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CONCURRENT COMMITTEES OF SUPPLY
ESTIMATES - HIHWAYS

MR. CHAIRMAN, Mr. D. James Walding (St. Vital): I would direct the attention of honourable members to Page 37 in their Estimates Books, the Department of Highways, Resolution 72, Motor Vehicle Branch, (c) Safety (1) Salaries—pass; (c)(2) Other Expenditures—pass; (c)—pass. Resolution 72(d) Highway Traffic Board, Highway Transport Board, Taxicab Board and Licence Suspension Appeal Board (1) Salaries. The Honourable Member for Roblin.

MR. J. WALLY McKENZIE: Mr. Chairman, I wonder if the Minister would be kind enough to give us the names of the members of the Highway Traffic Board.

MR. CHAIRMAN: The Honourable Minister.

MR. BURTONIAK: The Highway Traffic Board, Mr. Chairman, the Chairman of the board is Mr. Al Mackling, the Vice-Chairman is Mr. Gordon Fines. The other members of the board are George Friskin and Michael Capri. Those are the members of the traffic board.

MR. McKENZIE: I wonder if the Minister could give us the indemnity of these members of the board or how they are paid.

MR. BURTONIAK: Mr. Chairman, if the honourable members will recall, I think it was last year, we had passed an amendment to the Act whereby the two boards could be split and are split but the same Chairman sits on both boards. However, that could also be changed if we desire, but at the present time Mr. Mackling is Chairman of both boards. The Vice-Chairmen are Gordon Fines and Michael Capri. So Mr. Mackling receives \$31,696.00. The Vice-Chairmen, Mr. Fines and Mr. Fred Wood, they both receive \$8,064.00.

MR. McKENZIE: We don't have a Mr. Wood.

MR. BURTONIAK: Yes, Frederick Wood is . . . Well, you know, there is the Traffic Board and the Transport Board.

MR. McKENZIE: Just the Highway Traffic Board that I was . . .

MR. BURTONIAK: Just the Highway Traffic Board that you want, okay. So that will be Mr. Mackling, Capri, Fines and Friskin. Those are the four. Mr. Mackling is Chairman, Mr. Fines is Vice-Chairman, and Mr. Friskin gets \$3,360 along with Mr. Capri. Those two as board members get \$3,360.00. I was looking at both boards, yes.

MR. McKENZIE: Did I understand the Minister to say that Mr. Capri is also a Vice-Chairman.

MR. BURTONIAK: No, Gordon Fines and Fred Wood are the Vice Chairmen. Fred Wood is the Vice-Chairman of the Motor Transport Board and Gordon Fines is the Chairman of the Traffic Board.

MR. McKENZIE: Mr. Chairman, I wonder could we have the expense accounts of the board.

MR. BURTONIAK: I don't think we have that information, Mr. Chairman, with us here. No, I'm sorry we don't. I presume the honourable member wants the expense accounts for the entire year.

MR. McKENZIE: The four. Yes, for the year.

MR. BURTONIAK: Well I think we can probably get that for the member. I am informed that anything over \$1,000 would appear in the Public Accounts, Mr. Chairman, so perhaps that could be available from there.

MR. McKENZIE: Yes, Mr. Chairman, but unfortunately that is a year back. I'm looking for the year that we are just passing. . .

MR. BURTONIAK: The fiscal year?

MR. McKENZIE: Yes, the fiscal year. Well I wonder could we have that information forwarded to us.

MR. BURTONIAK: I suppose, Mr. Chairman. I don't know how quickly the honourable member wants the information but I'm sure we can get that information for him if he wishes or desires it.

MR. McKENZIE: Mr. Chairman, if I could have it for the time of the Budget Debate I'd be most grateful.

MR. BURTONIAK: I would imagine, Mr. Chairman, we can provide the honourable member with that information.

MR. McKENZIE: I wonder then, Mr. Chairman, if the Minister could advise us how many meetings they held during the year. Are they on a monthly basis, or a weekly basis, or how do they meet.

MR. BURTONIAK: I think, Mr. Chairman, I can give that information to the member. There were 68 hearings held in the last fiscal year 1976, and the board dealt with 610 applications. Well, just a minute, I believe I'm giving the wrong information here. I'm sorry. I apologize to the honourable member. I was giving you the figures for the Traffic Board, not the Transport Board. The Transport Board held 67 hearings.

MR. McKENZIE: Mr. Chairman, we are dealing with the Traffic Board, that's the item isn't it, that

we are dealing with.

MR. BURTONIAK: The Motor Transport Board, that's what you're talking about isn't it? — (Interjections)— It's all under the same item anyway, Mr. Chairman. So that these hearings will be the same thing. So the Board held 67 hearings with 251 applications. I don't know if the members would like to hear how many were approved and so on. I can give them that information. There were 198 approved, 14 were denied for various reasons, 7 withdrawn, 14 were cancelled, 6 were postponed, 2 pending and 10 show cost, for a total of 198.

Just for the benefit of the members, Mr. Chairman, if I may be permitted to, the other Board had 68 hearings as I said before with 610 applications.

MR. MCKENZIE: Mr. Chairman, I am very confused now. I thought we were dealing with only the Highway Traffic Board. Now the Minister says they are both the same Board, the same entity and they meet jointly. Is that correct or are they . . .

MR. BURTONIAK: Mr. Chairman, it's really the same Board except it is split into two different responsibilities, they have two different responsibilities really, the Traffic Board and the Transport Board. The Traffic Board deals with such things as destinations of highways, limited access highways, establishment of controlled areas, speed zones, control devices, pedestrian corridors, approval of municipal bylaws and so on, speed zones, and weight restrictions, approval of some equipment for motor vehicles, the issuance of permits for access driveways, and also dealing with The Snowmobile Act and the likes of that; that is what the other Board deals with. But it is under the same umbrella so to speak.

MR. MCKENZIE: Can I ask the Minister then of the hearings and applications, how many were left on the table unresolved or haven't been heard yet for that year?

MR. BURTONIAK: For '76? The Motor Transport Board. Well, there were two pending, six were postponed, and ten were show costs.

MR. MCKENZIE: That's all I have at the moment.

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

MR. GRAHAM: Mr. Chairman, the Minister gave us the membership of the Highway Traffic Board. Who are the members of the Highway Transport Board?

MR. BURTONIAK: Okay, here again, Mr. Mackling also chairs this board and the other members of the board are: Fred Wood, Howard Mitchell — (Interjection)— I don't know, I have no idea — Howard Mitchell and Orville Minish.

MR. GRAHAM: How much are they paid?

MR. BURTONIAK: The Vice-Chairman, which is Fred Wood is the same as Gordon Fines — no, I'm sorry, it's less — Gordon Fines \$8,752, Mr. Woods gets \$8,082 and the other members, Mr. Mitchell, Mr. Minish, \$3,349.00 I see there's a difference here. No, I'm sorry these are the figures. I'm sorry. Mr. Chairman, these figures I'm reading wrong here again. The Vice-Chairman gets \$8,064 — I apologize to the members for the error — and the other members of the board get \$3,360.00 So it's the same as the other board.

MR. GRAHAM: And the Chairman receives nothing for the Highway Transport Board, is that correct?

MR. BURTONIAK: Mr. Chairman, he chairs both meetings so his salary is \$31,696 for both boards.

