeding \$933,000 for Highways—pass. Resolution 69 Highway Maintenance (a) Maintenance Programs. The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, in the annual report of the Minister, I noticed on Maintenance there's one figure there that rather boggles my mind. Vacation and Sick Leave, \$900,537.12. Vacation and Sick Leave. Page 6 of the annual report. That's a rather startling figure to go under Maintenance.

MR. CHAIRMAN: The Honourable Minister.

MR. BURTONIAK: I gather, Mr. Chairman, although I believe that the honourable member is alarmed at the amount, but this is based on the agreement, and every employee is allowed under the agreement, a certain amount of sick leave and a certain amount of vacations and the like. It comes out to that figure, Mr. Chairman.

MR. McKENZIE: Mr. Chairman' then am I correct in assuming that that's only under the Maintenance section of the department?

MR. BURTONIAK: I'm told the answer is yes, Mr. Chairman.

MR. McKENZIE: I wonder if the Minister could give us an idea of how they arrive at the Maintenance programs. Let's look at secondary roads. I have a letter here, all kinds of them, from people complaining and yet I know some areas that the maintenance programs are adequate and the roads are not that bad, and other areas, they're terrible. The north, I was going through some figures here and I notice the construction of roads in the north are 13.5 million, Winnipeg 3.2, PTH No. 1, 10 million and the rest of the province, 10 million. How do you arrive at the maintenance program? Is every area of the province from one end getting the same maintenance' or do you play it political and say, "Well, look, where these Tory guys are' we will go in and maintain those roads, we'll look after. . . " Because that's an allegation or charge that was made for years and years that they politicized the highways program.

MR. BURTONIAK: I was not going to say this, Mr. Chairman, but since the Honourable Member for Roblin mentioned it' I've been around a few years in this world too and I used to get the same kind of a thing when the Conservative government was in power as well, whether that was correct or not, I'm not going to argue that point. But the thing is' each district, as you know we have 12 districts in the province with X number of miles of road in each district, and each district assesses the needs of their particular district and sends a budget. And of course, that money stays in a pot and so much belongs to each district' as they budget for it.

MR. McKENZIE: So therefore, like here, I've got letters from Pelican Rapids, and they say that road's been years and years of agony. Now the reason that they're not getting their maintenance on this road is because the local engineer, it would be Harry Jacobson, Swan River, that's the guy we should be blaming.

MR. BURTONIAK: No' no, by all means no. Mr. Chairman, when you talk about Pelican Rapids road, I wish the honourable member was in my office some 3 or 4 years ago, or less than that when the

people from Pelican Rapids were down and we had a meeting with them. They were wondering, too, why it was that their road was not maintained properly. That road was supposed to be on a 50-50 cost-sharing basis with the Federal Government. I understand that road was built that way, on a cost-sharing basis, and my honourable friends, members of the Opposition, were, if I'm not mistaken — if I am, I stand to be corrected — but I thought that they were in government at the time and that was one of these so-called tote roads and they thought while planning, that was one of the things that happened at that time. Now, with the greater number of trucks, greater loads coming through there, and of course the road itself having many curves on it, hills and valleys, it becomes very dangerous.

We pay 50 percent of the maintenance on that road and apparently they're not getting anything from the Federal Government. So all we can do is what we have been doing' we've been putting in our share, but 50 percent of something is 50 percent, no matter how you do it, and if you don't get the other 50 percent, you can only do so much. As a matter of fact, we had agreed, right at the time when this delegation was here, that we would rebuild that road, provided we got 50 percent cost-sharing from the Department of Indian Affairs, which is the Federal Government. The Department was sitting right in my office, and they completely refused, said they were out of money ' and that's where it stands today.

I feel sorry for those people, I would like to help them out, but all we can put in is 50 percent of it. I don't think that any Minister of this government or any government would be that generous, nor should he be, that he should bail the Federal Government out by putting in 50 percent funds from the Province of Manitoba. I don't think it would be right, although when you look at the kind of situation that exists over there, sometimes you feel like doing it, but then of course, it just isn't fair, it just isn't right.

Therefore, the district engineer cannot be blamed for this. He spends the money that is allocated for that road, which is 50 percent of the cost.

MR. MCKENZIE: Well, Mr. Chairman, I've got a long list here. I could go on for half an hour and give you the list of the letters I'm getting from people that are unhappy about the maintenance of roads. You can blame it on the engineers . . . here's another one, 277, 254, Highway 44 PH11 to Whitemouth, Landmark, Ile des Chenes, PR 201, PR 504, No. 12 to Ross and St. Genevieve, is it, PR 452, Waskada to PTH No. 3, there's some more of them here, but the list goes on and on. Here's another one, PR 591, here's one from the Member for Emerson's constituency regarding Road 209. It says "Of the nine years I've been associated with this area, I've never seen PR Road 209 in worse condition". Apparently the member stood up in the Legislature and praised the condition of the highways. Now, there's got to be something wrong. It just doesn't add, all these letters coming in. So I just wonder why there are not complaints coming from some areas — some are reasonably happy with the program, and others are very unhappy. If the Minister says that they're all getting the same treatment, well then, fine, but it appears that they're not.

MR. CHAIRMAN: Order please. The Honourable Minister.

MR. BURTONIAK: Mr. Chairman, far be it from me to say that all roads are in perfect shape. Of course they're not. It depends on the conditions of the weather and the kind of loads that the roads carry and so on, and then, of course it depends on the people too. I know that I've received some letters, I'm not going to deny that, and I've taken it upon myself to go and see those roads. As a matter of fact, I've taken a councillor with me, and when you go on that road and see what the road is like and compare some of the statements that are made in the letter, they are two different things. You would think you were on different roads. It depends on the people too. I suppose these are things that you get.

Now I am not saying that there are no roads in the province of Manitoba that are not in the best of condition. Of course not But it depends on the human being as well.

MR. CHAIRMAN: The Honourable Member for Roblin.

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

MR. CHAIRMAN: The Honourable Minister of Agriculture.

HONOURABLE SAMUEL USKIW (Lac du Bonnet): Well, Mr. Chairman, I'll pass.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, a few years ago, under a former Minister, there was a consulting firm who had come up with a formula for road maintenance of the province's secondary roads. I hope that that formula is still not being used. The consulting engineers had the unlikely name of Jorgensen, only he spelled it with an "sen", and I thank heaven, no relative. But that formula was a most disastrous one. How long did the government follow that particular advice in road maintenance? He recommended that the roads be maintained at periodic intervals on a regular basis, whether they needed it or not. In most cases, they needed it much more frequently than he had recommended. But I take it that that formula is not being followed.

MR. BURTONIAK: Well, I might say Mr. Chairman, as far as maintenance is concerned, you can't have a kind of a schedule. It's impossible. Many things enter into the picture, for example, you may be able to do it for awhile' but then you may run into some dry weather, or you may run into some wet

Monday, April 4, 1977

weather, and of course your schedule falls all to pieces. You have to use more common sense than some sort of a schedule.

MR. JORGENSON: Well, that was the opinion that I expressed at that time, although I hesitated to argue with a consulting engineer. However, there is a pretty standard criticism that is always levelled at the department when you're talking to people in your area, and that is the number of times that provincial road maintenance equipment is running around with the blades way up and not really doing anything but running back and forth. Is there a great deal of that happening, or is that again, the figment of the imagination of a lot of people? I know, on a number of occasions, I see it myself, and I ask that question because it has frequently been brought to my attention by municipal officials particularly. They feel a better system of road maintenance can be achieved by simply hiring the municipal people to maintain the provincial roads. They believe that they have much closer contact with the needs and they have the equipment. It seems a waste of time and a waste of money to be duplicating a great deal of work that can be done by one administration, rather than two. Has the department given any consideration to returning to that system of road maintenance, as I understand it was once in existence or is there any particular reason why that was abandoned?

MR. BURTONIAK: Yes, that was, to some degree, correct. I might point out to the honourable member that from time to time we still hire municipal equipment when the need arises, but then again, we have to understand that the municipalities naturally would — and I don't think I'm going to be liked very much by the municipalities by saying this — but of course, the municipalities would just love to have us hire their equipment all the time because it means revenue for them. But we do have a considerable number of machines, patrols, and so on, but as I said, if we do run short, we do hire from municipalities. There may be times where someone may see a patrol coming down the road, as you pointed out, with the blade up. He may be going to a job or coming from a job, so these things do happen. Now, that patrol may go over that same road two or three times a week. Well, there's no need for a blade in that road and if they start doing that, then of course they're not going to get the job done that they're supposed to do at some other location. A person sitting by and watching this may feel that there's an awful waste of money and time, but really it isn't that at all because I feel it would be just as much a waste of taxpayers' dollars if we were going to blade these roads whether they needed to be bladed or not.

MR. JORGENSON: Well, surely the people who are using the roads would determine whether or not those roads required any maintenance. You don't have to travel over a road too often to feel the need of some maintenance, and surely, would you not think that the demand for maintenance would be based on the number of requests or the criticism that was offered which normally comes to the municipal office. They'd be in a much better position to determine whether or not a road was in need of maintenance.

MR. BURTONIAK: Well, I suppose one could argue that the municipality would be in a better position, and of course, one can also argue the other way that the Department of Highways and the district personnel that are responsible for a given district are perhaps in a better position to decide these situations, because they have people going over them and checking, probably to a greater extent than the municipal councillor does.

MR. JORGENSON: With one possible exception, they're not elected officials and they don't feel the pressure as much as an elected councillor does.

MR. BURTONIAK: That's right.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Thank you, Mr. Chairman. In the Minister's statement that there were 12 districts, would this include the rural and the urban — the province is broken up into 12 districts?

MR. BURTONIAK: Yes, right.

MR. FERGUSON: Then could we have a breakdown of the expenditures by district, with exception of the urban?

MR. BURTONIAK: Under the districts, we don't have it broken down in that manner. We have the district but not separating the rural from the urban. For maintenance purposes the urban is under a grant system . . . so there is a bit of a separation there.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Chairman. Then I would like to have a breakdown of the districts by rural and the amount of money spent in each of those districts — for maintenance and new construction. Specified in both cases.

MR. BURTONIAK: I suppose we can get that information in time, but we don't have it at our fingertips right at this moment.

MR. FERGUSON: That's quite all right, Mr. Chairman, I'd be willing to wait for it, but I would like to see it.

MR. BURTONIAK: We'll try and see if we can get that information.

MR. FERGUSON: Thank you.

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

MR. ADAM: Thank you, Mr. Chairman. I would like to ask the Minister what the problems are on PR 278, Shergrove to Ebb and Flow. The recent construction there of a year ago seems to be punched out pretty bad and I'm just wondering whether the original contractor didn't do a good job on that, or what is the problem there and how can it be rectified?

MR. BURTONIAK: Well, it can be rectified I would imagine by spending some more dollars on it. It appears that the kind of land, terrain that is found there, exists there and with the dry weather conditions we've had, it just has not proven to be ready for taking the pounding that it has taken in the short time that it's been upgraded. We're certainly going to be looking at it again this spring when the warmer weather sets in and the frost is out to see how we can improve the situation. I realize that it's become a very rough section of the road for a new grade, but it's just one of those things that happens once in awhile.

MR. ADAM: Yes. We had a similar problem north of Ste. Rose on 276 for about two or three miles, I would say, that I'm sure the district would recall that they had a considerable deal of trouble keeping that piece . . . it was always punching out. I'm not sure whether the conditions are similar. Whether it was because of the bog underneath or what, but the paving sure rectified that in a hurry and I never thought that paving would hold on that piece but it did.

MR. BURTONIAK: I'd like to just point out that whatever was put on top of this EST or whatever, I don't think that is the thing that rectified the problem. We did improve the base of that road and, if anything else, that would rectify the problem.

MR. ADAM: Is that what we'd have to do on . . .

MR. BURTONIAK: I would imagine so, that we'd have to improve the base of that particular road that you referred to earlier. **MR. ADAM:** I just have one more question. Who is responsible for the maintenance on what is known as the East Waterhen road, going to Mallard? It doesn't show on the map there as a road. Who is responsible for that?

MR. BURTONIAK: I was wondering, Mr. Chairman, if the honourable member could repeat again when he says who is responsible?

MR. ADAM: For maintenance on the East, what is known as the East Waterhen Road.

MR. BURTONIAK: Mallard Road?

MR. ADAM: Yes, it goes to Mallard and it goes south on the east side of the Waterhen River.

MR. BURTONIAK: Mr. Chairman, just off the bat, it seems like it's an LGD situation. I'm not sure.

MR. ADAM: Would it be a 50-50 road, or something like that?

MR. BURTONIAK: We'd have to check it out to be sure, Mr. Chairman, whether it's a 50-50 . . .

MR. ADAM: Could you check that out, Mr. Minister, and . . .

MR. BURTONIAK: We'll make a note of it. Yes.

MR. ADAM: What about the Kinosota access road off 278? Who looks after that?

MR. BURTONIAK: That would be provincial.

MR. ADAM: Thank you.

MR. CHAIRMAN: The Honourable Member for Brandon West.

MR. EDWARD MCGILL: Mr. Chairman, I would like to ask the Minister about a section of road on provincial road No. 250, between I think it's 349 and the Trans-Canada Highway. I don't see anything listed for 250 in the Highway Estimates for maintenance. What plans does the department have for completing that hard surfacing of that section of 250 between Souris and the TransCanada Highway. Half of it has been done. I think it was done two or three years ago and the balance, which has had that very bad surface, a very difficult surface to maintain, is still in rather a below standard condition. Can the Minister tell me what the department's proposals are in this respect?

MR. BURTONIAK: Well, I'm wondering, Mr. Chairman, we are now getting into the construction area and I wonder if the honourable member would leave that question and probably pursue it under Resolution 71 rather than under Maintenance because really it's a construction thing rather than maintenance.

MR. MCGILL: Fine. We can take that up then at that time. I have one other question in connection with the Trans-Canada Highway west, the west lane from Headingley to Elie. What's happening to that surface? There's a great deal of pitching in the concrete section of that highway and I'm just wondering what the Department considers to be the problem that's arising there. That's a fairly new surface, I believe, and as one who travels these roads perhaps an average of four times a week, twice on each side, I'm aware that immediately west of Headingley to the crossing of the river there's some extremely bad stretches where the sections of the highway seem to be in some way moving to cause a lot of pitching and it's particularly noticeable for anyone who went to Brandon on that bus to the Royal Manitoba Winter Fair, they'd be extremely aware of that. Some people who were trying to hold a drink of water on their laps and were having a great deal of difficulty in doing that. So, Mr. Chairman, there must be something wrong with that whole sub-surface of the grade and I'm wondering what the Minister can tell us about that?

MR. BURTNIAK: Well, Mr. Chairman, as we discussed earlier, it's no doubt because of the variance and the very severe variances in weather conditions in the province and that being concrete, I suppose what really is happening there and I think that it's probably the differential settlement there that's beginning to twist and turn as most times it will do under frosty conditions and then warm conditions — the severe differences we experience in the Province of Manitoba. That's the only thing that right at the moment we can attribute that situation to.