MR. GRAHAM: Mr. Chairman, in this case they are both the same but I understand that it could be possible that it could be two separate people. Would the salaries then, if there were two separate people, be identical?

MR. BURTONIAK: No. Definitely not. Definitely not, Mr. Chairman, because by chairing both boards, that makes it pretty well a full-time job, whereas if it were not a full time-chairman for both boards then, of course, the salary would be substantially less.

MR. GRAHAM: Well, then, because the chairman works for two boards you can almost say that it's a half-time job for each board, is that correct?

MR. BURTONIAK: Well, I suppose it could be said that that is correct. The Transport Board takes much more time than the other board so . . .

MR. GRAHAM: Well the only reason I asked the question, we passed legislation I believe at the last session to set up two separate boards and if they are going to be equal or if they are unequal it would be interesting for committee members to know — if they were separate people if they are going to have the same salary or would the salary have a difference because the rest of the board members the salaries are identical.

MR. BURTONIAK: Mr. Chairman, as the member said, we have — and I mentioned earlier that we passed legislation to have the boards split into two different functions really, but the chairman does not necessarily have to be that same person. So again I would think that if two chairmen were appointed, one for each different board, then no doubt the salary would be somewhat less. Now whether or not it would be split right down the middle, just exactly half, I am not sure because I think the Transport Board has a little more work to it than the other, but I wouldn't think that the total salary of both chairmen would exceed that of the single chairman at the present time. I wouldn't think so.

MR. GRAHAM: Well, Mr. Chairman, I was just wondering whether a salary of \$15,848 for each board would be a reasonable salary?

MR. BURTONIAK: Well, as I say, Mr. Chairman, one has more work on the one board than the other, so perhaps it could mean that one chairman could be getting slightly more than the other. But, this has not been decided as yet.

MR. GRAHAM: Mr. Chairman, if the work is more on one board than the other, is it only the chairman that does the more work, or is it all board members, because I see the rest of the board members, the vice-chairman and other members get the same salary?

MR. BURTONIAK: I suppose we can debate this for hours on end, but I think that the chairman's involvement on these boards is quite heavy and I think that although all the other members do serve on these boards, but at times I would think that board members may not be present whereas the chairman I think has to help make the final decisions on most of these hearings.

MR. GRAHAM: Mr. Chairman, I think I'd like to deal with the Highway Transport Board at the present time. You say they had a total of 251 hearings in the past year.

MR. BURTONIAK: Highway Traffic Board or Motor Transport? The Highway Traffic Board . . .

MR. GRAHAM: The Traffic Board, I think, had 610 was it not?

MR. BURTONIAK: No, 68 hearings with 610 applications.

MR. GRAHAM: 68 hearings.

MR. BURTONIAK: Right, and 610 applications.

MR. GRAHAM: And the Highway Transport Board had 67 hearings with 251 applications.

MR. BURTONIAK: Right.

MR. GRAHAM: Mr. Chairman, what is the practice in the dealing of applications before the Highway Transport Board? Are they heard in rotation, or what system does the Board use in their hearings dealing with the applications that are before them?

MR. BURTONIAK: To the best of my knowledge, Mr. Chairman, I would think that they are dealt with in rotation. As I say, to the best of my knowledge. Now, I could stand to be corrected on that.

MR. GRAHAM: May I ask the Minister then to check into that and probably give us a report later? It is my understanding that when a person makes an application for a hearing before the Highway Transport Board or the Motor Transport Board that he has no guarantee that it'll be heard in relationship to the position that the application is on the docket.

MR. BURTONIAK: Okay, Mr. Chairman, we'll certainly check into that. I'm not aware of that but, as I say, I was under the impression that to the best of my knowledge, unless there were some extenuating circumstances, it isn't possible to have these heard in rotation. But other than that I was under the impression that they always were. We will certainly take that as notice and check into it, Mr. Chairman.

MR. GRAHAM: Could the Minister report to us either by letter or through information to the House in general.

MR. BURTONIAK: I would think perhaps information in the House would be more beneficial to all concerned. I'll try and get that, Mr. Chairman, as soon as I can.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Chairman, I wonder if the Minister would be kind enough to give us the Expense Account of this Board, the same as the other one, sometime before the Budget?

MR. CHAIRMAN: The Honourable Minister.

MR. BURTONIAK: That should be no problem, Mr. Chairman. While I'm on the subject, is the honourable member requesting that for his own information or rather to pass that information out in the House?

MR. MCKENZIE: Well, use it in the Budget Debate.

MR. BURTONIAK: All right.

MR. MCKENZIE: I wonder, Mr. Chairman, if the Minister can advise the House, does the Board provide written reasons for any decisions that are made by the Board?

MR. BURTONIAK: Mr. Chairman, apparently that is the case most of the time. I'm told prior to the present chairman, and I don't know how far back that goes, I guess it goes back some years — but prior to the present chairman, that was not the case, but with Mr. Mackling as Chairman that has been done in most cases I would think.

MR. MCKENZIE: But for the record, not all.

MR. BURTONIAK: Here again, as the honourable members know, I don't sit on the Board, I don't deal with the day to day business of the Board. So, as I say, to the best of my knowledge I don't think they are, but there must be some reasons why they are not all done by information by letter.

MR. MCKENZIE: Mr. Chairman, for the record I would like to have that clarified by the Minister one way or the other. It is either they all receive written reasons for decisions by the Board or they don't. I am sure he can get us that information.

My second question, are all these hearings held in camera and before the public?

MR. BURTONIAK: Notices do go out to the area in question and usually anybody can come in and

sit in on the meetings.

MR. McKENZIE: My question was, are they held in camera or open to the public?

MR. BURTONIAK: Mr. Chairman, they are open to the public because the notices do go out to the local communities, the community in question. Then, of course, I might point out as an example, they may be dealing with an application for a PSV and people do come in at times, in a case of this nature where they may be opposing perhaps another PSV granting of a licence, so that definitely becomes open.

MR. McKENZIE: Is there a fee established for making an application to either one of those boards?

MR. BURTONIAK: I don't think so, Mr. Chairman, I'm informed not.

MR. McKENZIE: Is there a fee for any of those that come before those boards and oppose an application?

MR. BURTONIAK: No.

MR. McKENZIE: Mr. Chairman, then, costs in the event that the applications fail to proceed, the board fails to proceed with an application, what happens to those that are still in abeyance today, and there are some of them.

MR. BURTONIAK: In most cases, Mr. Chairman, the reason why the applications are held in abeyance is that more information is required. Once that information is received by the board, then they can deal with those particular cases at that time.

MR. McKENZIE: Mr. Chairman, may I have the names of the Taxicab Board, the Chairman and the members of that board?

MR. BURTONIAK: The Chairman of the Taxicab Board is Mr. Len Stevens and the two other people are of course, as has been the case in the past, Al Mackling from the Transport Board and Mr. Mitchell — these are the appointed people by the government. Then by the City, I believe — we don't have those — there's a City of Winnipeg member and there's also the Winnipeg Police, they appoint their member but we don't have those names here, Mr. Chairman. They change from time to time; we don't make those appointments.

MR. McKENZIE: Mr. Chairman, I wonder if we could have the names of those when we get that other information, the other members of the board?

MR. BURTONIAK: We'll try to get that, Mr. Chairman, we don't have that here. I don't want to leave the wrong impression, Mr. Chairman, when I say the City I don't mean to say that the City of Winnipeg and the City Police also, it's one, just one person.

MR. McKENZIE: One rural?

MR. BURTONIAK: No.

MR. McKENZIE: No rural?

MR. BURTONIAK: No.

A MEMBER: Only four members?

MR. BURTONIAK: Only four members, yes, the City through the police, they make their nominations from the Police Department.

MR. McKENZIE: I wonder, could I have the salaries of those board members, Mr. Chairman.

MR. BURTONIAK: Mr. Mackling gets no salary for sitting on this board but Mr. Mitchell does, \$4,700.00, as well as Mr. Stevens, \$4,704.00.

A MEMBER: \$4,704.00?

MR. BURTONIAK: Yes.

MR. McKENZIE: I wonder, could we have the expense accounts of those committee members when we get the other?

MR. BURTONIAK: We'll try to get that for you.

MR. McKENZIE: I wonder, could the Minister advise the Committee now that Mr. Stevens is no longer a resident of this province and has been brought back from time to time. Is the department paying his expenses to come back to hold the . . . ?

MR. BURTONIAK: No, certainly not.

MR. McKENZIE: Mr. Chairman, I wonder, could the Minister advise, how many meetings that board has held in the year 1976, or hearings, whatever way, and the applications?

MR. BURTONIAK: I don't have the number of hearings, Mr. Chairman, that the Taxicab Board had, because really they don't have that many. I think if they have one a month that would be it at the most.

MR. McKENZIE: Monthly?

MR. BURTONIAK: That would be at the most, twelve meetings, if that. But I could give the Members of the Committee if they are interested, the number of inspections. As you know, there are four hundred and some sixty taxicabs in the City of Winnipeg normally. When I say "normally" I mean during the Christmas and New Year's holiday season we do allow for a few more but the normal for the year, the average for the year is 460 and the inspectors for the Taxicab Board, they conducted 1,639 individual inspections to make sure that the taxis were in good running order, they were clean and the like. There were 63 applications that were made for taxis that were rejected for various

reasons. I think that's about all I can give the members on this particular board at this time.

MR. McKENZIE: Mr. Chairman, maybe I didn't hear the Minister, the indemnity of the appointee of the City of Winnipeg or City Police, I didn't get that item.

MR. BURTONIAK: He doesn't get paid for that, Mr. Chairman.

MR. McKENZIE: No indemnity. I wonder, could the Minister advise then why there's no rural member on that board, no rural taxicab operator?

MR. BURTONIAK: The Act as such, Mr. Chairman, applies only to the City of Winnipeg.

MR. McKENZIE: Can I now have the name of the Licence Suspension Appeal Board, the names of those Board Members?

MR. BURTONIAK: Yes, the Chairman of the Board is Mr. J.G. Ritchie — I'm sure that the members will ask for salaries so I might as well give that now — J.G. Ritchie as Chairman, he receives \$11,039 a year; Mr. E. Dziech(?) as Vice-Chairman he gets \$5,040; and the other members are Eugene Kostyra, T. Fick, Dolores Dufault, Paul Marlowe, and William Chornopyski; also the two new members recently appointed both because of resignation of the other two, one is George Wroblewski and Jim Jones from Thompson. The salaries are for Kostyra \$3,360; and the others, the two, \$5,700.00.

MR. McKENZIE: Is that \$5,700.00?

MR. BURTONIAK: Fifty-seven hundred, yes.

MR. McKENZIE: Dufault?

MR. McKENZIE: Yes, that's Dufault and Marlowe. Chornopyski is \$5,285, the same for Mr. Fick. Now you may wonder why the variance in salaries. What we did about two years ago — I believe two or three years ago the basic salary was \$3,360 for 50 hearings or something like that. Then over and above that, for every half-day over and above the hundred hearings I guess, 100 or 50, I'm not sure, they get additional. So therefore you will see that those people that were getting more money attended more meetings. So that's the difference in the salary compared one to the other.

MR. McKENZIE: Well, the last two names, then, Mr. Chairman, Wroblewski and Jones, can the Minister advise which two of the committee have resigned?

MR. BURTONIAK: There was a Kenneth Derkson from Thompson who has resigned, and Jim Jones has been appointed in his place. I think that in the case of Wroblewski from Brandon I believe he's from, I think that was just another addition to the board, if I'm not mistaken.

MR. McKENZIE: Can I have Derkson's salary, indemnity?

MR. BURTONIAK: Derkson, he was \$3,360, that's the basic.

MR. McKENZIE: Mr. Chairman, now, the expense account of those members, the same as the other board and the hearings that were held.

MR. BURTONIAK: The hearings I can give you, Mr. Chairman, the expense accounts I can't give it now, but the hearings I can, I think I can anyway. Yes, they had 326 hearings which included 3,472 applications for the year.

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

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

MR. GRAHAM: Of the 3,472 applications, how many were accepted or rejected?

MR. BURTONIAK: I don't have anything. By rejection, Mr. Chairman, I suppose the member — well, I better ask the honourable member what he means by rejected?

MR. GRAHAM: When a person appeals his licence suspension it's either for the purpose of having it reinstated or not having it accepted, and that's all I asked, how many were successful in their appeal and how many weren't.

MR. BURTONIAK: Out of the 3,472 applications received, 2,279 were successful and out of those, 205 were given a full remission and 2,279, as I said, were given restricted remission.

MR. GRAHAM: Two hundred and nine given full remission?

MR. BURTONIAK: Two hundred and five.

MR. GRAHAM: Mr. Chairman, when 205 were given full remission, was this after the court had heard their case and suspended their licence?

MR. BURTONIAK: No, I don't think so, this is just strictly dealing with the appeal to the board, these are strictly board hearings.

MR. GRAHAM: This was before the case ever went to court then?

MR. BURTONIAK: Yes, these are strictly appeal cases to the board. Mr. Chairman, I wouldn't have the others, dealing with the courts, anyway.

MR. CHAIRMAN: Resolution 72(d)(1)—pass; 72(d)(2) Other Expenditures—pass; (d)—pass. Resolution 72: Resolved that there be granted to Her Majesty a sum not exceeding \$8,797,800 for Highways—pass.

I would direct honourable members now back to Page 35, Resolution 66(a) Minister's Compensation. The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, we have examined the Estimates of the Minister and I thank him for the information he has provided to the Committee and his staff for coming here and filling us in on

the operations of the Highways Branch for the year that has just passed, 1976. It has become quite evident to me, Mr. Chairman, and members of our group in dealing with these Estimates, that there are many many serious problems in the Department of Transportation in our province today with the responsibilities of air travel, with rail transportation and highway transportation that is so important to this province and to its future economy, and we find that the transportation systems of this province are scattered through four or five different departments. I, as a Member of the Opposition, and our caucus, can't in our wildest imagination understand or try and justify how we can not only have a transportation policy, but how transportation can function in this province because we have rail transportation in the hands of the Ministry of Industry and Commerce; air transportation is in the Minister of Renewable Resources; we find Highways scattered through Northern Affairs, Department of Tourism, and the Minister of Highways and likely there is money scattered someplace else through the departments.