MR. MCGILL: Mr. Chairman, surely the same extreme weather conditions apply on that section as well as other sections where the same degree of movement doesn't seem to have occurred. Is it the material on the sub-base? One other question I would like to ask in this connection. Has this department ever done any concreting of surface with this sub-preparation of black top? Have you ever laid any concrete on top of black top?

MR. BURTNIAK: There has been an experiment of this kind on a stretch of road. Not very much, Mr. Chairman. I am told that just south of Dauphin, not very much, by not very much I mean not too many miles, just a short stretch. It appears to hold out. We have done the opposite, of course, as the honourable member knows, of putting asphalt on top of concrete. But not too much the other way.

MR. MCGILL: Well, Mr. Chairman, then apparently what little has been done by way of experiment has proven to be rather satisfactory. I was interested in noting the construction on inter-state just south of the border through North Dakota and it seemed to me that the inter-state highway was being constructed in that manner and probably for good reasons, their weather being about roughly in the same temperature ranges as our own. So I'm wondering if your department has availed itself of their experience and whether or not you have any information on the experience that has been accumulated in the northern states in this connection.

MR. BURTNIAK: Well, I believe, Mr. Chairman, that one could answer that question by saying that in the States what they are doing is laying continuous concrete. Now, that may be fine in the States, it may be all right here but then again you're looking at a substantial amount of increase in the construction because you need more wire and everything else and to put in continual concrete construction is a very costly proposition which I'm just wondering whether we can afford that kind of money because I am told that it's about twice the cost to what we do here. It has proven, as the honourable member has indicated, it's proven to be successful in the States perhaps and maybe this is the route to go, but whether or not in Manitoba we can afford the kind of costs to be able to go into continuous concrete construction . . . I believe that that is what they have done in the particular area that the honourable member is referring to.

MR. MCGILL: Mr. Chairman, are the engineering people in your department concerned about what's happening on that west lane of Trans-Canada No. 1 between Headingley and Elie?

MR. BURTNIAK: Mr. Chairman, I can inform my good friend that the engineers in the Department and the Minister of Highways of course is concerned about that particular piece of road and any other piece of road that we may be running into problems with.

MR. MCGILL: Then you do admit it is a problem, Mr. Chairman, to the Minister. You admit that this particular section of road is developing into a problem and it may be necessary I would assume for the department to take some remedial action there within the next year or two.

MR. BURTNIAK: Whether it's within the next year or two, I think is probably the right assumption.

MR. MCGILL: So I would assume then that you are seriously considering the benefits and the life of a concrete surface that might be anticipated with a preparation below of asphalt to produce perhaps an elimination of any possibility of movement like that which is occurring on that stretch of road.

MR. BURTNIAK: Whatever, you know, the decision will be based on the engineer's suggestion and advice and will have to be taken into consideration.

MR. MCGILL: I have no further questions at the moment.

MR. CHAIRMAN: Resolution 69(a)—pass; 69(b) Mechanical Division (1) Salaries and Wages—pass; (2) Other Expenditures—pass; (3) Equipment and Tools—pass; (4) Highway Buildings and Storage Yards—pass; (b) Pass. Resolution 69(c) Warehouse Stores (1) Salaries and Wages. The Honourable Member for Roblin.

MR. MCKENZIE: I guess this is controlled by the computer. In the Annual Report of the Minister we see a credit of \$38,204 which is rather interesting. How would you arrive at a credit unless it was the . . .

MR. BURTNIAK: Well I'm advised that there may be some charge-backs from the various warehouse stores for whatever purpose it was needed.

MR. CHAIRMAN: Resolution 69(c)(1)—pass; (c)(2) Other Expenditures—pass; (c)(3) Purchases—pass; (c)—pass. Resolution 69(d) Recoverable from Other Appropriations. The Honourable Member for Roblin.

MR. MCKENZIE: I'm wondering where is the government's cars. Are they in that item there, Mr. Chairman? Purchases?

MR. BURTNIAK: No. Any Provincial Government cars that are purchased, are purchased through

the Department of Public Works for all departments of government.

MR. McKENZIE: I have a question on the next item, Recoverable from Other Appropriations. I would like a breakdown from that.

MR. CHAIRMAN: That's the one that we are on 69(d). Resolution 69(d)—Pass. The Honourable Minister.

MR. BURTONIAK: Mr. Chairman, those are costs that are recoverable from other appropriations in other areas that the Department of Highways, I suppose, does maintenance work and the likes of that and other areas that are recoverable for that particular purpose.

MR. McKENZIE: Mr. Chairman, I don't need the figures today. If I could get them later, I'd certainly appreciate a breakdown of that item.

MR. BURTONIAK: I'm wondering, Mr. Chairman, when the honourable member says a breakdown, what sort of a breakdown would he . . .

MR. McKENZIE: It's \$12 million. You can break it down any way you want. I'd like it rather than the one item \$12 million, broken down into where the appropriations came from on a department level, or did you get some from Northern Affairs, some from the Government of Canada?

MR. BURTONIAK: I'm pretty sure, Mr. Chairman, these moneys, there's nothing here that deal with the Government of Canada. We have in other sections, you will notice in the next section, Funds Recoverable from Canada, but we do work for other departments and that's the money that is recoverable from these departments, \$12 million.

MR. McKENZIE: . . . breakdown of how much you recover the from each department under appropriation, I would be satisfied with that, Mr. Chairman.

MR. CHAIRMAN: 69(d)—pass. Resolution 69: Resolved that there be granted to Her Majesty a sum not exceeding \$27,322,600 for Highways—pass.

Resolution 70 - Assistance Programs, (a). The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, I think the Minister, and also the government announced the other day they have granted \$10,350,000 to the City of Winnipeg for, I suppose, streets. Is that included in this item here? **MR. BURTONIAK:** The question was whether this includes the money that will be going to the City of Winnipeg? **MR. McKENZIE:** It was announced the other day, maybe two or three weeks ago, that some \$10.3 million was being granted to the city for streets programs, I guess on a 50-50 basis likely. I'm wondering if that grant that was announced the other day is included in this item here of \$20,775,000.00?

MR. BURTONIAK: The moneys to the City of Winnipeg is not on a 50-50 basis, it is on a per-lane mile deal, so it's on a per-mile basis, Mr. Chairman, based on the number of miles at so much a mile.

MR. McKENZIE: Mr. Chairman, this press release must be wrong because it says herethe money is granted annually on a 50-50 cost-sharing basis with the city.

MR. BURTONIAK: Oh, I'm sorry, if the honourable member is referring to construction, that is on 50-50, if it's a construction basis, yes. Metropolitan street construction program.

MR. McKENZIE: It says \$7 million will be used for improvements to streets, intersections, street lighting, bridges; another \$2.5 will go to from St. Anne's Road to Lagimodiere Boulevard and I think there's some bridge repairs included in the grant, but I'm wondering, is that \$10 million part of this item that we are looking at?

MR. BURTONIAK: It is.

MR. McKENZIE: Can I ask Mr. Chairman, then, of the grants, this is strictly all to cities, towns, villages — there's no rural moneys involved here at all in this Assistance Programs?

MR. BURTONIAK: As the honourable member knows, there is no grants or assistance to rural municipalities since the time when the main market roads, or so-called, were taken over as Provincial Roads. The grants to municipalities for roads and things, bridges and things, have been discontinued. But the Grant in Aid system has been established so that it's strictly the towns, cities and villages.

MR. CHAIRMAN: The Honourable Member for Crescentwood. **MR. WARREN STEEN:** Mr. Chairman, to the Minister, how much did the Provincial Government put into the reconstruction of the Osborne Street Bridge?

MR. BURTONIAK: I would have to say, Mr. Chairman, I don't have that figure here. I would be glad to get the figure for the honourable member.

MR. STEEN: Mr. Chairman, my colleague tells me that figure was given the other day while I was absent. My apologies but we are on assistance to urban programs and that's why I chose to ask the question at this particular time. The Minister mentioned just moments ago the per-mile assistance to the City of Winnipeg. Could the Minister tell us the dollars per mile and number of per-miles that the provincial government assist in?

MR. BURTONIAK: Yes, the grant is based on \$4,000 per lane mile and I believe the number of lane miles is 857 or something like that.

MR. STEEN: That's fine, Mr. Chairman, the Minister also spoke of improvements. Could he comment a bit further on how the Provincial Government assists the City of Winnipeg in the

improvements of existing roads, where do they assist, particularly as far as dollars and cents are concerned?

MR. BURTONIAK: The program is brought forth by the City of Winnipeg and it is decided upon after the city brings in their proposed program. It is decided between the province and the city as to whether it will be agreed upon or not.

MR. STEEN: We didn't get too far with the question on improvements, then. Are we permitted, Mr. Chairman, to talk about capital items in the way of highway or street programming with the City of Winnipeg, between them and the Provincial Government, at this time?

MR. BURTONIAK: Mr. Chairman, again, on the improvements, as a rule the province does not tell the city exactly what improvements they should make or what improvements they ought not to make. The city presents their program, what the city feels is their priority, then the province indicates to them how much money will be available and basically speaking that is where it is left to the city to decide which projects they want to proceed with. Unless there is some very specific reason, whatever that reason may be, I can't think of at the moment, but if there is a very specific reason why the province may not wish to proceed with a certain project they may suggest that to the city, that they would not want to proceed with that or not want to give any money for the project — but that has got to be something, you know, really quite extraordinary I would think.

But basically, the program is presented by the city to the province, and the money is then decided upon.

MR. STEEN: Mr. Chairman, I asked you a question — to you, as Chairman — whether I could talk about capital projects between the province and the city regarding highway or traffic approaches under this item, and I did not get an answer from you. The Minister went on and he went back and he started to talk about improvements. Would you give me a clarification as to whether I can talk about capital items under this particular item or not? If not, I would love to go back to improvements.

MR. CHAIRMAN: The Chair is guided by the Minister very much on these matters since he is more familiar with his department. If you would like to ask the question that you had in mind, we will go from there.

MR. STEEN: Mr. Chairman, I wanted to talk about capital items that might be approved by the Provincial Government either this year or in years to come. At the same time I wanted to talk about improvements and the Minister went back and spoke about improvements. I would imagine that we could consider the reconstruction of the Osborne Street Bridge as an improvement which the Provincial Government funded. Correct me, Mr. Minister?

I would like to talk therefore to the Minister as to where he and his government sits in regard to the crossing between Fort Garry and St. Vital that has been on the City of Winnipeg books for a long long time.

MR. BURTONIAK: I believe, Mr. Chairman, that that part of the latter question is on the Program for this year if I recall correctly.

MR. STEEN: Mr. Chairman, when the Minister says that he believes that that project is on the books for this year, does he mean the acquisition of the property, which has been going on for some time, or does he mean the design of the new approach, or does he mean both, or does he mean both of those plus the construction?

MR. BURTONIAK: Mr. Chairman, here again, that is up to really the city to decide what they really want to do this year. But I think they will probably want to proceed beyond just the acquisition of property. We have voted X number of dollars to give to the City of Winnipeg, based on this formula and we have said it is up to them. And whatever they decide is strictly in their jurisdiction. We're not telling them to proceed or not to proceed. The money has been allocated and it's up to the City Fathers to make the decision.

MR. STEEN: Mr. Chairman, again, my question to the Minister is that it's my belief, and I did spend six years at the City of Winnipeg, but it's my belief that the City of Winnipeg, even beyond the time that I was ever there, started to acquire property for that crossing, and that we have gone the eight years this government has been in government, and we until this day don't know whether we are ever going to get a crossing there or not. I think in the eight years gone by we have acquired a little bit more property but that is all we can say that we have accomplished in eight years. I'm saying to the Minister, are we any closer today to having that bridge crossing than we were eight years ago at the time that he and his cohorts took office and shortly thereafter he took the position of being the Minister of Highways. Are we any closer to having that bridge being a reality?

MR. BURTONIAK: I would suggest again, Mr. Chairman, as I have said earlier, that the money has been appropriated by the province to the city and it's in the works. If the city wants to proceed they can do so because the money, as I said, is there.

Now, I don't think I can make it any clearer than that. How far they will proceed with it this year is entirely up to them. If they want to switch funds and do something else, that is up to them as well, but I don't think they will do that and I think that the honourable member had better talk to his city councillors and push them to make sure that that is being done.

Monday, April 4, 1977

MR. STEEN: Mr. Chairman, in reply to my question, is the Minister saying that the City Fathers have spent the money otherwise? I'm asking the Minister.

MR. BURTONIAK: Mr. Chairman, I have not said that. I said it is up to them, it's their prerogative to decide where they want to spend their money and I'm pretty sure that they will want to proceed with the project that the honourable member is talking about. We're not going to tell them that they should or they shouldn't. I've already stated that the money has been allocated for that purpose to the City of Winnipeg and that means that we have done our duty from the Government of the Province of Manitoba.

MR. STEEN: Mr. Chairman, can the Minister tell me where the status between his government and his particular department stands with the City of Winnipeg regarding the Grant Avenue extension?

MR. BURTONIAK: I stand to be corrected, but I don't believe that that was one of the city's priorities from the list that they gave us this year. Now, I stand to be corrected, Mr. Chairman.

MR. STEEN: Mr. Chairman, is the Minister of Highways saying that he has no knowledge of any moneys being set aside by his government for the Grant Avenue extension program?

MR. BURTONIAK: Not for this year, I don't think.

MR. STEEN: Can the Minister tell me whether his department has put any moneys aside in the past for any design purposes or urban renewal studies as far as the Grant Avenue extension is concerned?

MR. BURTONIAK: I'm told only for right-of-way acquisition.

MR. STEEN: Mr. Chairman, can the Minister tell me where the Silver Avenue extension within the St. James section of the City of Winnipeg stands as far as the Minister of Highways is concerned?

MR. BURTONIAK: Well, here again, it's strictly in the hands of the City of Winnipeg.

MR. STEEN: All right, then, Mr. Chairman, can the Minister tell me where the overpass over the CPR Yards which was commonly known for many years as the Salter Street Bridge or the Salter Street Bridge Replacement stands today as far as his department and the City of Winnipeg?

MR. BURTONIAK: I would think that since my honourable friend was once a councillor on the City of Winnipeg that he might refresh his memory by just going back a bit, not too many years back where there was a committee set up to study the situation and as I understand it, took several years and no progress was really made. I don't even know whether that committee is still in existence today or not. I am not aware of any real pertinent recommendations from the committee so that, really, I am not able to pursue this any further because as far as I know, there have been no real concrete recommendations from this so-called committee.

MR. STEEN: Is the Minister, therefore, Mr. Chairman, saying that he has had no rapport with the City of Winnipeg regarding a proposed overpass over the CPR Yards in recent times?

MR. BURTONIAK: Mr. Chairman, as I pointed out, the recommendations were to come in from this committee that was established. How in the world is the province going to act if there are no recommendations to act upon, and to my knowledge we haven't received anything concrete on this proposal.

MR. STEEN: Mr. Chairman, do you think the Minister would think it would be a wise and an appropriate move that he speak to the Minister of Health and perhaps take some of the dollars set aside for, in my opinion, a useless hospital for north Winnipeg, and apply those to a proposed bridge?

MR. BURTONIAK: Well, I am not going to discuss or argue with the honourable member about the usefulness or uselessness of a hospital in north Winnipeg, this of course is not in my jurisdiction, but I would say that a hospital in the north end of Winnipeg is required, I would think, much more, in my opinion at least much more so than the overpass that the honourable member is talking about.