So I just wonder how in our wildest imagination, that we can even project the future in this province to give the people a transportation system which they deserve and what they are paying for in Manitoba. So that is one of our main concerns, that at the earliest possible date, I urge the Minister and his government to set up one Ministry of Transportation in this province, to give us the leadership and give us the guidance into the future that Manitobans deserve, rather than have it scattered all over the place, where we in the opposition basically can't find out what is going on. Because when you start to talk transportation, going through the Estimates of the various departments, it becomes quite evident quite soon that it is scattered all over the place, and I just wonder who is in charge of transportation, and who is calling the shot and where are we going.

Now I know the Premier did give some lip service to some proposals that were made along these lines during the 1976 Cabinet shuffle, that in fact one Minister of Transportation was needed in this province, and if it was ever needed it is needed now. But, instead of the First Minister of the province measuring up to that challenge he, instead, handed the Minister of Highways the Autopac portfolio which again has cluttered up the works of transportation, because I don't think the Minister of Highways needs Autopac at this moment, to try and justify that creature which was created by this government and justify the two cents a gallon gas tax that we are putting on our transportation system, and others in this field at this time.

So the Manitoba public, the commercial truckers, the consumers, the farmers, the business community in this province are very very unhappy the way that this government is leading us into the next decade, into the year 2000, in transportation, which is going to be our livelihood, and if anything is going to save this province it is a neat and a well run, and a well oiled and a knowledgeable transportation system.

The other thing, of course, which came up in the House this afternoon in a resolution that we dealt with, that the people of this province are gobbling energy up today just like it is going out of style. As the Member for St. James mentioned the other day, I think, every man, woman and child is consuming some 55 barrels of energy in this province, and if that present trend continues, and the member spelled it out today, by the year 2000 we will likely be consuming 200 barrels per person in this province. So where are we going? I wonder why not the speed limit regulation, why not this government showing some concessions of — when you go home from work at night, at five o'clock you will see hundreds and hundreds and hundreds of cars with one driver in a car. So we need that kind of a policy as to how we are going to deal with our energy.

What are we going to tell our young people, my grandchildren, today? Is this the way it is going to be when you arrive on the scene? Sure you will have a car, but there will be no energy for it, so I say that that is another thing that the Minister and the government should look at and give us the direction as to where we are moving into the next century.

The field goes on, Mr. Chairman, it goes on and on. I am most concerned about some of the road systems in our province. As one editorial writes, and I have it here before me, "The Transportation Mess Grows Worse in Manitoba."

First about north and south communication. What has the Minister and his staff in his department got to show what you are doing to connect up and improve the north-south arteries with our American friends? What are you doing with east-west transportation so that this country can grow from coast to coast and improve? Like the Yellowhead. What meetings are you holding with the Yellowhead people? Is the thrust on with the government to get with the Yellowhead people and build that highway up to a standard that is equal to all across Canada. Saskatchewan is so far ahead of us that it makes our head swim, and you only have to look at the highway's budget of that province to recognize that they understand that transportation is a number one priority in their government. Their budget they're looking at, right at the moment as we are sitting here, is about \$160 million. Ours is \$93 million. Now maybe there is other dollars in these other departments that we can't put our fingers on, but Saskatchewan comes out hard and clear that they are for an east-west transportation system in this country to hopefully link up Canada.

So I am very disappointed that the government hasn't done what I expected of it. Sure you are

hiring lots of civil servants, you are spending lots of money, but you are not carrying out the workload that we in the Opposition feel that you should be carrying out. We were arguing the other night about the various roads and I'll only go back to this provincial trunk highway, which happens to be in my constituency — 55 miles of gravel road that is built waiting for pavement for the last eight years. What has been done? Nothing, nothing.

Here is a letter from one of my constituents today who says, they build the road up in Ste. Rose to McKenzie's constituency, they build it and pave it up in Dauphin to McKenzie's constituency, and from there it's gravel. There's a letter in today from the people that live in the Winnipegosis area, very unhappy. And why should those people have to drive over 55 miles of gravel to go to Swan River? No other community in this whole province has to do that. You can't show me one 55 mile stretch of a provincial trunk highway that is gravel, except in my constituency. So, I know, but nevertheless those people are taxpayers, they live in this province, they are honest, dedicated citizens — maybe they come from the village of Camperville or Duck Bay or Cowan, but nevertheless they deserve better attention than this government has given them over the years. So that road sits there and they drive over gravel roads that would make your head swim and they are unhappy, and why shouldn't they be unhappy. Why shouldn't they have the same rights as anybody else in this province, and they should have. So there again is neglect by the government.

We can go through to the road that we brought up the other night, about 277, the Pelican Rapids Road, and the list goes on and on. The road from my friend over here from Emerson, he stood up in the Speech from the Throne and said, "My roads in my constituency are the best in the province." Now he wishes he hadn't said that because he knows it is not a fact, it is not true. So we too leave these Estimates with a lot of concern. I think the Minister and the department and the government have a lot to do yet to formulate a transportation policy and energy policy, and some guidelines into the future, much better than we've had in these Estimates.

Another thing I would certainly like to see another year is a better report from the Motor Vehicle Branch, a better report from these Boards that we were dealing with here just a moment ago, because all we get is an item in the lines. I'd like to have some facts, how many meetings they've held, where they held the meetings, what people were heard? That's not enough for us to just get a one-liner because we are spending all kinds of taxpayers' dollars in these items and I think we deserve a better response from the Minister and his department on those important items. Thank you, Mr. Chairman.

MR. CHAIRMAN: Resolution 66(a). The Honourable Minister.

MR. BURTONIAK: Mr. Chairman, I appreciate some of the things that the honourable member has stated. I think that if you go back a few nights ago, and not only that I think we have heard this same sort of a song and dance almost every year since I've been in government, the last eight years, and I suppose it is only fair, I don't want to be too critical of what the Opposition is saying because I think that is part of their duty to criticize some of the government programs. However, the question that my friend, the Member for Roblin, has been sort of belabouring is the fact that this government, the provincial government of Manitoba today, has too many departments involved in the construction of highways and roads.

Well, there are several reasons for that, and before I make a resumé as to the reasons why, I might point out too that we're not the only province by the way that does have other departments having some jurisdiction in the construction of various roads. We have other provinces as well. They are not all under one Minister, not all modes of transportation fall under one Minister. Some of the provinces have already done that, I think one or two, and I think eventually this will be the case and I think most provinces if not all, will be going in that direction and try to establish the transportation department under one particular department, one Minister.

However, be that as it may, in our case in the Province of Manitoba, as I pointed out a couple of nights ago, particularly the Northern Affairs, there is a reason why Northern Affairs are in the road-building business to some degree, because of the fact that they are in Northern affairs. They are dealing primarily with northern roads, winter roads and the likes. They have the resources there, they have the people there and they are not only concerned so much in the construction of roads, but they are also concerned with giving employment to the local people as much as they possibly can. Of course as I say, they have the resources there and they are more capable of providing that kind of facility than the Department of Highways is, or any other department. They also have on-the-job training programs dealing with the construction of highways, so I think that is a very good reason why Northern Affairs is involved in building some of the roads in the northern part of the province.

The Department of Tourism, as was mentioned earlier, that doesn't really amount to a row of beans, I would say, Mr. Chairman, as to the number of miles the Department of Tourism has built in roads in the province. It has been very very little, a few miles leading to or from some of their particular parks or recreation centres. So really it isn't all that much as far as the Department of Tourism is concerned.

The last point that the Member for Roblin mentioned about Highway Number 20, I think if he will look at the program for 1977-78, we do have in the program for this coming fiscal year a piece of road

that is going to be done on Number 20 right through the town of Camperville, I believe . . .

MR. McKENZIE: That was built last year.

MR. BURTONIAK: I'm not talking about building, we are going to be . . .

MR. McKENZIE: . . . last year, I've been up there.

MR. BURTONIAK: I'm telling the honourable member that that road is being constructed in stages. We have here, if the honourable member looks, on Page 12 a reminder that Number 20, ten miles, Camperville south, base and asphalt surface treatment. So there is work being done on that road, in stages, in stages. Certainly there is no way that that road could be paved all in one year. It takes several years to get the shoulders, to get the grade and to get the pavement on.

Now, so much for that. I want to very briefly, Mr. Chairman, get back to the Member for Crescentwood who had made a couple of statements a few days ago in regard to the Osborne Street Bridge and I believe the St. Vital-Fort Garry Corridor as well. I don't know what the honourable member was trying to do, but from where I sat it seemed to me that he was trying to leave the blame with the Provincial Government for some reason. I don't know what he was trying to blame the Provincial Government for and most of the things that he said were incorrect and I would like to straighten him out on that. He also asked what was the total cost of the Osborne Street Bridge and what was the share of the province? First of all, as far as the costs are concerned, the total cost was \$5,150,000 and the provincial share was exactly 50 percent of that which is \$2,575,000.00. Now the honourable member had stated that he blames this government and this particular Minister for doing something that wasn't quite right in his mind, in his way of thinking. Now he said that the bridge, . . . It there were certain things that were cut back on it was scaled down, I believe those were the words that the honourable member used.

The bridge was not really scaled down and if it was, it wasn't suggested by this particular Minister or this government. Both the province and the city, they had one or two different alternatives for a bridge and those alternatives were looked at and it was stated to the City of Winnipeg that whichever alternative, whichever design they wished to accept, the province will pay the 50 percent on that particular bridge. Which was done. So if the honourable member is trying to create the impression or leave the impression with the Members of this Committee that it was the province that suggested or insisted that the bridge be scaled down, that is not correct.

The other point that the honourable member made was with regard to the St. Vital-Fort Garry Corridor and he wanted to know what has been agreed on and so on, and I want to tell him that the land acquisition for the properties has been rather slow and of course the province was not to blame for that. I believe the city was doing the acquisition. We also agreed to contribute 50 percent of the cost of the approved plan. Now the total estimated cost of this project is something in the neighbourhood of \$15.5 million. Now surely, I think that when you are talking about those kinds of dollars, Mr. Chairman, that you're not going to make your decisions overnight. It's going to take a lot of thinking, a lot of figuring, a lot of pencil sharpening before a final plan is proposed when we talk about that kind of money.

But nevertheless, the \$15.5 which I said has been approved, the province of course will contribute 50 percent of it or \$7,752,000 and the approval for this fiscal year, 1977-78 has been \$7,600,000 of which the province will pay 50 percent of that or \$3,800,000 which would indicate to me, Mr. Chairman, that the City of Winnipeg contemplates undertaking the construction of this corridor this year.

I just want to make it clear that the province in no way, or the Minister of Highways, or the Minister of Urban Affairs, was in no way responsible for dragging their feet on anything. This was a big project and as I said it takes a lot of pencil sharpening, a lot of discussions, a lot of close scrutiny before approval of this magnitude is made, you know, to proceed.

So, Mr. Chairman, with those few comments, I think I have answered the member's questions, the Honourable Member for Crescentwood's questions.

MR. CHAIRMAN: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Chairman, I thank you and the Minister and his staff for going through the Estimates with us.

MR. CHAIRMAN: Resolution 66(a)—pass. Resolution 66: Resolved that there be granted to Her Majesty a sum not exceeding \$990,600 for Highways—pass.

That concludes the consideration of the Department of Highways. The Committee will recess for two minutes while the Minister of Public Works moves into position.

ESTIMATES - PUBLIC WORKS

MR. CHAIRMAN, Mr. D. James Walding (St. Vital): Order please. I would direct the attention of honourable members to page 50 in their Estimates Books, Department of Public Works, Resolution 99, General Administration, (a) Minister's Compensation. The Honourable Minister.

MR. DOERN: Mr. Chairman, and gentlemen, I feel I think a little bit like a quarterback going into a

football game without his star halfback because as some of you are aware, my Deputy, Mr. M.I. Nordman suffered a heart attack on Friday and he is now in the Intensive Care Unit at the Health Sciences Centre and it may be a matter of weeks or months before he returns. So I am going to rely heavily on my Assistant Deputy Minister, Neil Osler.

I would like to make a number of comments before we begin concerning the operations of the Department and a number of matters relative to Estimates. I would for the record also take this opportunity to thank my entire staff for another year of dedicated service. I don't think that it is very easy to work in a Service Department. My Deputy Minister often refers to what he calls the 'rec room syndrome', implying that almost everyone has at some point in time been involved in some sort of household improvements and therefore believes that they qualify as experts in design and construction. There are the experts, for instance, on maintenance who somehow think that an office building or institution housing hundreds of people can be maintained as simply as their own private dwelling. And everyone of course is an expert on purchasing, but when did somebody last buy ten thousand cans of soup? We also have unpaid experts advising us, unsolicited of course, on matters relative to art, vehicles, office equipment, parking, snow clearance, grass cutting, tree pruning, Dutch Elm disease, mail delivery, telephone service, the list is endless. By its very nature our work is visible and therefore far more open to critical comment. Our job the job of all DPW employees is to walk the fine line, and I mean line of providing adequate service to a critical client, while at the same time keeping cost to a minimum.

The reduced budget before you reflects three things: First, a recognition of the restraint program introduced last August. Second, a levelling off of government growth due to the restraints imposed and third, a readjustment of the services provided by DPW.

Let me elaborate briefly on the latter. We intend to first suspend minor renovations, except for health and safety considerations or where program delivery will suffer. Second, extend the life cycle of office equipment. Third, extend the life cycle of vehicles. Fourth, contain the leasing program and fifth, continue our energy conservation program.

Although inflation is still a factor for example the nonresidential building construction index rose from 100.3 in July of 1971 to 166.8 in July of 1976, some 66 percent increase in five years. We will continue to try to offset it by improved management techniques.

The Department of Public Works has consistently pursued ways and means of improving efficiency in the Department thereby reducing the cost to government for the services provided. Essentially the Department is in the business of providing the physical requirements of the government. The largest problem that we face is evaluating and determining the needs of government employees in contrast to the desires of those same employees. For example, a department has developed standards of office space which are rigidly adhered to and standards of furniture which not only allows the department to control what furniture is installed in any given configuration, but also allows us to bulk buy at lower cost.

The setting of standards and specifications for a wide range of goods is a basic component of a materials management program, which has been in the development stage for the past three years. This program when it reaches maturity in some three to five years from now will not only have cost-saving benefits, but should allow the government to respond to socioeconomic conditions as well.

The Department has just recently installed a project management system with the objective of insuring that all projects are brought in on budget and on time. The project management program has been in operation for only six months, but it will be at least another year before the effect of this process will be seen.