MR. STEEN: Mr. Chairman, if the Minister of Highways would build the much needed overpass, we wouldn't need the hospital. The Health Science Centre has thousands and millions of dollars spent on improving its faculty each and every year, and if the Minister would get together with the City of Winnipeg and build that proposed overpass, we wouldn't need the hospital.

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

MR. G. JOHNSTON: Mr. Chairman, I apologize for being out of the room for some minutes, and I understand some questions were asked about the proposed St. Vital Bridge. Did the Minister explain to the committee — if he did, I'll read it in Hansard later — the scaling down in the original proposal made by the City of Winnipeg to a simpler functional operation. Was that explained fully to the committee, the total cost of the bridge and the actual cost-sharing, and where does it stand at this time.

MR. BURTONIAK: No, Mr. Chairman, it was not brought out that way.

MR. G. JOHNSTON: Well, could I have those answers, Sir?

MR. BURTONIAK: I'm not able to give the honourable member the answer right now, but designing was proposed by the City of Winnipeg, I guess by their engineers and they are the ones that submit a design. The Department of Highways did not make the design.

MR. G. JOHNSTON: What is the province's commitment? I understand it's on a 50-50 basis. Is there an upward ceiling?

MR. BURTONIAK: I would take that question as notice, Mr. Chairman, and try to give the answers to

the honourable member probably tomorrow, if that's agreeable.

MR. G. JOHNSTON: Thank you. Mr. Chairman, I have a question that is associated with Assistance Programs but perhaps strictly may not come within that sphere. I'm talking now about the Portage bypass. If the Department of Highways has any plans to change, or should I say if the Department of Highways has plans to put in an overpass on Provincial Road 240, this would affect another opening known as the Yellow Quill Drive.

MR. BURTONIAK: If I can interject here, I would suggest, Mr. Chairman, that the question the Honourable Member for Portage is posing, would be more appropriate under the next item, under Construction, Mr. Chairman.

MR. G. JOHNSTON: Fine.

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

MR. MCGILL: Mr. Chairman, I wonder if the Minister could tell us how much of this appropriation is for Assistance Programs in the City of Brandon.

MR. BURTONIAK: Mr. Chairman, the City of Brandon has not made the application. Every city, every town, every village, makes the application for their Grant in Aid program, and so far we have not received the request. The City of Brandon and other larger centres and smaller centres in the Province of Manitoba are not . . . this program is not administered in the same manner to the City of Winnipeg as other centres. Brandon and Thompson and The Pas' Flin Flon, for example, and other smaller towns, they get their Grant in Aid money by submitting a resolution on various streets that qualify to be under the Grant in Aid program. The City of Winnipeg, it's a different kettle of fish, so to speak, and as I said before, the City of Brandon have not made their application for Grant in Aid money.

MR. MCGILL: What would be the deadline for that application to be submitted?

MR. BURTONIAK: The sooner the better, of course, but as long as they get it in sometime prior to the end of the fiscal year, because . . . but as I say, the sooner they make their presentation of course, the better.

MR. MCGILL: Mr. Chairman, this appropriation presumably covers those Assistance Programs which are going to take place between April 1 and March 31st of 1978.

MR. BURTONIAK: That's right.

MR. MCGILL: Does this mean that there is no assistance in here for any programs involving streets in Brandon that would be shared maintenance programs or construction programs?

MR. BURTONIAK: On some construction projects, that's a different ball game again, but any work on the various streets that qualify for this program in the city of Brandon will have to be submitted by the city of Brandon. That's why I say the sooner the better, because then we can start on the project that much earlier.

MR. MCGILL: Mr. Chairman, the explanation of this item says it includes "construction and maintenance of approved streets". Perhaps if I might take a specific street in Brandon, the Minister would be aware of, No. 10 Highway which runs down 18th Street from both . . .

MR. BURTONIAK: Mr. Chairman, if I may interject again, that is under construction. That is provincial. Because No. 10 Highway runs through there, therefore that becomes provincial. That's under Construction, not under Maintenance.

MR. MCGILL: I see. So we will be able to deal with that on the next item.

MR. CHAIRMAN: The Honourable Member for Crescentwood. The Honourable Member for Virden.

MR. MCGREGOR: Yes, Mr. Chairman, and to ask a similar question to the Member for Brandon-West. The Town of Virden, likewise, or the Town of Rivers, is there a figure there, or how do you come out with this 21 million, if you really, at this hour, Mr. Chairman, don't know what Virden is going to request or what Rivers is going to request, or other unincorporated villages along the highway system that is the responsibility of the government on a Grant in Aid plan.

MR. BURTONIAK: Mr. Chairman, as far as the Grants in Aid are concerned to towns, villages and the likes' we do have a total of \$1.15 million for our percentage of the Grant in Aid program, and this is outside the City of Winnipeg. This is strictly for towns and villages and cities excluding Winnipeg. That is our share, \$1.15 million. Of course, the towns and villages will put up the other 1.15 if they go the limit.

MR. MCGREGOR: Well have you a limit? In Virden, I know they have several areas that's in that class. Is there a certain maximum, you go to a town of say, 3,200 people, there's no set figure, they could ask for quite a sizable amount.

MR. BURTONIAK: Mr. Chairman, no, we don't set limits for towns and villages and the likes of that. They set their own limits, pretty well. Whatever money they can raise, they will tell us what they have, and if the streets they want to do fall under the category as eligible streets for Grant in Aid programs, we will match it. Now, once we have gone beyond the 1.15 million, then, of course, we'll have to turn them down because there's just no money left. But as long as we're within that figure' we will accept

most of their projects.

MR. MCGREGOR: That's fine.

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

MR. G. JOHNSTON: Mr. Chairman, are we on 5(a) now?

MR. CHAIRMAN: Yes.

MR. G. JOHNSTON: I would like to inquire of the Minister, if he could explain the Grants for urban transit and all the cities in Manitoba and what grants they receive and what is the criteria. For example, Thompson has a transit system, Brandon, I believe Selkirk, as well as the City of Winnipeg.

MR. BURTONIAK: The provision is for grants which is equal to 50 percent of the operating deficit of the current fiscal year, or, 50 percent of the passenger revenue of the current year, whichever is the lesser. For the City of Brandon, for example, it was \$156,000, Flin Flon \$14,000, etc., etc.

MR. G. JOHNSTON: Mr. Chairman, if the Minister would detail the etc. etc., I would appreciate it.

MR. BURTONIAK: Well, etc. etc., are the towns that qualify.

MR. G. JOHNSTON: The question I am leading to is if a place like Portage la Prairie wants to enter into an urban transit proposition, is there any start-up funds. Do they have to start first and then apply?

MR. BURTONIAK: Yes, they would do that and of course, I think we would provide also for a study if one is required. I'm not sure of the exact amount or what formula, but I do believe there is a formula set out for a study and the like. So from there on in they would qualify for the same formula as other centres do.

MR. G. JOHNSTON: Mr. Chairman, through you to the Minister, if the city of Portage la Prairie wanted a study conducted, do I understand the Minister to say that his department would conduct that?

MR. BURTONIAK: No, the province would contribute a certain amount for the study. I'm not sure just what exactly. But it's not necessarily through the Department of Highways. That would be through the Department of Urban Affairs, Mr. Chairman, that's where the money would come from.

MR. G. JOHNSTON: So the Minister is saying that the first step is through the Department of Urban Affairs . . .

MR. BURTONIAK: That's right.

MR. G. JOHNSTON: . . . and he doesn't know whether there's a formula for that or not?

MR. BURTONIAK: I'm pretty sure there is. I'm saying, Mr. Chairman, I can't tell the honourable member exactly what the formula is, but I am sure there is a formula for that purpose.

MR. G. JOHNSTON: Mr. Chairman, I believe this is the item where it was indicated by the Minister that I could seek some information about the Portage Bypass.

MR. BURTONIAK: No, no no. It's the next resolution, Mr. Chairman.

MR. G. JOHNSTON: Oh' the next item. Okay ' I pass.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. LYON: Mr. Chairman, I take it this would be the item under which I could talk briefly about the south bridge in Wawanesa. It's not the bridge on No. 2 Highway. There are two bridges associated with Wawanesa. I think the Minister of Agriculture found that out during the course of a certain by-election last year. It took him a while, but he found it out.

MR. BURTONIAK: Mr. Chairman, I don't want to interrupt the Honourable Leader of the Opposition, but that I would suggest should come under Construction, as well, under Resolution 71, which is the next Resolution.

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

MR. CHAIRMAN: What's the point of order?

MR. ADAM: Well, the point of order is that the honourable member is raising a problem with, I presume bridge construction, and we passed that on Resolution 67, Bridges.

MR. CHAIRMAN: The committee passed the section having to do with bridges as it came under Management Services and Engineering, the actual construction would come under the next Resolution, 71. The Honourable Leader of the Opposition.

MR. LYON: I'll wait and raise it under 71, probably tomorrow, or whenever we get around to it.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, we're still under Minister, and Assistance Programs. I have a question to the . I'll have to take a moment and explain my question. My question is regarding the Wilkes Avenue extension in southwest Winnipeg. The Wilkes Avenue area, if you were to progress a line straight down Wilkes Avenue coming east, it eventually hits about Waverley Street, a street known as Parker Avenue in the city of Winnipeg, and if you progress the line a little further, that hits a junction known as the Pembina Overpass — Pembina, Jubilee, and so on. Are you following me, Mr. Minister?

MR. BURTONIAK: Go ahead, proceed.

MR. STEEN: Fine, I'm asking you, under Assistance Programs, if you and your department have met with the City of Winnipeg, and if you have, would you inform the members of the committee as to

the extent of your meetings as to the proposed extension of Wilkes Avenue, which starts out at the Perimeter Highway west in the southwest part of Charleswood, and progresses on an easterly direction from that point, right down to the point that I mentioned earlier in my comment, which would make a point of Pembina - Jubilee intersection somewhere near the City Overpass that exists today within the of Winnipeg. The reason, Mr. Chairman, why I'm asking this question to the Minister, is that the area of Charleswood has grown from just ten years ago, an area of some 6,000, and again, Mr. Chairman the reason for asking this is I served the people of that area as a Councillor for four years and I know some of their problems. Some four years ago that area was much smaller in population, and as I said, some ten years, some 6,000. Today it is approaching 25,000. They unfortunately have very few methods of transportation to downtown Winnipeg. They can either go west on Roblin Blvd. and take the Perimeter and then come in the St. James route on Portage Avenue, or they can take Roblin Blvd. in and at a certain point they can have a choice of taking Grant Avenue or continuing on Roblin Blvd. But to the people that are in the southwest area of Charleswood, they have a serious traffic concern, and that is another method of getting to downtown Winnipeg. I'm wondering if the Minister, with his design people, as well as in his conferences with the City of Winnipeg, have looked at the particular route of extending Wilkes Avenue as far east as hitting Pembina Highway at a particular area, and I'm just suggesting that the Pembina-Jubilee Overpass would be an appropriate area that it should hit.

MR. BURTONIAK: Mr. Chairman, I appreciate the honourable member's comments and explanation. I believe that the policy has been, and I think rightly so, that the City of Winnipeg presents their proposals to the province and they are discussed and then either agreed upon or not or whatever. Such proposal, to the best of my knowledge, Mr. Chairman, has not been presented to the Department of Highways by the City of Winnipeg in detailed fashion as the honourable member has described, so therefore, until such time as this is done I'm not able to indicate to the member whether or not we're going to approve or disapprove.

Now if the city brings that proposal forward to the Government of the Province of Manitoba, we will discuss it and see what happens then.

MR. STEEN: Perhaps, Mr. Chairman, I'm a little premature for the Deputy Minister and perhaps the next government will bring that proposal forward. The Minister says that he sort of waits until his department hears from the City of Winnipeg. I've always been led to believe, and we'll go right back to Osborne Street which is right outside this building here, that it was his department and he, as the Minister, that objected to having a left-hand turn at Osborne Street approaching the Osborne Street Bridge from the north side, going southward, onto Assiniboine Avenue, and that approachway was done away with. And there is no left turn at Broadway and Osborne coming from the north and if you want to approach these buildings, you've got to go all the way back to the Hudson's Bay Parkade to get into it, and that it was his department that for a long long time opposed having a restricted left turn approach on Osborne Street right here at the street known as Assiniboine.

So he says that, "We'll wait until the city approaches us," I'm just pointing out to him that it is my understanding from my days at the city that that was sort of a policy set down by the Highways Department, by this particular Minister, so, what's good for the gander is good for the goose.

MR. BURTONIAK: Mr. Chairman, the member talks about left turns and the likes of that, once you agree on a certain program, whether it's a bridge or whatever, in the final analysis of course it's discussed and you can have your agreements or you can have a disagreement on certain matters but at least the decision is made as to whether you proceed with said improvements or not.

Now, in the first instance that the honourable member was talking about, that has not been done by the city, they have not approached the province and whether or not the province and the city agree exactly 100 percent on the various proposals that are brought forward, I don't know, he will have to wait and see.

MR. STEEN: Mr. Chairman, I will conclude on this issue by asking the Minister a rather direct question. The bridge that we see today as the replacement bridge for the Osborne Street Bridge, did the Minister and his department agree with that particular design or did they prefer the design that had an underpass on this side of the river that would have taken traffic from this particular building, for example, to the Great West Life Assurance Company underneath the bridge?

MR. BURTONIAK: Mr. Chairman, to the best of my knowledge, that was one of the alternatives we had.

MR. STEEN: All right, then, I'll try again. Does the Minister think that the bridge that we have today was the best of all designs that were proposed?

MR. BURTONIAK: Mr. Chairman, whether I think it is or not — we could have a difference of opinion. I could say, "Yes, it is," or "No, it isn't," and I think the honourable member doesn't necessarily have to agree.

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

MR. ADAM: Thank you, Mr. Chairman. To the Minister, while we are talking about the Osborne Bridge, I wonder if he could advise what was the provincial share in the cost of the construction of

that bridge?

MR. BURTONIAK: I'm not sure whether we gave it, the Honourable Member for Roblin seemed to think that we did give the information; I'm not sure but if we didn't I certainly will get that information for you.

MR. CHAIRMAN: The Honourable Member for Crescentwood on a point of order?

MR. STEEN: On a point of order, Mr. Chairman. I started to ask some of those questions and my colleague informed me that the Minister had given many of those figures the other day and immediately I stopped asking those questions; I was sort of pulled back into line and I cooperated. If that is the case, I would think that the Honourable Member for Ste. Rose can put his script back in his pocket then.

MR. CHAIRMAN: If the Member for Crescentwood wishes to ask further questions on the same topic, he has every right to do so. The Honourable Member for Ste. Rose.

MR. ADAM: Thank you, it will be fine if the Minister is willing to provide that information. I would like to ask, on the Grants and Aid to rural towns, villages and cities, does the department do the work or do the municipalities tender this out?

MR. BURTONIAK: It all depends, I would think, Mr. Chairman. There are times where the town tenders and then of course there are certain towns that have their own equipment, by the way, not that many but some of them do and they'll do it themselves. But in most cases the towns are financing the work.