The difficulty in bringing about change and the difficulty in implementing modern management techniques cannot be over-emphasized. Inertia is difficult to overcome. It has taken nearly six years of concentrated effort to bring about the project management program and it has already taken three years of development to set the scene for a materials management program.

The setting of standards and specifications for the majority of the goods purchased by the government is a mind shattering task. However, this shall be done in order that goods and services can be purchased at the least possible cost.

As the landlord of over six million square feet of buildings in the province, the Public Works Department has responded to the energy crisis in a positive way. The Department has implemented an energy conservation program in order to eliminate waste and minimize the use of non renewable energy. To this end programs have been implemented to convert to or install electric heating where possible, to lower temperatures, reduce lighting levels and control the use of car plugs, to fine tune air conditioning systems and to place greater emphasis on energy conserving maintenance items.

We estimate that the conversion of equipment to electricity from gas or oil has saved the equivalent of 52 million cubic feet of natural gas to the amount of gas required to heat approximately 300 homes. The comprehensive energy program has had an impact of an approximately 13 to 15 percent reduction during the '75-'76 fiscal year, saving some 350,000 in energy costs.

Another area that consumes vast amounts of energy is the government vehicle fleet. The

Department has taken steps to reduce fuel consumption by increasing the compact component of our sedan inventory to 50 percent. Experimentation is taking place with electric vehicles.

You must appreciate that since our reason for being is to provide service to government, any reduction in service by this Department will be felt throughout the government. And we will have to be steadfast in our determination and resist the pressures that are inevitable. What I am saying there, gentlemen, is this, that by reducing our budget we may also reduce the level of service, which may mean that some of the offices are cleaned less, or some of the standards of maintenance are reduced and that will eventually show.

This Department is primarily staffed by workers, people who get their hands dirty and are proud of it. We so often think that by some magic offices are cleaned, grass cut, walls painted, snow removed, and doors, windows and walls repaired. These things just don't happen. They are planned and executed with considerable skill by a score of tradesmen.

I am proud of the manner in which this Department has met the challenges of the past year, faced with galloping inflation and expanded service demand, restraints in both dollars and people, an energy crisis and a mandate to control, to act in a control capacity. Public Works has risen to the challenge and responded in a competent and responsible manner.

MR. CHAIRMAN: Resolution 99(b) Administration, (1) Salaries. The Honourable Member for Crescentwood.

MR. WARREN STEEN: Mr. Chairman, through you to the Minister, could the Minister tell us the salaries amounting to \$634,300, how many persons that represents?

MR. DOERN: 47 staff man years.

MR. STEEN: Mr. Chairman, through you to the Minister, is that an increase, a decrease, or the same as last year?

MR. DOERN: The same amount.

MR. STEEN: The increase of approximately \$40,000, is that through the collective bargaining agreement.

MR. DOERN: Yes.

MR. STEEN: At this time, Mr. Chairman, I would like to ask the Minister or give him some lead time — under (1), there is approximately two million in salaries of personnel, under Design Services, Project Management and Administration. So perhaps he can have his people find out the number of persons working and so on.

MR. CHAIRMAN: Resolution 99(b)(1). The Honourable Member for Crescentwood.

MR. STEEN: Under Administration - Salaries, the Minister said there were 34 persons, correct?

MR. DOERN: 47.

MR. STEEN: Oh, 47, my apology. Can the Minister just outline to us some of the services that these 47 people provide?

MR. DOERN: I guess actually we have referred to 47, it should be 48. No, I am not included, okay 47.

Now' they are broken down as follows: The Minister's office there are 4, these are all staff man years, 4; Deputy Minister's office - 5; Administration - 3; Budget and Accounting - 18; Personnel and Payroll - 8; Systems and Procedures - 4; Research and Development - 2; and Contingency - 3. And there is one person in the Lieutenant-Governor's office.

MR. STEEN: Mr. Chairman, through you to the Minister, who provides the other persons that work for the Lieutenant Governor? Are they in other departments or just where may they be found?

MR. DOERN: I believe that he has funds for one secretary. We provide two, one full time and one term.

MR. STEEN: Mr. Chairman, is that person doing secretarial duties?

MR. DOERN: Yes, and I think they are also doing more than that, I don't know how exactly to characterize them. I guess in general one would say they are both secretaries, but I believe that one of the ladies is sort of a executive or administrative assistant type and she does many more things in addition to that.

MR. STEEN: Mr. Chairman, since the Minister brought up the Lieutenant-Governor, in his office I know that there is another item called Maintenance of Provincial Buildings, are the Lieutenant-Governor's home and grounds maintained by the same personnel that maintain the building that we are in? Or are they shown separately?

MR. CHAIRMAN: I wonder if the member might better bring that up under the appropriate heading, Resolution 100. The Honourable Member for Crescentwood.

MR. STEEN: No, that's fine, Mr. Chairman.

MR. CHAIRMAN: Resolution 99(b)(1)—pass; (b)(2) Other Expenditures. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, I see a reduction in this particular area and I welcome a reduction. I wonder if the reduction is as a result of the Minister's opening statement where they are trying to stretch typewriters into an extra year and other office equipment? And, if so, I think that's excellent.

Or are they just shaving this particular item this year and next year we can look forward to a major increase? Could the Minister comment?

MR. DOERN: I suppose the major reason for that is that we have had a consultant study that has gone on for several years on the organization of the department and that is now concluded, the Jorgenson Study. No relation to the Member for Morris. And I believe that with that windup that accounts for the basic reduction.

MR. STEEN: The item (b)(2) Other Expenditures is related, I gather, Mr. Chairman, to supplies that the 47 persons mentioned in (b)(1) use in their day-to-day office procedures?

MR. DOERN: Right. Yes.

MR. STEEN: That's fine, Mr. Chairman.

MR. CHAIRMAN: Resolution 99(b)(2)—pass; (b)—pass. Resolution 99(c) Project Management, (1) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister, can the Minister tell us how many persons are employed in the Project Management end of it?

MR. DOERN: Twenty-eight.

MR. STEEN: The Minister mentioned in his opening statements that, if I heard him correctly — he was reading faster than I could take notes. Thank goodness, perhaps, I was never one of his students — that Project Management is a new area within the Department. Perhaps the Minister might comment to the members of the Committee as to the reasons he and his Department felt that such a new development was necessary and what they hoped to accomplish from it.

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: It is not an easy question to answer because it is quite a lengthy one but I think essentially what we are attempting to do is to change the previous system. We had in one department a series of planners, architects, draftsmen, et cetera, and we are always confronted with hundreds and hundreds of projects every year, some only to the extent of a few hundred dollars and some in the hundreds of thousands and millions.

So what we are attempting to do now is to, under a new Director of Planning, Mr. Revak who is wearing a red tie over on the side, attempting to bring a number of people into a department and they are sort of given the task of untracking projects and sort of riding herd on them. This has grown out of a management study and what we are just attempting to do is to modernize our operation from sort of an old traditional system to a system whereby we have people who are given a new administrative procedure, new lines of communication, a new directorate, et cetera, and it is our expectation that we will be able to simply perform more efficiently. example, you For have these subdivisions: space planning, project managers, project control and so on.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister. Has the project management department supervised the construction of any buildings that are being constructed by the province under the jurisdiction of the Department of Public Works?

MR. DOERN: Sorry, I would have to ask you to repeat that.

MR. STEEN: Mr. Chairman, through you to the Minister, the project management people — do they supervise the construction of any buildings that are being built for the government under the auspices of the Department of Public Works?

MR. DOERN: Yes, all these projects are in fact supervised by these people. architects and contractors, et cetera. Bearing in mind that there are outside. And I would make this distinction between management and supervision, that they in fact manage these projects. They don't sort of directly supervise them.

MR. STEEN: Are you saying, then, Mr. Minister, that they, when you refer to "manage the projects," they are the general contractor?

MR. DOERN: No, their responsibility is to see that, I guess, that everything is meshing properly, that they oversee and co-ordinate everything. They would for instance be responsible for programming prior to — When a project is initiated, they have the responsibility of programming it, that is, ascertaining the needs of the client and then when that is done, they work with the architects and engineers who are retained by us from the outside if that is the case. And then when it is tendered then they are involved again in the tendering and then in the construction process, so they follow it from conception to completion.

MR. STEEN: My understanding, Mr. Chairman, through you to the Minister, and perhaps things haven't changed, just the titles have changed and the people have swapped chairs, but we sort of had a triangle before. We had the department requiring the space. We had the Department of Public Works. In those days it often was the architectural staff and the name that I most frequently used to hear about is a Mr. Sam Sims who would often be the representative of the Department of Public Works. Then we had the outside professional architect-engineering services, et cetera. So we had the triangle, the Department of Public Works sort of as the intermediate between the department

requiring the space and the outside architect and engineering services designing the space.

Now with project management, have we changed the triangle to a square and do we have a fourth body involved now, the architectural staff of the Department of Public Works as well as a project management segment from the Department of Public Works? And is that project management aspect just checking up on the outside architect and the architecture and planning people from the Department of Public Works? Is there four persons involved, Mr. Minister, or four parties involved now where there used to be three? And if there are four, perhaps the Minister could convince me then as to the reasons for four.

MR. DOERN: Mr. Sims is still performing a function with a large staff. What we have done essentially is to establish a new directorate. Mr. Sims will continue to oversee the architectural services branch or division and the division that we are speaking about, they are the ones who basically are given the assignment of seeing that our projects are on budget and on schedule. That's their two main considerations.

MR. STEEN: A direct question then to the Minister.

MR. DOERN: I would also make this distinction, that design services is internal, whereas this division tends to deal with the outside component, although they can both do both. The sort of basic split would be, one is generally internal, the other, generally external.

MR. STEEN: Mr. Chairman, through you to the Minister, is the project management department sort of the captain of the Department of Public Works' total representation in, as I outlined, the triangle between the outside department requiring the services and the outside professional help and that they internally organize the design and structural aspects which used to be done by the provincial architect, I guess, for lack of a better term?

MR. DOERN: Well, of course, the provincial architect is before our time and I would say that essentially . . .

MR. STEEN: You know it hasn't changed that much.

MR. DOERN: It hasn't changed and it has changed drastically. I think that again I would look upon these people as being our expeditors and our sort of can-do men who are given time and money constraints which are simply emphasized more today. They are a different breed of cat. I mean they are not necessarily people with classical architectural training.

MR. STEEN: Mr. Chairman, then what the Minister is saying is that because government has become more complex over a number of years, that we merely just can't have a person who represents the Department of Public Works who is skilled in the art of designing. We also have to have that type of person but we also have a person that has got basic economics, a good dollars-and-cents person who can determine as to, are we getting our best money value and can be a leverage person between the department requesting and requiring the additional building space or whatever the case might be and the outside private architect who is basically paid for his design ideas.

MR. DOERN: I would agree in general and I would say again that the type of person we are talking about in a project manager may not be an architect. He may come from a contractor or he may come from a part of the construction field. He doesn't have to go the classical route before where I guess architects headed the various divisions and he is simply a man who if he knows the construction field, if he knows something about architecture and engineering and so on, he is a manager. And I guess in a way you could — well, I guess the best word is simply what we use, which is a project manager, namely someone who can follow the thing through from beginning to end without necessarily being an expert in one particular area. He has to have the broad view and he has to be able to work within those constraints of time and money.

MR. STEEN: I would agree with the Minister and the Minister's thinking. I could never understand why government — and I am not just speaking of this government, but government whether it be municipal or provincial in the past — would go out and hire outside consulting architects to design and put together a building or a project. At the same time they had their own architects who were on staff year round, sort of watch-dogging them and then you had that third party of the triangle, which was the party demanding the services.

And, Mr. Chairman, if I could cite an example which has nothing to do with the Provincial Government, but it will only take me 30 seconds. It is the addition to the Winnipeg Stadium, the upper deck. A private architect designed it. The Winnipeg Enterprises Corporation, the landlord, hired a project manager to check the figures and to make sure at all times whatever design he was bringing in was within the budget of the party that was going to pay for it. And there was a classic example of where a budget manager was putting his skills to work.

In that particular case the project manager was an engineer but he was basically a contractor who the client hired or the party hired, the Winnipeg Enterprises hired away from a private contractor for a year's services, borrowed him from one of the major construction firms. And so, therefore, Mr. Chairman, my question to the Minister is that I would think that — he is nodding his head in agreement — that we are on the same wave-length and the same understanding of what project management is.

MR. DOERN: Right. I think, Mr. Chairman, that the concept of project management I guess originates outside of government. In the last few years, I know when I first took over the department which was in 1971, these were sort of external developments. Before I guess you had the traditional system of a general contractor and the and the And there is a newer system in industry now where you have construction management, where you hire somebody on your staff and he in effect acts as sort of a general contractor, but in your employ.

And then there is another breed of cat called a project manager and this person doesn't just come in or plug in at the construction part, but he starts right at the beginning before there is any design work and follows it through from when you are just talking about an idea to when the building actually opens. And I think we are reflecting that in government, namely, we have these people who are given that assignment of looking at an idea and making it come about and overseeing all these general operations, but not necessarily getting in there and designing portions of it or rolling up their sleeves with the contractor. They are given the dollars and they are given the time schedule and that is what they have to try to meet.

MR. STEEN: A question, Mr. Chairman' through you to the Minister. In project management has the Provincial Government used the services of a quantity surveyor and does the Minister have any comment regarding that professional service?

MR. DOERN: I can give you a very good example. I guess all of us, when we are given new responsibilities, can get excited by new concepts and some of them work well and some don't work well. And I know that when I first came into the department, one of the things I was impressed with was the quantity surveyor. And so I don't know how many times we tried this skill but I recall one time, and that was in regard to the Woodsworth Building. We hired a man from Toronto. Now surely to God anybody coming from Toronto who is a professional has to be good.

MR. GRAHAM: Why? Why?

MR. DOERN: Well, I mean that is what we all believe. I am going to show you that that isn't true. And we hired this man and he came down and not only was he a professional but a hard-headed Scot and I thought that was the second point in his favour, that he couldn't be wrong when it came to dealing with dollars.

So we gave him the assignment of the Woodsworth Building and we asked him to take off, as they tend to do, the quantities, you know, how many barrels of nails and how many thousand yards of concrete and how many of this type of material and that type of material and they simply take off the quantities and then figure out the price and multiply them out and you get your figure, right? So we waited for him and he said that the Woodsworth Building — now we often have problems with this — but the original design for the Woodsworth Building was a thirteen-storey structure. It was later changed another two storeys and on the original take-off for the building only, not counting furniture and furnishings, we said how much will the thirteen-storey Woodsworth Building cost? He did his careful analysis and he gave us the answer: \$6 million. So we thought, okay, that's fine. And then we tendered and the building came in at \$5.1 million. So he was almost out a million dollars, roughly 20 percent out.