MR. ADAM: Then I presume the request for Grant and Aid would come from that particular village or wherever, eh?

MR. BURTONIAK: Right.

MR. ADAM: They make the first initiative. Thank you.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: I just had one question on the Annual Report of the Minister and that's regarding the provincial contribution towards the construction of the South Bay Access Road of \$925,000 to Manitoba Hydro. Do you collect that money from Hydro or did you build the road for Hydro, or how do we deal with that?

MR. BURTONIAK: Yes, Mr. Chairman, in that instance, we did build the road and collected from Hydro.

MR. CHAIRMAN: I wonder if these questions on construction wouldn't better be asked under the next section, 71. The Honourable Leader of the Opposition.

MR. LYON: Mr. Chairman, on the question of the overpass over 101 and Roblin Boulevard, could the Minister indicate whether the design for that overpass was done within the department or in conjunction with the City of Winnipeg Engineering Department?

MR. BURTONIAK: That was provincial jurisdiction, 101, so therefore it was done by the provincial government.

MR. LYON: Would the Minister have any idea as to the acreage that's required to accommodate that overpass, and the amount of fill that was used to build up the rather extensive approaches to it and so on?

MR. BURTONIAK: Mr. Chairman, I don't have the amount of acreage and the quantities in front of us and the staff hasn't either but we can certainly provide the Honourable Leader of the Opposition with that information.

MR. LYON: I would appreciate it if you could.

MR. BURTONIAK: I was just wondering, Mr. Chairman, if I may ask' does the Honourable Leader want the number of acres only or also the amount of quantities and the likes?

MR. LYON: Both, and also if we could have the completion cost of that project, which was a desirable project, but many many questions have arisen, so the Minister will know what we are getting at; many questions have arisen about the extent of that overpass, having regard to similar types of overpasses that are being built almost daily, one would think, in the United States where considerably less territory and considerably less fill is used to accomplish a rather simple purpose, which is to run one highway over the other with access roads.

If we could have those figures, it would be appreciated.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, I would like to ask the Minister, under this particular item, Assistance Po Programs, the amount of dollars invested in the overpass at the Perimeter Highway West and Roblin Boulevard and the amount of dollars invested by the Provincial Government in that particular project?

MR. BURTONIAK: That was just asked, Mr. Chairman, and we'll provide the answer.

MR. STEEN: My apology, Mr. Chairman.

MR. CHAIRMAN: Resolution 70(a)—pass; Resolution 70(b) Maintenance and Construction - Other Jurisdictions (1) Gross Expenditures—pass. The Honourable Leader of the Opposition.

MR. LYON: If I could ask a question, I realize that a winter road may more properly come under

Northern Roads —the road from The Pas to Moose Lake, is that within the Minister's jurisdiction or would that be under Northern?

MR. BURTONIAK: Northern Affairs.

MR. CHAIRMAN: Resolution 70(b)(1). The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister, under a very large item, could the Minister just briefly tell us why the Government of Canada gives the Provincial Government \$50,000 under the item known as Recoverable from Canada? Is that through Engineering Design, or what is the purpose for that grant?

MR. BURTONIAK: Mr. Chairman, the Department of Highways provides specialized services to other government departments and to such other jurisdictions as cities, towns, villages, municipalities, local government districts and private parties. Receipts for services to other government departments are credited back to this appropriation while receipts for services to other jurisdictions are credited to the Department of Finance. Now, I don't know whether that answers the question or not. In this same area there is the \$50,000 figure which is Recoverable from the Federal Government.

MR. STEEN: Then, Mr. Chairman, perhaps I can ask one more question of the Minister. Under the Department of Highways, they have a public relations program as far as cycling is concerned and in the winter months it is snowmobiling. Are moneys recoverable from the Government of Canada for such public relations and safety programs and will that fall under this item?

MR. BURTONIAK: That would fall, Mr. Chairman, under the Motor Vehicle Branch.

MR. STEEN: All right, that's fine, Mr. Chairman.

MR. CHAIRMAN: Resolution 70(b)(1). The Honourable Member for Roblin.

MR. MCKENZIE: One last question, Mr. Chairman. Those that the Minister just gave us, that is, the item Recoverable from other appropriations, the one you were listing there a moment ago; the \$2.3 million that you are asking us to approve, you gave some statistics there a moment ago — that's what that comes under?

MR. BURTONIAK: That's right. I would just like to say also, on that \$50,000 which could be in the item that I just described, it could be s for such things as work on Indian Reserves, for clearing, snowplowing and the likes of that.

MR. CHAIRMAN: Resolution 70(b)(1)—pass; (b)(2) Recoverable from Other Appropriations—pass; (b)—pass. Resolution 70: Resolved that there be granted to Her Majesty a sum not exceeding \$21,575,000 for Highways—pass.

MR. ADAM: I move the Committee rise.

MR. CHAIRMAN: Committee rise.

ESTIMATES - CONSUMER AND CORPORATE SERVICES

MR. CHAIRMAN: The Honourable Minister of Consumer and Corporate Affairs.

MR. TOUPIN: Mr. Chairman, the Honourable Member for Wolseley was asking questions pertaining to the educational kits that I lent a copy to the different caucuses. I'd like to indicate that the kits were developed in response to the demands made by both formal and extension educators asking for educational aids relevant to the Manitoba scene, in sets, depending on those originating from the States.

From our review of similar teaching aids from other sources, this is the only resource of its kind produced and packaged in Canada. As a result of this demand the Consumer Bureau produced the two kits now under discussion. When deciding to develop the kits, a looseleaf style was chosen to permit the Manitoba Consumer Bureau to update them rapidly should consumer laws change or new ones be proclaimed. The same applies to the slides and transparencies.

In doing so the kits will be kept relevant and timely permitting a potential life use of each kit anywhere from five to ten years. This fact must be kept in mind when discussing initial production costs.

The kits focus primarily on reaching the province's young adults, particularly those in high schools. However, the information is applicable to any audience, limited only by an educator's choice.

The approximate cost for each kit — on the dotted line, which is the larger kit — \$175 per kit. This includes initial project management fees which is research, writing, co-ordination of project, obtaining estimates, etc.; artwork for kit from initial design proposal to paste-up of camera-ready art of final kit design, logo, two sets of slides —20 slides each— script covers, labels for cassettes and slides, cards, booklet, posters, etc.; typography of contents of kit, which is 126 pages, dividers, cards, scripts, transparencies, booklets, etc.; covers photography of artwork to make-up slides, duplication, mounting, sorting and dating of each slide; production of mailing containers; registration of logo as Consumer Bureau trademark; production of plastic pockets for transparencies; printing and dye-cutting of cards; printing of contents and dividers; development production and duplication of two cassettes; development of master transparencies and duplication.

Monday, April 4, 1977

Distribution to date: 163 to senior highschoools in Manitoba, three universities, three community colleges, five resource centres, three caucuses, one consumer education consultant, Department of Education and five other agencies — for a 183.

Potential usage: (1) Senior High School Teachers, 3,455; (2) Senior High School Students, 48,337; (3) Junior High School Teachers, 3,500; (4) Junior High School Students, 56,712; (5) Extension Educators, approximately 175; (6) Extension Adult Learners — assuming one session per educator, at 20 learners per session — 175 x 20, 3,500; for a total potential usage of 115,679.

Other potential use: Television series, inservice training, government funded special outreach programs, seminars, special interest groups and business community, store-front operations, speaking engagement, consumer service officers, etc.

Potential market for second printing: Other provincial government Consumer Affairs Division, private agencies, high schools colleges and/or universities presently indicating they wish to obtain more than one copy for their resource centres, home economic directorates, individual educators based on requests received to date.

It's not possible at this time, Mr. Chairman, to indicate a price on the second run.

The other kit called You and Your Shadow, approximate cost for each kit \$20.00, and that was to produce 200 kits. These include initial project management fees, artwork for kit, photography of art, printing of content of kit, production of plastic pockets for slides and script.

I believe, Mr. Chairman, that that answers the question of the Honourable Member for Wolseley in regard to the said kits, that I accepted to loan to the caucuses, I hope to get back so we can make them available to the kids.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Thank you, Mr. Chairman. I want to thank the Minister for his cost breakdown on this project of his. As I say, it is very heartening to see that this year's breakdown of the Minister's department is not in a fancy folder like the former Minister put out and for that there is a saving. So I'm sure that on one hand while congratulating him on the saving there, I did think that this was a little elaborate. However, if the life span is for five years, possibly we can put it to use next year. — (Interjection)— Five to ten years.

But I did think that it was very simplistic. However, if he is trying to reach a preventative market in the Junior High School level then possibly it would have some use. I appreciate when you get in to your great television and cablevision educational thing, you'll be wanting things to fill in time and I'm sure that this will be of some interest to a very small minority of the population. I do think it is a slightly elaborate spread in the time of restraint. However it does have information in it which may be of some value if we are to concentrate on a preventative program.

I did want to again talk to the Minister and wrap up by saying that I would like, unlike the Member from Fort Rouge, I would like the Minister to stay in a preventative field. I think that we've turned everything around. I think a 3. million-plus budget is a situation where we've arrived at, where basically if you talk to the man on the street he feels that with the Better Business Bureau and with the Consumer's Bureau the way it's set up today, and with the hot line programs in the media, that the public can be alerted to phony charities, inferior products and pyramid selling schemes and I think that most voters today feel that if they have a grievance they do have a government agency to go to and I think we have turned it around so that it's now seller beware rather than buyer beware and I think that is something that has even been admitted by members opposite.

I don't think we need any expansionism in the Minister's budget, any further expansionism. I think when we talk about his original start in 69 of 431,000 to 3.5 million, I think we've come a long way.

What I am concerned about, though, is the consumer education aspect which I would hope the Minister would continue because what we've got is a breakdown supposedly of 30 percent goes to housing and 20 percent to food and 10 percent to clothing and another 20 percent for transportation but I think we're heading into a particular possible span in the next five years where we're going to have to really look at putting a ceiling on the amount of percentage of interest that some of the consumers are leading themselves into with this plastic world we're heading into. I'm really concerned that every month goes by and the average working guy has overspent and is getting compounded with interest after interest and I think discussions may have to be held by the Minister with the banking and credit union community to see, and financial community, to see where we're going.

Because the Member from Fort Rouge talked about another part of your Estimates, the Research and Planning, when the Member from Assiniboia get into warranties, I do feel that I'll cover that then I can sit down so we can get over this, but it seemed to me that under this area there has been a lot of talk about prices jumping up. I remember asking the former Minister what he was going to do about the increase in the price of coffee and he said he would look into it. Since that time coffee has gone up again and again and there was a section last year in which the Minister indicated that his department was being involved in the food price area — milk, eggs, butter, sugar, coffee — and they were looking

at other things such as anti-freeze and there was quite an elaborate projection about how his department was going to get into this area. I was concerned about it at the time because I felt that we had so many federal programs and I did ask the Minister on Friday if he could talk a little bit about duplication of service because the Member from St. Matthews has talked about everything has to be the best in North America and the Minister indicated that there had been some lapse and I wonder why do we have to be the best? Possibly we might want to say we're the best but I'm quite content if the Minister stays in some kind of a hold-the-line situation where we don't have to adopt every new consumer law because a lot of this stuff can, as you point out, be negotiated on the telephone and through the present system they're using, in other words, a remedial situation.

I notice that the Federal Government has a large list; I would like to just read a few of them into the Hansard if I could because I notice the Federal Government's involved in the Weights and Measures Act, the Trademarks Act, the Textile Labelling Act, they have the Public Servant's Inventions Act, they have the Hazardous Products Act . . .

MR. CHAIRMAN: Order please. I just wonder what this has to do with the Consumer Bureau. You're referring to legislation that is not under our jurisdiction. I wish the honourable member would stick to Consumer Bureau Administration (1) Salaries. When you start going off into a jurisdiction over which this House has no control, then I think you should come back to the administration in which we are in control of, strictly provincial affairs.

MR. WILSON: Fine, Mr. Chairman, except that in the annals of complaints which the Minister was answering some questions pertaining to warranty from the Member for Assiniboia, he was talking and he gave a long list dealing with appliances and dealing with automotive products and dealing with all sorts of things that possibly would come under Hazardous Products Act especially when it deals with toys and some of those things, however, the Minister knows what I'm getting at. I've often charged there is a duplication of services and I maintain we do have a Federal Building down there on Main Street so, with those few remarks, I'll wait for the Minister's comments.

MR. AXWORTHY: Thank you, Mr. Chairman. I'm very pleased to recognize that once again the Member for Wolseley and I are on totally opposite points of view — that gives me great pleasure to note that. I still think we haven't clarified with the Minister the sorts of questions that the Member for Assiniboia and I were trying to discuss this afternoon and that is the basic function and role of the Consumer Bureau itself. So far I've heard this evening about the number of educational kits and I must confess, Mr. Chairman, that the last time when I asked — I guess it was the Minister of Education — what he was doing about the problem of Native education, he told me that they had developed three new pamphlets and I think there's someone in there who has a printing press company because they sure do a lot of pamphlets. They really are producing a lot of those kind of . . . you know, the pulp really does churn out as opposed, I think, to the kind of incisive action on behalf of consumers to really get in and get sort of their noses dirty and be using the tools that are under the Act and if they're not under the Act, changing the Act so that they can represent the consumer in a variety of ways whether it is ensuring that the Acts are enforced; whether it's undertaking class actions to ensure that certain rights are protected or the kind of case where a number of decisions are made before regulatory agencies. I can think of a number of instances where hydro rates go up, well they don't appear before regulatory agencies any more because they're above all that, but things like the Milk Marketing Boards, prices of bread and milk, two basic essentials.

There is always a fairly high-powered regime of defenders of the system. The Consumers' Associations attempts to make their briefs known but it's very difficult to mount the same kind of fire power, economic and legal, to make sure that there is a proper case made on behalf of the consumer. No one is there with the same kind of resources that are required and it seems to me that if there is any rationale for having a consumer department whatsoever, it is to make sure that there is some equity in strength and resources in defending different cases.

One of the facts of the world, not one of the mythologies but one of the facts of the world, is that there are certain groups and organizations who have the money, mainly because they can write them off I guess for expenses, to hire very talented and competent legal resources and economists, whatever, accountants, whoever they need to have, to put their case forward, to draft their briefs to put it forward. The consumer is trapped, of course, other than the Consumers' Association, a private group, which I think does as valiantly as it possibly can, supported almost totally by federal funds, very little by provincial funds, to make their kind of case and it just seems to me that we are really settling for a pretty minor and pretty paltry kind of role for a Consumer Bureau in the handing out of pamphlets and kits and all this kind of stuff, so-called preventative, well, you know, what is preventative? I think the best kind of prevention is to show the consumer in this province that we have a serious government who is going to go and take some action on it, then that's the best kind of prevention is to show that you can't get away with the sort of nonsense that's going on.

I would cite, Mr. Chairman, the case that came to my attention just a while back — and I know the Member for St. Johns hates me to bring up matters dealing with people from my constituency being poor because he doesn't believe anything, he thinks I write all these letters myself — but the fact of

the matter is that in this case, in the prosecution of the Trades Act where there is supposed to be a four day waiting period between the purchase and the right of the consumer to indicate their decision not to accept those goods, there is a case here particularly where a young woman who doesn't speak English very well, is newly arrived in the country, was really caught in the law, mainly because the four day period after having purchased an item, went back to the vendor of it, the vendor sort of pawned this off and said, "Well, I'll have to check with my manager." Then, the four days were up and no action could be taken and it seemed that at that point there is a degree of helplessness in getting the kind of support — well, the woman did take the case up with a lawyer and they went to court on their own resources — but the Consumer Bureau itself played a relatively minor role in this particular problem.

Now I don't know if that's a weakness in the legislation or a weakness in the Bureau but it still comes down that I really question the way in which the design of the Bureau has been set up. I really think that what we're simply doing is settling for something that's second best. We don't have a Consumer Bureau that is able and prepared to become the defender when there is an unequal balance of resources between the consumer and the vendor and I think the position taken by the Member for Wolseley about "seller beware" actually is sheer nonsense because I think we all recognize that in a time when most goods are very complicated in their processing and where there is a number of ways in which you can be caught, the advantage still lies with those who have superior knowledge and superior resources which is why we have set up presumably consumer departments at the federal and provincial level.

So I still think, Mr. Chairman, we haven't yet resolved in any way, to what degree is the government prepared to do a serious review both of the legislative and administrative part of its consumer protection activities because you know, I know you are advocating additional expenses. I think if the Member from Wolseley would listen somewhat more carefully than he does, indicate that we simply shift the priorities, you know, get out of the sort of kiddy car stuff and get into some real sort of high powered action in terms of defensive consumer interest not in the dissemination of kits and so on, I think that's what you do secondarily if you have some money left over, not something you do primarily, and that's the case we are trying to make in this instance.

Again I would go back to the position taken in British Columbia with their Trade Practices Act. There was no question that the whole role of the Consumer Bureau there is a much more positive one than we have here. And I guess finally, by way of evidence, Mr. Chairman, I would suggest that the report tabled by the Minister a month or so ago, under the Trade Inquiries Act, to determine what inquiries have been undertaken into excessive pricing and what can be done about it and with a certain degree of pleasure, he announced none had been undertaken.

Well that doesn't exactly thrill me, Mr. Chairman, because I think that in this day and age when there have been a number of cases where excessive prices have been charged or where there is certainly the appearance of it, then that use of the trade inquiry should be a very active pursuit of the Consumer Bureau, not one that we say "boy haven't we done a great job for the taxpayer, we've done no inquiries this year." Well that is just not right and it just again indicates that the roles are seen in a passive way, a responsive way, a reactive way as opposed to an aggressive initiative way, and I would really like before we leave this issue, to try and convince the Minister that it is about time that we changed that rule substantially into one that took on an awful lot more leverage on behalf of the consumer and if it needs legislation then let's do it this session, let's take a look at it, and I think just simply doing some rereading on The Landlord and Tenant Act is not what we had in mind. What we are talking about is a basic review of the consumer protection that is now being afforded by the province and how effective it really is.

MR. TOUPIN: Mr. Chairman, it is very difficult to satisfy I guess all those involved and wanting to make a contribution on consumer protection.

In essence, the Honourable Member for Wolseley is congratulating, I guess, the government for having the type of report to consumers of consumers that is less costly than last year, so that's a compliment. Then he advocates preventive measures that they continue, I assume, as outlined and as planned. No more expansion pertaining to the department itself is the message I get from the Member for Wolseley. Consumer education is to continue on a preventive measure. We should, though, investigate the price of coffee, and I indicated a few others like binder twine, sugar and so on. I guess the honourable members are wanting that we do that with the existing planning and research capabilities that we have. That is something we can discuss when we get to Planning and Research what we're involved in. I believe that right now we are on an item that deals with General Administration.

The Honourable Member for Fort Rouge is wanting to satisfy a lot of problems this evening and unfortunately we won't be able to do that. We talked about the class action before the supper hour. I indicated that we are discussing in House possibilities pertaining to the subject matter. Apart from that we are having interprovincial discussions on the matter — federal provincial discussions equally — and the objective would be to formulate a reasonable class action procedure that will be

effective and not subject to excessive abuse, as I am informed has happened in other provinces in Canada. So I think it's advisable not to try and do everything in one year like they indicated. By all means when we get to the Landlord and Tenant amendments let's discuss that. Any other possibility to protection of consumers on both sides whether it be those offering services or those receiving services. I happen to believe in an equal justice and that's easy to say and sometimes it is easy to do especially when we are dealing, as an example, with landlord and tenant relationships.

In essence, and we could go on by stating, Mr. Chairman, a long list of what I believe is the responsibility of the Consumer Bureau itself, and I gave my assessment of what is expected of a Consumer Protection Bureau. But I think these few lines here would reaffirm what has to be said and put on the record, I guess. Essentially the function is to mediate complaints between buyer and seller and to inform them of their rights under the law, whether that be the Act or regulations.

In addition to this it performs a regulatory function and licenses vendors, direct sellers, and we do have responsibility for the Act that I mentioned on Friday — cemeteries is one, private trade schools and hearing aid dealers.

Consumer Bureau activities during the year 1976 increased in comparison to 1975' and it is a reaction to demand. The total number of registered complaints has increased from 1,843 to 2,090, for an increase of approximately 13 percent. All complaints received 65 percent were originated by Winnipeg residents, while the balance of 35 percent came from persons located outside of the City of Winnipeg, and that is consistent with the experience of previous years.

Telephone calls, interviews remain approximately at the same level as the previous year. There has been an increase in personal visits in inspection category and so on. So, no I certainly wouldn't want to leave the impression, Mr. Chairman, that there's nothing else to be done pertaining to possible amendments or additional services to consumers, but it can't all be done in the one year and I have to repeat that, it's all a question of priority.

Priorities this year were to try and leave the budget approximately at the same level which we have. There's an increase overall of approximately nine percent and it doesn't allow for additional services. The only way that we are able to offer additional services in the current fiscal year is either to raise a special warrant or to cut back on existing programs and switch priorities. I'm not in a position to recommend that while we're discussing the Estimates before us.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: Mr. Chairman, I have been listening to this debate with a considerable amount of interest over the last few hours and I was rather interested in the fact of the matter that my colleague brought up, the matter of educational kits. If I remember rightly the Minister said they cost in the neighbourhood of around \$180,000, am I right on that point?

MR. CHAIRMAN: The Honourable Minister of Consumer and Corporate Affairs.

MR. TOUPIN: Mr. Chairman, one kit costs \$175.00, 200 kits multiply by 200. The other kit is \$20.00, multiplied by 200.

MR. BILTON: Thank you, Mr. Minister. That included the labour?

MR. TOUPIN: Yes.

MR. BILTON: And it was done by government employees — mainly by government employees. I accept that and obviously the Minister would not have approved of this item had he not thought it was for the good of the educational setup of the province.

But I did take exception, or I do take exception to the Honourable Member for Fort Rouge when he took it upon himself to ridicule my colleague, who in an honest and earnest effort tried to get to the bottom of the cost of this item. He talked about kiddy car. Well, I want to assure you, Mr. Chairman, and the Minister so far as I am concerned listening to him over these past few days, if there's any dreamer in this House he's one of them, and he'd better come down to earth and think as the rest of us do, ordinary people trying to do an ordinary job for the ordinary people of this province who are paying the taxes. He challenged the Minister to examine various prices of items. He has asked the Minister what is he doing in the way of inspections as it's costing people to live these days. Has he forgotten that the Federal Government have armies of people throughout this country, that they are in every grocery store every day checking every price?

The small community that I come from, the local store keeper has no authority whatsoever. He welcomes these people. They come in and they check his prices day by day by day and those reports are going back to Ottawa and surely we're not going to ask the taxpayers of Manitoba to duplicate that effort, to satisfy the Honourable Member for Fort Rouge. He'd better wake up. He's got so much pie in the sky and listening to him this afternoon, with some of the things he brought to this House, why it's just ridiculous. He's talking about finding ways — Mr. Chairman it may be news to you, but in the hotel that I'm staying in, the housemaids are imported from Spain to do the job because the local people don't want to do the service jobs and that can be duplicated all the way around and yet he's asking that the province provide employers with money in order to employ

people and teach them how to make a living. Mr. Chairman, nobody taught me how to make a living, I got out and worked for it. I made my way in this world and everybody has got that right. This world owes nobody a living, it's up to each and every one of them.

He's talking about planning and research. I think the Minister has given a good comprehensive explanation today and every question that has been put to him, he has endeavoured to the best of his ability to answer. At the same time I cannot understand why this department is still at the high level it was last year as a cost factor and the Minister has done nothing to explain to us why it's at that level. This item itself is over and above last year's costs. These are the things, the fundamental things, not the dreamer's idea over here, the fundamental things that we would like to know from the Minister and I ask him to continue to answer the fundamental questions that are put to him and cut out this business that we're listening to all evening, just wasting our time.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Thank you, Mr. Chairman, I didn't intend to speak but I can't let those remarks go unchallenged because he feels there's some dreamers on this side. I hope that he would also put the Member for Fort Garry in that same position because the Member for Fort Garry this afternoon was really concerned about the unemployment that we have at the present time. The only thing that he was somehow misled and misconstrued because, even in good times when we had what you would call virtually full employment in the inner core of Winnipeg, the part that we were discussing, that we had to create some jobs for them or create some incentive. That area has always had 15 to 20 and 25 percent unemployment. These are some of the native people, some new immigrants and the standard type of employment opportunities don't work so you have to do something. But somehow the Member for Swan River doesn't accept that, but that's the fact of life. You have to do something for these people different than say, well there are job opportunities because they just don't fit into the ordinary job opportunities and we have to do something.

Well, Mr. Chairman, I have no argument with the Minister. He's new in his job and perhaps we can give some food for thought for him for the future, for perhaps what he should be doing, because it's not a new department, it's been in operation for five or six years. —(Interjection)— well, that may be true. We've been printing informative pamphlets. We've been having some speakers sent up to high schools and this is fine. We've done that for six years and I think that we have to get more serious in this department and just find out, why is it that the meat costs more in western Canada and Winnipeg than it costs in eastern Canada and that meat is shipped from Winnipeg there and, in many cases, it's canned and sent back to Winnipeg and we're paying a very high price for it? Why?

Now again, I'm not arguing, it's almost impossible to ask questions like this because first thing, it may be construed that we're saying that the farmer is getting too much money. He's not. I accept that fact because in one loaf of bread there's only four cents of wheat goes into one loaf of bread and it costs more to deliver that one loaf of bread from the bakery to the store than to put it on market. Four cents, I had an expert tell me that last week who is a scientist with the Department of Agriculture. So I'm not arguing that the farmer is getting too much but I want to know why, why is the cost going up?

We had the Food Prices and Review Board indicate that there was no competition within the supermarket. That study was done in eastern Canada. There was an action taken by what you would call Tory government, of right wing government of Alberta, who to them, they feel that's very important. I believe one of the supermarkets was not allowed to expand in that province. Well, this is the action that was taken by the friends of the Member for Swan River, but if I would say that, or would say that something should be looked into, well he'd say, "Well, you can't do that." —(Interjection)— I know we are. So what I'm saying, let's find out why the costs are much higher and not say that because the farmer is getting too much money — he's not. Where are the costs? Perhaps the consumers would be real happy, if they know what the causes are.

I'd like to ask the Minister something about what is false and fair advertising. I know that the Federal Government has set quite a few prosecutions. Is it strictly a federal matter or can the Minister check into that? I think that I agree with that. Perhaps we needed more to check into that. We have going out of business sales in the same place that continues for almost a year or two years in a row. Well, how long does it take somebody to go out of business? In my opinion, that's false advertising as well. You know, somebody has the term "wholesale". It seems that everybody is running a wholesale business and the term "wholesale" is used. Well, is that not deceptive? Either it's a wholesale house or it's not. So there are areas that the Minister can get involved in. I agree we used to push the former Minister and he said either I haven't got legislation or no, I can't check why the prices went up so high or I can't do anything about the meat.

So what I'm saying to the Minister, now we have progressed in this area and really, I'm being very frank, the legislation in the United States is much further advanced than we have here, much further advanced. So, all we're doing is giving some ideas to the Minister. You know, maybe it's time now for better action that we had in the growing stages in the past five or six years when the consumer legislation came into being. That's all I'm saying to the Minister.

MR. CHAIRMAN: The Honourable Minister of Consumer, Corporate and Internal Services.

MR. TOUPIN: Mr. Chairman, I don't if it's my financial background, but the comments by the Member for Swan River are soothing to my heart. In a sense he's asking very practical questions, why is there a difference in the budgetary item before us as compared to last year? Well, unfortunately, the Member for Swan River was not here when I introduced the Estimates of the department because I told them why we were seeking a difference, but I'll put it back on the record.

On the appropriation before us, Mr. Chairman, there is a difference of \$67,800 that's on appropriation 2.(a)(1). That's due to annual increments and a negotiated general salary increase. On 2.(b)(1), a difference of \$4,500 due to normal increments on negotiated general salary increase. On 2.(a)(2), difference of \$12,200 due to general higher costs and heavier work load, also the move from 307 Kennedy and required the installation of an automatic switchboard. The branch also had to take over some telephone related costs previously paid by the Public Works. The increase in telephone costs were \$8,000.00. Appropriation 2. (b)(2) a difference of \$10,500 as due to reduction in the use of contract professional staff \$7,000; publication \$2,000; travel \$1,000 and equipment rental of \$500.00. So that gives the breakdown of the additional costs as sought in the appropriation before us.

The Member for Assiniboia talks about the differential in costs between the price of meat, as an example, comparing Toronto and Winnipeg. I did speak about that in my remarks. It's on the record, if the the honourable member would like a paper on the subject matter, I've met with the major chains, the last one being Safeways, which I felt they made a very good presentation, even bringing meat from Toronto by plane to compare prices with stores in Winnipeg, with their own stores in Winnipeg, and explaining the difference in cuts and so on — I felt it was a very good presentation, Red River Co-op, Loblaws, Dominion, and so on. So we had an extensive survey done including Dr. Wood and my own staff, I'm hoping to be possibly more extensive in my reporting to the House later on in regards to, hopefully the results, if not that much result then I think we will have to go further out, possibly in the packers to see if there is any possibility of deriving a difference there.

We can talk, Mr. Chairman, you know about The Bank Act revision and we can talk about The Competition Act — we did talk about The Condominium Act and the protection of the consumer there. We can talk about the cost of living, Winnipeg versus other Canadian cities. We can talk about the electronic funds transfer system, that's all under consumer. We can talk about exemption of I (d) from Bill (19). We can talk about The Federal Boards and The Positive Protection Act. We can talk about gasoline marketing. We can talk about home warranties. We can talk about metric conversion and again we can talk more extensively on the retailing of meat and other basic commodities.

But yet you know, do you want me to go through all of this or would you only want to talk about the item before us. The point brought out by the Member for Assiniboia, false and misleading advertising, is dealt with under The Federal Combines Investigation Act, as he probably knows. The Provincial Trade Practices Laws tend to duplicate some of the federal control. For this reason it is necessary to review and study how the division of responsibility should be arrived at. Again I'm having difficulty with the writing of an individual here. . . so, oh yeah he's writing in English again. To rush into duplication of legislation could be confusing and expensive. So the items that I mentioned a few minutes ago in regards to all the problems before us we could deal with, in whole or in part, when we get to Planning and Research.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, you had asked me to hold my food items and that until we got to Planning and Research and I agreed to that, however, the Member from Assiniboia got up and just started in all over again. However, I'll stick to the item before us which mainly is the Consumers' Bureau, and I did want to ask him when he talked about the cost of this item, which was a raise in salary, and I wonder if this is common policy of the government to advertise for a position, and advertise that position as being a salary range of \$10,416, and then all of a sudden here we are in 1976 and the salary is \$20,686.28. Is this what you call a raise in salary, this is for the Rentalsman's position that was advertised in both the Dailies?

That is one question I have, the other is — I see the Member from St. Matthews is here — and I hope that he will take the trouble to read Hansard because I wondered if he hadn't been misquoted in the paper. He talked about a weasel in charge of a hen coop and I wondered if he would like to reconsider that statement in light of the fact that the Minister and practically four or five of his staff have the same credit industry background as myself, so that's there in Hansard. I also have the article, which I will send over to him, in which he is quoted as saying that this was the best Act in North America, and he said that it will attract many intelligent and aggressive Americans. In other words, it showed his bias towards the working people of his riding and how he classes himself amongst the intelligent top segment of our society. It just seemed to me it was a type of slanted statement that put other people in sort of a biased situation, and again I'll be glad to send it over to him for his comments.

I wanted to also under this particular kit that we've got here worth \$175 each, and I'll finish with these remarks, I wonder if the —(Interjection)— well you'll take that remark back because now I've got my sights on you my friend. The Minister of Education knows I'll keep my promise. — (Interjection) —

MR. CHAIRMAN: Order please.

MR. WILSON: I wanted to get down to this kit at \$175 each, but I did resent the remarks yesterday, I didn't think they would be reported so I didn't bother replying to them, but I've gathered in some information here which will be very interesting because really what the Member from St. Matthews is doing is talking about most of the senior members of the Consumers' Bureau staff when he levels me in on that same category for having a credit background, because I think anybody that has a credit industry background is a good critic of the Consumers' Bureau, and it's also to have a minister who has that type of a background, is a good Minister, , and I think the Minister is demonstrating here today in telling the Member for Fort Rouge he's not spending bushels full of money having expansionary programs and duplicating the federal services. If his federal people down there are not doing their job down on Main Street, in doing the inspections they are supposed to be doing in weights and measures and that, we don't need this Minister to get into that section.

I wanted to ask if he could tell me, under this kit kits where he got permission to write all this material as the history of the trust companies, banks, credit unions, and what have you? Is this information factual and was it cleared with all these companies?

MR. CHAIRMAN: The Honourable Minister of Consumer Affairs.

MR. TOUPIN: Well Mr. Chairman, again the honourable member is, unfortunately I guess in a sense, dealing with innuendos, when he talked about a position, and he can correct me if I'm wrong, a position that was advertised in 1970 and filled in 1970. It would have been different if it was filed you know and advertised, say in 1970, you know you talk about seven years. Seven years ago, I guess I was a Minister, , I was doing the same, even a bit more than I'm doing now, but as an MLA I was doing much less, so you know you have to keep that in mind. We have to clarify that a position advertised in 1970, and filled in 1970 is necessarily much more today than it was then and it should be.

Now the Member for St. Matthew can deal with the comment that he made whenever he feels. In regards to the kit, yes we checked with, I know with the credit unions, I don't know about the trust companies involved but I'm informed that the material contained therein is factual.

MR. CHAIRMAN: Resolution 32(a)(1)—pass. The Honourable Leader of the Opposition.

MR. LYON: Could I ask the Minister whether or not this kit, that he has apparently supplied to a number of schools in Manitoba, was requested by the schools or was it sent on the initiative of the Minister, and could he give us some idea of what the mailing costs alone were for this kit?

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Well again unfortunately, Mr. Chairman, the Leader of the Opposition was not in the House when I gave a detailed explanation of the kits, and that was at the opening of the Estimates this evening. I can make a copy of this available to him, it is read in the record — in regard that it is based on request, and that it is intended for 163 senior high schools in the province, 3 universities' 3 community colleges, 5 resource centres, one copy to each caucus that I hope to get back, one consumer education consultant in the Department of Education, 5 other agencies — 183 — we got 208. The potential use will be senior high school teachers, 3,455, senior high school students, 48,337, junior high school teachers, 3,500, junior high school students, 56,712, extension educators, 175, extension adult learners, 13,500, for a potential total of 115,679. Then we go on by saying that it can be used or could be used for a television series, in-service training, government funded outreach programs, seminars, storefront operations, speaking engagements, consumer service officers, etc. and it is based on request. The cost was \$175 on the dotted line, which is quite extensive, and the other, "You and Your Shadow" is \$20 per copy and 200 kits each. I can't unfortunately, although I'd like to, take the credit for these two kits. I have to, I guess first of all credit the Department of Education and our own department, and certainly the previous Minister, this was started quite some time ago, I'm not responsible for the launching of this. I guess I can only be responsible for seeing that it is well utilized in our school system mainly.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. LYON: The Minister was saying earlier, Mr. Chairman, that with respect to the content, and the historical description of the development of trust companies, banks, small loans companies, credit unions, etc. that some clearance had been made. He was precise with respect to credit unions, how precise could he be with respect to the other institutions? Has he got correspondence in which these historical descriptions were submitted to them or to their associations for clearance?

MR. TOUPIN: No, I don't have that confirmation with the institutions listed, and the information contained within the kits is public knowledge based on what those institutions use themselves, based on their pamphlets and public knowledge.

MR. LYON: Could the Minister tell us, Mr. Chairman, who the authors were of the material?

MR. TOUPIN: Again, Mr. Chairman, it's mainly staff within our own Consumers' Bureau, there's no one else that I'd like to recognize as being significant, as say a contractual employee.

MR. LYON: Could the Minister give us some names of these unsung authors?

MR. TOUPIN: Well, again, we can talk about one being Mona Cox, being certainly responsible for a lot of the planning and distribution of same, we can go into a lot of the consumer senior officers, and

there is a lot of names there, but Mona Cox would suffice.

MR. LYON: Mr. Chairman, presumably the Minister had a panel or a group of authors who were responsible for turning out these descriptive pieces on the functioning of the different credit institutions, could he tell us who comprised this panel and what their background was?

MR. TOUPIN: No I don't have that information' I'll take it as notice and let the Honourable Leader of the Opposition know. I can indicate that there had been consultation with schools in regards to the launching of the— and again here I'm going back to what I put on the record a while ago when we opened the House at eight o'clock— there was initial project management fees. . . I'll get the names of those involved in the production and give them to any honourable member.

MR. LYON: Mr. Chairman, could the Minister advise us what references, if any were made, for example the Canadian Bankers Association, the Trust Companies Association, the Credit Union Society, and so on, with respect to clearance of the particular material dealing with each of those groupings?

MR. TOUPIN: There was a study conducted by staff of the department in regard to material that we got from the different banks and the banking association and what not, and it is really based on that.

MR. LYON: Yes but, Mr. Chairman, we would like to see what textual references were made to these different groupings and so on, in order to ensure that the descriptive material that is passed out to the young people of Manitoba, with respect to the background, the history, and the development of these different was in fact, factual and bore some resemblance to what these people regard as their own history, not the Minister's staff's concept of what their history might have been.

MR. TOUPIN: Well again, Mr. Chairman, I'll take that part of the question as notice, it's very easy for anyone to take the kits in question' and we are talking of two kits, and to check them whatever is being made available by credit unions, by banks, by trust companies, and if there is proven to be any error they will be pulled back from the market.

MR. CHAIRMAN: Resolution 32(a)(1)—pass; 32(a)(2) Other Expenditures \$101,500—pass; Resolution 32(b) Research and Planning (1) Salaries \$56,400. The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, under this question, I had asked again if the Minister could describe what his department had been doing with — and again he said to me that he had limited resources — but, the former Minister used to always take as notice questions that I used to raise pertaining to the increased price of coffee and other commodities, and I wondered if the Minister would care to give me a descriptive thing of what this Research and does and then I'll have further questions.

MR. CHAIRMAN: The Honourable Minister of Consumer Affairs.

MR. TOUPIN: Mr. Chairman, the section of the department has been involved in a wide variety of issues over the past year. Housing has demanded particular interest and the group has been involved in a varying degree in rent controls, the builders new and ready to move RTMs. The research staff has been involved in the analysis and assessment of several federal initiatives which have consumer in particular, it was instrumental in establishing an interdepartmental committee to study the proposed amendments to The Bank Act, and the implication of the proposed electronic payment system. in regard to the federal initiatives, it has studied the reports pertaining to competition policy and trade practices. Issues emanating from the various federal reports are being discussed with counterparts in other departments, other provinces and with federal representatives. and the Some input to the Manitoba Livestock and Meat commission was provided and the report of the federal Commission of Inquiry into the Marketing of Beef and Veal was reviewed. As a result of the reports, it is continuing to examine the implications of the various conclusions regarding consumers and has met with several consumer groups to discuss their concerns. Prices for food and other products continue to be a source of interest, and as a result general monitoring of commodity exchange price movement is being maintained for several items. As a result of this activity, many responses to requests for information from the general public and from other groups have been facilitated. The research planning staff is involved in the area of policy through its participation of formulating legislative proposals and submissions to Cabinet by the department or where appropriate in reviewing submissions to other departments. They have also participated in committees composed of representatives from different departments on the work of metrication and I have details in regards to the other items that I mentioned a while ago that we could go into in some detail.

The increase in staff years — it's the same amount of staff as the previous year. There is a slight increase, well slight, about \$80,000 increase in funds. The existing complement here is three, and that was 51.9 — there was a collective agreement adjustment of 3.7 and an annual increase of 800 for a sub-total of 56.4 for the three staff. The other expenditures are down \$10,500 and the explanation is that the research group has been in existence for two years.

We have limited data from which to project budgets. The program of the group is highly responsive to a rising market situation making this aspect of budget potentially highly variable. However it is felt that with the alternatives available to us, that a reduction of 2,000 is manageable. Travel for the group has been largely ministerial originated — this aspect may result in highly variable

expenditures over the long run. However, based upon the short term data available, a reduction of \$1,000 is reasonable — \$7,000 reduction in the 1976-77 Estimate restraint program left out for 1977-78.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: I know other members of caucus over here want to speak on this item but I did want to ask, the Minister talked about an \$80,000 item here and I don't see it in his Estimates. I wondered also if this is the right area, when you phone to complain about the price of food, at least constituents of mine, when they phoned the provincial phone number given, they were told to put it in writing and to get hold of the federal AIB program. I wondered why the Minister would set up this communication section pertaining to food pricing, and then just simply refer them on to the Federal Government. Was that not an unnecessary expense and maybe he could explain the 80,000 figure, did he make a mistake or did the . . .

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Mr. Chairman, I don't believe that I made a mistake in regards to 80,000 under this item, there is not such a thing. We didn't set up this inquiry office, it was set up by the Federal Government so when they make a mistake and call our office, we just refer them.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Chairman, if the report that he has just given is correct, and I have no reason to believe it isn't correct, about the amount of research undertaken by the staff, then I think we have the best signal to the government that a small group of people are capable of doing a substantial amount of work and the justification for a great deal of the excess in government spending particularly in the research end in all the departments in all the branches of the departments is not there. Because in effect, we are talking about a \$78,000 budget of last year, proposed \$72,000 this year, and yet the Minister has given us an explanation of an amount of work in preparation and research that I think it is comparable to a lot of other departments where a substantially greater sum of money is spent. I think this is fairly significant because in effect, if these people are accomplishing what the Minister suggested, and I have no reason to believe that they are not, then the people who are involved in the research are accomplishing a research objective and their output would appear to be far greater than the output of many of the other branches and research sections of departments who are working in their particular field. It may be, Mr. Chairman, that a lesson should be learned and an example taken of what the Minister has been talking about, and possibly a scaling down in many other areas.

Because in effect, as I understand it, the Minister has indicated responses in preparation to the Federal Government legislation or proposed Federal Government legislation, research with respect to their own area of responsibility, and he mentioned particularly concerns with respect to Housing and related to the other items that the consumer bureau is involved. They are some of the very key items upon which research is necessary and I wonder and I direct this to the Minister, you know to understand, the research that is undertaken, is that communicated just within the department or within the branch of the department or does it go to Cabinet, does it go to other members of the other ministries? Does it go to the other research branches? That is one question.

The second question would be: does his department or does this branch of the department deal with the cost of living and pricing with respect to cost of living? Does it analyse or do anything with respect to the cost of living statements that are produced in an attempt to analyse the reasons for the fluctuations, and to be able to pinpoint the specifics rather than the general theme that things are going to cost more, and things are going up, and generally our position is either relatively lower than or equal to the rest of Canada at a particular time on the total cost of living or on the particular components that make up the indices on which the cost of living is based. I wonder if he could indicate whether there is any review by his department on that, and if there is, then I would like to have some information furnished, and if there isn't then I'd like to ask him, why not?

MR. DEPUTY CHAIRMAN, Mr. Les Osland(Churchill): The Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Chairman, while I was idling away dreaming here, I caught a couple of items that the Minister mentioned that his research people are looking into, and I was wondering while they may be totally impractical, if we may deal with these seeing as they concern items that deal directly with the concerns of people, which is the prices of food and housing. What I'm particularly intrigued by, when he said that they are monitoring food prices — I would be interested in knowing, and perhaps he could give us that research if it is available or if his officials can supply it, to what degree they are monitoring that in relation to the form of distribution it takes. In other words, is the price of food as it is now being sold in the City of Winnipeg dependent upon the close to being a monopoly position of the large supermarkets in the city.

Two years ago, Mr. Chairman, in the Province of Alberta where they also do some dreaming from time to time, they examined the question of restraint of trade by the large supermarket chains in the City of Calgary, and discovered that one of the real issues related to the high price of food was related to that monopoly position, and as a result of that research and investigation they invited the federal

department anti-combines people in to look at the restraint of trade, and I believe that maybe the case is still in the courts or has been settled out of court but it certainly did achieve it. I would be interested in knowing, while I know it is a totally irrelevant question compared to what my friends to my right ask about their colouring books and stuff, are we in fact looking at the issue of the cost of food related to the distribution system in the City of Winnipeg, and is our research in fact examining that particular issue in terms of whether the dominance of the market — and I believe the statistics I just saw recently, were that seventy percent of food comes from two major supermarket chains in the City of Winnipeg, and in fact, of that seventy percent, close to sixty percent of it is in control of one chain. That is by most economist definition, almost a pure oligopoly situation which does usually provide for limitations or in other words there is no market operating in the distribution of food. Therefore, what we would want to know, is that being examined as one of the reasons why food prices on the distribution side have been escalating at a very high rate over the past two years, and I would be interested in knowing if the research that the Minister's people have undertaken demonstrates any of that or whether in fact it is centred on that particular issue.

Accordingly I would also be interested in knowing the kind of research that is being done into the rent control area. Again we had hoped that the kind of assessments about the impact of the rent control procedures would be available, I noticed from reading the report that was just recently distributed, there are still a lot of open questions to be asked particularly in terms of the impact upon the housing market itself. I am wondering if the Minister can supply us with information of the fact that the report provided by the Manitoba Rent Review board is research undertaken by this division or in fact, are they doing separate research into other aspects of the rent control market, and particularly again examining its effectiveness in application — are they monitoring the rent review board or is it a separate piece of research? Perhaps the Minister could then describe just exactly what the kind of research is, what it is showing and what it's intended to show. So I think if he could answer those two questions then we can get on to some of those other issues that he would like to discuss.

MR. CHAIRMAN, Mr. Jenkins: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, the remarks of the Member for Fort Rouge prompt me to rise just briefly in this debate, having missed much of it but simply his comments with respect to the high cost of food, would have to lead me to remind members that some of our basic food commodities are under severe government regulation such as milk. The price of milk doesn't rise unless it is reviewed by a quasi government body which looks at the costs of production, the cost of production to the processor, and then finally arriving at whether or not an increase of the retail price of milk is allowed by the board — the milk marketing board in this instance. I can recall such other instances as when there was a proposed increase in the price of bread, another basic commodity food, the then Minister of Consumer Affairs, the Member for Osborne instituted an enquiry into the price of bread and we in fact, did establish that a price increase, small as it was, was justified in the price of bread.

All I'm prompted to say as an agricultural representative in the course of this debate that in this country, surely we still operate, very much so, on a national cheap food policy and in terms of the disposable income that people have, that is the case. If the Minister of Agriculture of the government was in his seat, he would be the first one to rise in his chair to support that basic statement. Now the fact of the matter is that that amount or degree of moneys expended by one's income varies with one's income position, and I agree with remarks that I have heard in the House earlier that those on a lower income level spend a proportionately higher proportion of their disposable income on food but, the fact of the matter remains that we have that enviable position around this globe, around this world, that Canadians on an average spend something like eighteen percent of their disposable income on food, and no other country in this world can say the same with the exception of our American neighbours. In Europe generally, it runs around thirty percent, in Japan generally, it runs around thirty-seven, thirty-eight percent, and most people of the world spend all of their time to fill their stomachs once with a bowl of rice. I can't stand by idly with the concerns being expressed that we have an inordinate cost of food in this country or in this province. Certainly the distribution factor — and I take issue with the honourable member's remarks about it being virtually a monopoly in the hands of one or two distributors, it simply isn't the case.

The government controls a good portion of the distribution in the sense that we have set up various marketing agencies, marketing boards, in the case of Manitoba vegetables, in the case of pork, in the case of milk, and in the case of butter, and nearly in the case of beef, not quite. The fact that beef continues to be the biggest bargain on the marketplace today the biggest bargain on the marketplace today might add some editorial comment as to the validity of marketing boards with respect to holding down prices but I'll leave that aside. The fact of the matter is that the sentiments mentioned by the Honourable Member from Fort Rouge can't pass this House without some challenge from the agricultural community in suggesting that we have created a system in Manitoba that has put food in the category of unattainable or high prices, and despite many enquiries that have taken place either under provincial jurisdiction such as I mentioned by the former Minister of Corporate and Consumer Affairs, in the case of bread or by the venerable Madame Plumtre, who

has instigated not one but umpteen dozens of investigations in various aspects of food, and its cost, and its distribution, have failed to show up any inordinate pricing policy that works to the detriment of the consumers of this country or that have established the fact that in fact the Canadian consumer was paying an inordinate percentage of his disposable income for food comparable to other nations and other jurisdictions of this world.

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Mr. Chairman, I would like to deal with some of the comments made by the Member for River Heights. —(Interjection)— Yes, I agree with him wholeheartedly. I'm sorry I didn't mention it myself. This is a very small group and they've done what I consider to be a good job in the section of Research and Planning. There's a lot of things that they don't have responsibilities for, but for the responsibility that they do have for the work that they are asked to do, they've been answering our requests very well.

In regard to surveys or research being done in areas that are either Provincial or Federal and if we take as an example the bank accreditation, that is a Federal matter but yet it involves provincial financial institutions like credit unions. So the Planning and Research Secretariat of our department were works with the Planning and Research Secretariat of Co-operative Development and with people in the Department of Finance and necessarily the results of those research studies are made available to all departments that are at least involved in regard to the financial implications. I'm only using the bank accreditation as an example and that's still going because the amendment to the bank accreditation is under way in Ottawa. It's not a *fait accompli* yet.

The cost of living that both the Honourable Member for River Heights and Fort Rouge made mention of, the index itself is compiled by Statistics Canada while our research group identifies specific costs such as the difference in meat prices in the East versus the West and makes appropriate enquiries. As for general cost of living compilation, it would be unnecessary and duplication like the Member for Swan River mentioned awhile ago. It is true also that there is no reason to believe that the cost of living is escalating any more in Manitoba than elsewhere, based on the statistics that we do get from Statistics Canada.

The research being done in the area of rent control, the report circulated to members was produced solely by the Rent Review Board staff. The research group does consult with developers and landlords on a long range basis and will assist in what we hope to have in regard to future analysis or rent review statistics and more complete data before future decisions are taken in regard to rent controls. The research group also maintains contact with counterparts in other provinces to compare experiences and programs. As an example, we have tendencies sometimes to criticize controls and yet when you look in places like the province of Quebec and find out that they have had controls in the city of Montreal for the past, what, 20 years? — but if you compare the control there with what we have here, it's considered to be less onerous on the landlord and/or tenants because it's based on a complaint system and the reaction to complaints. So these things are being looked at by the staff and the Rent Review Board.

I have to agree with the Member for Lakeside that when we talk of basic needed food items, like butter, like eggs, like meat and so on, that we should never be part of a price fixing on such things, whether it be by the Milk Marketing Board or any other agency without keeping in mind the needs of the producer, and that's important. There's only two ways that we can satisfy the real cost and needs of the producers and that's to allow a consumer price to be set at a level that is adequate to meet his financial needs, or to subsidize the producer by grants. I happen to personally believe in having a consumer price that would reflect the cost and reasonable profit of the producer. So if that's a sin, I'm a sinful man, but that's what I really believe in and I think we should always keep that in mind. I think we're able as government to live better with ourselves and to allow the type of expansion of basic needs by means of the producers much much better. And I happen to believe that the producers should set up their own systems as they believe are needed for the distribution of their goods whether it be on a province basis or inter-provincially, but it should be done by them and for them, not by governments but by producers themselves.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY; Mr. Chairman, I just want to say that I think the Minister missed the point. Needless to say, so did the Member for Lakeside, but that doesn't matter. The fact is, that the issue that I'm talking about to the Minister is the distribution system mainly through the retail side and the wholesale side. Unfortunately, it appears neither the Member from Lakeside nor the Minister have read the last that the Food Review Board produced, which did demonstrate that there are in several Canadian cities, including Winnipeg, high concentration of ownership and that this could have a strong bearing on the prices charged. Not for butter or milk . . .

MR. ENNS: They did have.

MR. AXWORTHY: Ah, but that's the point. If the Member for Lakeside was able to maintain a degree of awareness long enough to have listened to my initial comments' that was the point of them. I asked the Minister to what degree were the researches that he was undertaking in the area of food

demonstrating that that was, or might be a cause or a factor producing higher food costs. That was the point of the original question, that the Food Prices Review Board did establish that there is close to monopoly or oligopoly conditions in the food, retailing, wholesaling system in Winnipeg. — (Interjection) — I don't know what he's doing. I would like to know, I would like to know, Mr. Chairman

MR. CHAIRMAN: Order please.

MR. AXWORTHY: . . . from the Minister, which he didn't answer, to what degree has his research undertaken in the monitoring of food; looked upon that issue raised by the Food Prices Review Board in its final report; a situation undertaken by the Conservative Government in Alberta — I would underline that for the Member from Swan River who doesn't like to think about things like that, but he doesn't like to think about anything that happened after R.B. Bennett anyway — that the issue is really to what degree have we examined the way in which food prices in this city are being produced by the arrangement of ownership or distribution in the retail and wholesale system. Now, first we need to find out whether in fact the research is doing that; and secondly, we would like to know if it is not doing it, why not. It would seem to me that the Food Prices Review Board provided a fairly clear set of clues about where we should be looking in this issue and the issue is not marketing boards, although I'd be certainly interested in debating that at some point because I think there may be some question about the way in which marketing boards also affect the price of foods. Not for the farmer who I think is getting a . . . well if you look at the amounts per dollar that the farmer receives from the food, it's usually by far in the minority position and a large proportion of the food dollar goes to the middle man in between. Now that really is the issue. To what degree is that middle man transaction from the original producer, the farm gate I guess you'd call it, to the guy who is buying it in that cellophane package with all the advertising in a highly lighted Safeway store. What is the in between question? And that really is the issue that I asked the Minister which he did not answer and I would like an answer from him.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SPIVAK: Before the Minister answers, statements by the Member for Fort Rouge really beg the basic question that has to be asked of the Minister and of the government. The Minister's answer was that, when we talk of cost of living that, well those are statistics prepared by the Federal Government and they are. But the question is, what do we do with them? I mean what response does the government have to any information that's furnished that could affect or does indicate immediately a situation in which the people of Manitoba are affected. What kind of response does it have to these situations? How does it deal with them? How does it cope with them? What kind of research is undertaken? Who does it? What departments concern themselves with it and what results? Mr. Chairman, question after question is asked in this House, not necessarily of the Minister, because the Minister, the present Minister and the former Minister were asked these questions and their response was it was other departments. When the questions were asked of the other departments, they didn't know anything about it other than there was statistical information available that showed that something may be happening in the province but they're not sure. Obviously there's some indications and the general answer to all of this was, well it's happening all over Canada, it's happening in Manitoba as well, or we're lower than the statistical mark reached in other cities or other provinces or we're now catching up.

You know most of those answers are hogwash, most of those answers are political responses made by politicians without any basis in fact of being able to answer and one of the appalling things of this session has been that kind of response by the members opposite, the continual reiteration that somehow or other what's happening is we're either catching up or something's occurring in Canada nobody can correct and that there is no one here that has to answer or respond to it. What the Member for Fort Rouge is suggesting is a very concrete example because in effect an alert government would be responsive to being in a position to be able to assess whether the reports that are undertaken by others are in fact, whether correct as they apply to the Manitoba situation, whether there are situations that have to be adjusted there is action that has to be taken. I ask the Minister if he does not, in terms of his own department, examine the statistical data on the cost of living, who does? If he doesn't examine the Manitoba situation as indicated by the statistics that are produced by the Federal Government, who does?

He indicated that there was an examination of housing and we've also indicated in this House and questions have been asked and the Minister has not been prepared to confirm it, but in the last two publications of the cost of living index for Canada, Winnipeg — and that means Manitoba — led all of Canada in the increased cost of housing. A very very substantial increase for this province and the components that make up the statistical data which indicates that, are important in the sense that they have to be understood and whatever action has to be taken, has to be taken. Yet when the questions were given, the answers were that, No, the Consumers Department wasn't doing it, the Department of Housing wasn't doing it, the Department of Finance wasn't doing it, nobody is doing it. Well, nobody is doing what? Nobody is examining data which indicates that there is in Manitoba a

particular situation with respect to certain specifics of cost of living that place us in a position where the people in this province are going to be paying more than the rest of Canada and it's not good enough, as has been the answer, to say we're catching up because I don't really believe that that is what's happening. I really believe, and I say this and I know that this will cause the wrath of some of the members opposite, that the reasons the cost of living is increasing in this province and the reason the cost of housing is, has to do with several parts. Not necessarily in order of importance but, taxation is one, both corporation taxation, real estate taxation; the investment climate is another, the rent control and the manner of rent control, its application, is another factor particularly the refusal on the part of the government to allow in terms of a cost pass-through, the increase, mortgage and finance charges and service charges relating to the borrowing of money, the capital tax has also been a factor. I must say, Mr. Chairman, that it's very important that the kind of analysis that I'm suggesting be undertaken because there are corrective actions that have to be undertaken so that we in Manitoba can at least provide for our people an opportunity which will be equivalent to the rest of Canada.

Now, with respect to the statement of the Member for Fort Rouge and possibly little disagreement with the Honourable Member from Lakeside, I have a suspicion that there is a great validity to the report with respect to what's happening. In this country we are reaching the point where there are only two things that are big — big government and big business and the reality — (Interjection)— no, I'm saying big business and big government at this point. And the reality at this stage is that in the course of this trip that we are all taking in this country, as we travel along this road, people are forgetting that the benefits of small business and the benefits of family business were important in relation to the cost to the consumer. Because the kinds of savings that were made came as a result of the productivity of the people who were in fact small entrepreneurs handling their own private affairs and secondly in the fact that the margins that they were working on are not the margins that investment houses and those who are in control in the marketplace, are now trying to achieve.

The fact is that if we are talking about protection of the consumer and we're talking about what is required to try and provide the best for the consumer and in a really true conservative position, competition is the best way of providing that protection for the consumer and the only way we are going to have competition is by ensuring that small business survives and can compete. If we examine what has happened in the food business here, examine what's happening across this country, small business is being wiped out and everyone knows that. What's really required is the kind of statistical data — (Interjection)— well, everyone does know that. — (Interjection)— I didn't say disagreed with you. I'm saying to you that everyone knows that and the problem then is, how do you combat that both by legislation and by action and by leadership and I say that you can't do that. — (Interjection)— Yes, well that's one kind of leadership. You have the ball now and you're fumbling and have been for the last little while because the reality was that this was the party that was supposed to know more than this side about the concerns of people and yet, in these fields there is just a tendency to ignore the kind of action that has to be taken.

So in terms of the Minister, not as a criticism of the department, but in terms of a criticism of the government because if this department is not doing it and he doesn't see this as his responsibility and the former Minister in his answers said this wasn't a responsibility, then whose responsibility is it? Whose responsibility is it to analyze the statistical data and the reports and the information that's supplied that indicates that in Manitoba within the sphere of influence of this Legislature, that there is action that should be taken. What action? Well, I've already indicated to the Minister with respect to housing. The elimination of the /capital tax. Changes in the corporation tax. The changing of the investment climate. Some provision that would provide that real estate taxes, particularly the burden that the commercial takes in this province are reduced. These are important factors, I would believe, in trying to reduce the cost of housing. Changes in the Rent Control Act which would essentially save and would have at least provided that the natural cost increase to the landlord for his financing charges could be passed through, should have been made. All of these things have been deterrents and all of these things have affected very directly the increased cost of housing. And the kind of analysis and report that would have been given, would, I think, have provided, independent of the statements that would have been made in this House⁸ or the cries of those who were the vested interests, because the problem is that when the landlord makes a statement, when a builder makes a statement, he is a vested interest, and governments, not just this government, every government, has a tendency to ignore, vested interests.

But if there would have been independent appraisal and analysis, that would have been important in being able to assess the judgments, and if questions were asked in this House, and reports were produced, we'd have a better opportunity to be able to analyze it. And if the statements I'm saying are not correct, then at least they would be supported, because I think the time has come now to say to many of the others on the opposite side that as politicians, when you answer the statements, and I don't want to repeat what I've said before, but answer! just simply that "You know we can't do very much, it's really a national situation, we're really just going with the tide. There's nothing very much

we can do," I don't think that's a very good answer.

So I say to the Minister, you have a few employees who are working very diligently and probably have produced some good work. We haven't seen it, but in terms of the reports that you have suggested that they're working on, it would appear that they have been. They wouldn't be continuing on, I assume, if they hadn't. Get them now working on the very basic things that are affecting people here, like the cost of food and the cost of housing, and let them possibly demonstrate to some of your colleagues the necessity for some very dramatic changes that have to occur so that the increased costs that our people in this province have to bear will not continue.

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

MR. SAUL CHERNIACK: Mr. Chairman, I have listened with interest to the comments from the Member for River Heights. I want to assure the Member for Minnedosa — he's the one who's concerned about defending the Minister — that there's really no need to defend the Minister, but there is a responsibility on some of us to participate in debate and possibly the Member for Minnedosa should be participating' if he's interested, as he appears to be.

Mr. Chairman, I think the points raised by the Member for River Heights have to be considered and have to be dealt with. He is appealing on behalf of small business and almost everything he has said applies to big business only in spades, as they say, because he wants incentives, tax incentives, he wants removal of capital tax, he said, he wants removal of various methods by which government tries to raise funds to finance its operations, and I think that most of the items he referred to, if not all of them, are federal in nature and if I'm right, then I think he's probably looking ahead to a campaign on the federal basis and that's fair game. I want to congratulate him. I saw he was speaking in Edmonton on issues which are federal in nature and it so happens I agreed with the point he made, although I'm not sure that many of his own colleagues would agree with the position he stated as reported in the newspaper but certainly they are federal in nature.

What he expects from the Department of Consumer Affairs in Manitoba is not clear to me. But what he expects from government is clear to me, and that is to make it more and more attractive for private enterprise to make the profit which it can in a free enterprise system as he envisions it, and how in housing you can talk about the free enterprise system, I don't know because the fact is that we have been short of housing for a long time, and I feel that although our government, and I say it advisably, our government, has made a pretty massive contribution to the erection of housing in Manitoba as compared with the previous government and as compared with almost any other government, nevertheless the housing situation is still tight.

The answer is, I believe, more housing. Now I don't believe that one induces big business — and housing is big business, Mr. Chairman. I don't know whether the Member for River Heights is under the impression that these are small businessmen who are involved in land development, for example. I think it's pretty well known that the major speculators in the field of land ownership are very few in number and they are very big business, Mr. Chairman. And I think that the whole housing industry is largely a controlled industry and that competition is not very great.

I think also that the amount of building is based on the desire to keep vacancies to a minimum. That's how you can control a market, and for the honourable member to speak of recognizing increased costs, I agree with him. I agree with him, Mr. Chairman. I think that if the cost of fuel has gone up, if the cost of any other of the utilities or of repairs or whatever is needed to maintain housing has gone up, it has to be considered as part of the overall burden.

But Mr. Chairman, one of the strong objections I have to consideration of rent increases, and by the way, maybe the Member for River Heights doesn't know, but according to the newspaper, his leader has stated, or the Party has stated, or members of the Party who have the right to speak for the Party have stated that rent controls should remain on until it becomes practical to remove them because of the free market in housing. So let's remember that part of it.

But I do object, Mr. Chairman, to the thought that the cost of acquisition of investment property such as an apartment block, say, should have on it a markup related to a profit on that of the old customary — what was it, 10 percent, 12 percent, 14 percent, 20 percent in the cases of slum housing? — because Mr. Chairman, I think that for the last number of years, people have been buying apartment blocks in the expectation that rents would be going up and paying prices on the basis of that expected increase in rents. And I think that people have bought housing with fairly small equities and large mortgages at an uneconomic level on the basis of return but feeling, before rent controls came in, that they would be able to catch up in the next few years to increasing rents and therefore that the future rents would justify a return on their investment.

Mr. Chairman, to me, that's speculation in land. That's not investing in housing, that's speculation, and I think that it can be proven, although I admit in advance I don't have the figures before me. But what I have been told by people in the real estate business, and there are some people here who may be more knowledgeable than I in that field, is that there have been purchases made in the last number of years based on that expectation of inflationary trends and rising rents that would justify prices that were negotiated. So I think that those people who speculated on increased rents were equally faced

Monday, April 4, 1977

with the problem that rents could indeed go down. And if rents go down, or what has happened, remained more stable because of rent control, that is in accord with what I believe is a decision supported by all three parties represented in this House. I don't know if the Member for River Heights is one of those people but I think that the three parties represented in this House agree to rent stabilization and rent control.

There can be a debate as to the extent of it, and that debate of course must continue, but not on the basis of incentives. Not on the basis of saying to private enterprise, "Come on in, the swimming is fine, the water is warm, we'll make it even more attractive when you feel that you're not getting as much as you want to get."

Mr. Chairman, I think it is pretty clearly known that money and investment go where there is a return on the investment. The points made by the Member for River Heights are federal in nature. And therefore I believe again money will go to those places where there is a demand. If there's a demand for business to expand, it will expand there. But you don't do it artificially. Mr. Chairman' we have done things in this province to encourage industry settling in one place or another. May I mention that what we did in Gimli was certainly an attempt to keep a viable community viable. There's no doubt in my mind that that was the kind of incentive that was provided in Gimli. Some may think that there was a little too much incentive, a little too much money poured in there to try and keep that community viable, but in effect that was done.

I am not sure the extent to which we shouldn't have allowed the free marketplace to let that happen. I say that only to suggest that I don't think we're all knowledgeable but Mr. Chairman, I would again do the same thing that has been done in that a community that was threatened with extinction was artificially supported in an industry that had some hope in the minds of some' but the artificial stimulus given to that industry gave it to the community to the extent where the community is a pretty viable community because of other time that was available to permit industry to develop in Gimli. Now there is a CNR base of some kind, there is development there, which it took quite a while to settle in. I would like to see some kind of cost benefit effect on the whole operation in Gimli to see what it cost to keep jobs alive, what it cost to keep people alive and in Gimli, in order to let them readjust to a changed situation.

So, Mr. Chairman, what I am saying is that the Department of Consumer Affairs can do little in changing this kind of stimulus, unless indeed the government was prepared to do all those things that a Conservative government would want to do, and that is to favour the individual by giving incentives, by creating, by a giveaway program, by seeing to it that they are happy and if they're not happy, give them a little more and maybe they'll be happier. If they're still not happy, give them still a little more.

When it comes to housing, which is the one point he mentioned which is provincial in nature, I would rather see to it that housing was considered a community asset and therefore a community responsibility and not throw it into the laps of the people in the speculative business and the people who are there to be able to control the market as they have in the past and to therefore control the returns which they would expect.

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Mr. Chairman, to answer more directly because the Honourable Member for Fort Rouge is wanting direct answers in regard to the distribution system as it effects the cost of living index, no, we're not doing a survey in Manitoba. And the reason why we're not doing it is because it's being done on a national scale to some extent and it does cross provincial boundaries. This may sound like a cop-out but I don't see it as one. Staff in Planning and Research are supplying data that is requested of them and I happen to believe to this date and if proven otherwise, we are certainly willing to look at the possibility of having something done provincially, but since it is happening to some degree on the national scale, then we should not attempt to duplicate those efforts. It hasn't brought us back, to my knowledge, the type of data that I consider to be adequate in regard to adequate planning for the future in regard to price setting.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: I just wonder if the Minister would answer the question. I wasn't sure, is the kind of data though that is being accumulated nationally sufficient to give him the basis for deciding whether a request should be made to the Federal Combines Division for investigation into monopoly practices in food retailing and wholesaling in the City of Winnipeg? Does he have that kind of information to enable him to make some decisions and to make that request' similar to what they did in Alberta?

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: It's not quite extensive enough, I believe, to give us that type of background data, although I do have something to say about Alberta here. It's indicated here that the action that was taken in Alberta by the Federal Combines Investigation Act to limit the growth of Safeway, as an example, in Alberta, there is no proof to suggest that this somehow lowered the prices in Alberta as opposed to Manitoba, if we compare Safeways in Alberta and here. And we do have approximately 30 Safeway stores, I believe, in Manitoba, yes. The cost of living in Edmonton and Calgary is higher than

in Winnipeg, according to what I am informed by my research staff. We have reviewed the Food Prices Review Board reports and the Mallen Report as well. Not only concentration but also unused capacity has been suggested as causes for higher prices. While we have reviewed reports, we have not undertaken our own analysis. † the same time, these reports were not definitive in their conclusion, so we can't be totally satisfied.

Obviously, if we added research personnel in our Planning and Research Secretariat, I happen to believe that we'd have to be able to undertake such a responsibility. We'd have to be working very closely at least with the three other western provinces to have an effective survey done, and I believe that my colleagues up to know have been very reluctant to the west to undertake such a joint responsibility interprovincially because of what's happening on the national scale. We'd rather press the Federal Government to pursue and intensify their studies, instead of having provinces individually set up their own bureaucracy.

There have been certain actions taken provincially, possibly not all that effective, but when Ontario, as an example, froze the price of gasoline in Ontario we did the same for a period of close to nine months here in the province. That had some beneficial effect. We are part of the anti-inflation provisions as it affects provincial civil servants and agencies, as it effects rent controls, and I don't agree with the Honourable Member for River Heights unless he wants to cite examples privately or on the record in regard to the Rent Review Board not allowing pass-through of say, interest rates on refinancing of mortgages, because that is definitely a cost pass-through in regard to existing mortgages. If a landlord, as an example, decides to borrow in addition to the amount that he had previous to rent controls coming in and utilizes these funds for another purpose, well that additional cost is not allowed as a pass-through. But if it's for the same amount or less than what he had when the base was set in regard to a cost pass-through at an additional rate of interest, that amount is allowed. If the honourable member has a case that he'd like to refer to me, I certainly want to review it. But he cited that as an example of what is considered not to be equitable pertaining to landlords.

Mr. Chairman, I happen to agree with the honourable member that there are certain items that have to be reviewed, whether it be, hopefully not through the Act, because I would rather stay away from the Act, but through regulations pertaining to rent stabilization that we could do, allowing for a more equitable, say, return to the landlords.

The problems, as I see them, pertaining to indicated sufferings from landlords, is not necessarily in relation to the cost pass through, but pertaining to the base that landlords had set for themselves prior to the introduction of rent controls. That seems to be the basic problem. If a landlord started with a high base at the date indicated for the controls to come into force and with the two increases allowed, ten and eight, he's well off. But if he started with a very low base and had predicted a loss on his operation for a given period of time, and some landlords did, then that landlord could be suffering, although the cost pass through of present operations are allowed.

So I think these are the things that we have to look at. I don't think it's pertaining to necessarily the item that the Honourable Member for River Heights brought forward, pertaining to rates of interest.

And I happen to believe, and I said this more than once, that the problem of accommodation in the Province of Manitoba is based mainly not necessarily on stock but on the type of homes or apartment suites that are available. I believe there is enough of a certain level of accommodation but not enough of another and I do believe that not enough is being done to refurbish existing stock. Here we are not only talking about the private sector, we are talking about the public and the co-operative sectors. I think more has to be done in that vein, and I as the Minister both of Consumer and Co-operative Development, meeting with the industry that is involved, and here I'm talking about HUDAM, I'm talking about Home Managers, I'm talking about Industry and Commerce, that is, the Minister who is responsible for MHRC, and with staff in Co-operative Development. Because I believe that is very essential. Not one given group, in my humble opinion, will solve the problem of housing. The amount spent by the Crown in the last seven-and-a-half years of a quarter-of-a-billion dollars is of some assistance but I think more has to be done by the two other sectors to the level of homes that is needed — and here we are talking of those who are in the lower range of income per year.

I think we may have to look at a subsidy for individuals. I don't happen to believe in a subsidy for industry, personally, although sometimes we have to for a given period of time. But I go back to my own experience on the farm and my father when he started his business back in 1935; I can't recall him getting one grant over the last 40 years. But that doesn't mean that individuals that shopped at his business did not get assistance because they were in need, and that's the type of assistance that I like governments at all levels to consider, is assistance to the individual in need. And not only welfare recipients, but those that are considered to be working poor.

There's a certain amount that is considered advisable to spend on rent or the purchase of a home and that has to, in my opinion, be respected and allowed to flourish in the minds of people. People in Manitoba I think generally, and I know in Springfield where I come from, are private individuals. They are not conservative, they vote for the right person, the right party, but they are private individuals in the sense that they want to own their own corner of property, they want to own their home. They don't

Monday, April 4, 1977

mind to participate and share with members from Lakeside, but still, you know, they are considered to be private individuals. There's nothing wrong with that, I happen to believe that we are there to share with others in need and yet develop our own capabilities ourselves based on our own capacities. That's not making me a conservative, I think it is making me more of a person wanting to co-operate by means of different methods.

I know, Mr. Chairman, that I'm not satisfying the questions of the Member for River Heights and Fort Rouge, but I'm being as frank and open as I possibly can in regard to the subject matter and we are not doing the type of surveys that they are seeking of us. I don't believe for the time being that we should. That doesn't mean that we shouldn't keep a close watch on what's happening on the national level and by other provinces.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, just to complete, if we can, this particular aspect of discussion, I think what is important is to look at this whole question of the use of competition. With the new Competition Act coming in at the Federal level, which changes the power substantially to both undertake investigations and to undertake the prosecution of restraints of trade and monopoly situation, it seems to me that this should be something that the Research and Planning Division should be directing its examinations towards — certainly in the field of food. We talk about housing, certainly one of the major problems in housing is, as the Member for St. Johns suggests, large land developers and the answer there oftentimes is not public ownership of land but would be to apply the Competition Act to them' break them down.

I know that would not appeal to some of the members of the Conservative Party because I gather they claim some candidates from that industry who would not be supportive of that classic position by any means, but the fact of the matter is that the public ownership thing has failed, the evidence is very clear, coming before the Bellan Commission, it hasn't worked to keep land prices down. So then the answer may be to start really looking at the question of breaking apart many of the large organizations, whether it's in the food industry or in the land industry, and providing that degree of marketplace control upon them so that we can reduce prices.

It would seem to me that whatever the studies are doing, we are really wasting a lot of time if the examination of food, I think, is not devoted to that kind of question. That is very much within the orbit of the Department of Consumer Affairs; that should be the kind of investigations they are looking at. I think in particular, because of the changes proposed in the Competition Act, that particular kind of strategy will be much easier to employ. What is really required is that —(Interjection)— Yes' have you looked at the Competition Act? Well, I don't know, take a look at the Act. Don't judge it before you've read it.

The fact of the matter is that the issue should be that the province should be triggering that kind of activity by examining the conditions in the province in the food industry and in the housing industry and land industry and therefore being able to use that there kind of assessment of the problem to bring about the kind of activity under the Federal Competition Act. Really that is the area where the partnership in the two different spheres of consumer activity can be most notably demonstrated rather than the information kind of stuff we've been playing around with. I would certainly leave that as a recommendation to the Minister.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

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

IN SESSION

MR. SPEAKER: The Honourable Member for Flin Flon. **MR. BARROW:** I move, seconded by the Member for St. Matthews, the Report of the Committee be received.

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