Now I regard that as ridiculous. I think it is just as bad to underestimate as to overestimate. We were paying this man to provide us with an accurate figure and I think he gave us a very poor answer. And I don't know what we paid for this, but it was a fair amount of money for his consulting advice and I can tell you that I got quite turned off on quantity surveyors as a result.

We do have our own internal estimates, et cetera, and I think there are some quantity surveyors in Winnipeg. My assistant deputy is shaking his head but I think one firm at least had a quantity surveyor.

So we for some reason or other didn't have a good experience and kind of regard our experience as an unpleasant one and we sort of not turned to these people since. Because I think that any of us practically in this room could have come up with a guess that would have been within 20 percent either way. That's not what I call accurate estimating.

MR. STEEN: Perhaps, Mr. Chairman, having the quantity surveyor being out by approximately 18 percent convinced the Minister that it was all right in his mind to add two more floors to the building and provide himself and his Department with a nice office on the top.

MR. DOERN: Well the Member for Crescentwood and I have different vocabularies. We almost say the same thing but not quite. What happened in essence was we felt that there was a million dollars more, roughly, allocated to the project and we had no trouble whatsoever in justifying a larger building than we had originally planned. There was no problem in terms that we had all sorts of outstanding space requirements so we recommended to Cabinet and to Management Committee that we add two floors, which is what we did, and again we have had no trouble in filling those floors, including my small, Spartan, modest office, which is I assure you one of the smallest in government. It is about 20 by 20.

MR. STEEN: Mr. Chairman, under Project Management can the Minister tell us who the architect on the Woodsworth Building was and what were the fees paid to the architectural firm and the other

consultants that were used, such as structural engineers, electrical and mechanical?

MR. DOERN: The architectural firm was Smith, Carter and Partners and we will get you that amount of their fees. But I recall that extremely well because it was either my very first or first major appointment of architects and engineers. We discussed the matter and there were a number of possible recommendations made, I think some four or five, and this firm was held out to be the finest architectural firm in terms of office buildings in the province. Now other firms could also do a good job but in the discussion that I had with my senior staff they said well these people have first of all a good reputation and secondly, the most experience of any firm. So that was good enough for me. I thought well okay, let's go with them. So we went with the firm that has also designed most of Portage and Main. They are doing Trizec, they did the Grain Commissioners, they did the Richardson Building, they did the Bank of Canada, et cetera, et cetera. Now the fees we'll dig out for you. I guess you could assume 6 per cent of about 7.5 million, it would be about half a million dollars. Their firm is a large integrated operation so they used their own engineers except for the mechanical engineer. But essentially, they had the electrical and structural engineers in house.

MR. STEEN: Therefore, Mr. Chairman, the final cost of that building was \$7,500,000.00?

MR. DOERN: Construction. Wait a minute, my memory again, I think \$7,775,000.00. And the total was about \$10,200,000 or \$10,300,000.00. So you'd say that the construction component, what the contractor did, \$7,775,000 and the other \$2,500,000 is for furniture and furnishings' et cetera.

MR. STEEN: Mr. Chairman, through you to the Minister, can the Minister tell us why the Department of Public Works and the government he represents changed the mode of architectural design from what we are in, the Legislative Buildings, the Law Courts Buildings, the Land Titles Office, and went to, as I call it, either such a modern or an abstract type of design for the Woodsworth Building rather than staying with a conventional design that would fit in my opinion the neighbouring architecture?

MR. DOERN: Well, that's not an easy question to answer, but I would simply make a few points. First of all, the people who designed these buildings are long gone. You know, this building is 60 years old and it was an English architect who won an international competition, and I don't know whether either my colleagues in government or the members of the opposition would support a building of this nature. If you look at the ceiling of this particular room, you know, I suppose some would say well you could have had an eight foot ceiling or a nine or ten foot ceiling, so you have high ceilings, you have classical architecture, you have large public areas, good paintings — mostly done by a Mr. Long who painted most everybody in this particular building. You know, if you think of the efficiency of the Legislative Building in terms of usable area, it is a low percentage. Thank God they built it, I mean I think all of us are delighted that this building is here. It is not really what you would call an office building, it's a monument, it's a living, working monument but contains large aesthetic areas like the grand staircase and so on. So, you know, I think you are always confronted when you are blending the old and the new. What do you try to do? For instance, should we have attempted a building with say columns in the front or in what manner would you mesh a 1970 design and technology with a 1910 to 1920 one. I think that is a very difficult problem and if we did it there, let's say we did it there somehow, then right beside us could go another building of the modern glass, et cetera type. So if you look right around us here, just across the street where the church is on Kennedy and Broadway, you are getting a modern building going up there which is closer than the Woodsworth Building. You have the Imperial Broadway Building which is done in a pink reflective glass, that's pretty close. And then you have farther down by the Norquay Building, you have the Rupertsland Square. So I suppose in a way when I think of the Woodsworth Building, although it ties in to me because they turned it at an angle, that was one of the sort of design features, putting it not parallel but kind of at a 45 degree angle to sort of face in, maybe it better relates to the modern buildings around it or adjacent to the core area. But I really can't give you a satisfactory answer other than to say that it was our decision not to try to imitate this building but to simply build a building that contained modern features and I suppose that's about all. The only tie in I can see myself is the siting of the building, the turning, the green glass which sort of reflects the domes and so on on the Law Courts, and this particular building.

MR. STEEN: Mr. Chairman, if any member of the Committee had ever been to Saskatoon and seen the University of Saskatchewan campus and that they have stayed with similar architectural design there, they would say well it's unfortunate that the campus of the University of Manitoba didn't follow suit. **PF MR. DOERN:** True. I've said that myself.

MR. STEEN: I've often wondered why we who in Manitoba have limestone as one of our chief modes of design and I think it is from Garson, am I not right, Sam? Limestone found in Garson? — (Interjections) — Tyndall — why the outside of the building didn't have some limestone in it much as the Great West Life Building has? The Great West Life Building was built since 1910 and the buildings that the Minister has cited such as the Imperial Building and some of the other houses of glass, I don't think blend in with the architecture that sort of fits Broadway and Osborne. The building is there now and it's got the aluminium facing on it and the glass and there is nothing one can do. I am just

disappointed that limestone was not used in its outer design.

MR. CHAIRMAN: Order please. I would remind honourable members we are on Resolution 99(c) Project Management. The honourable member was getting a little off the topic there. The Honourable Minister.

MR. DOERN: Mr. Chairman, could I comment on that, perhaps then we can move on.

The tyndall stone itself — first of all there is some tyndall stone used in the Woodsworth Building. There is a wall or a section that is in fact used there. But my understanding is that tyndall stone is not a structural stone, that in most cases what you are doing is buying and hanging it on the building. — (Interjection)— It's a facing, exactly. And so you are sort of paying maybe a premium for that. Maybe it's worth doing but you are nevertheless paying for it. And what we used on the Woodsworth Building, which again was designed about five years ago and more, prior to the energy crisis — we were debating this today and so on, but the Woodsworth Building was built and under construction before the energy crisis hit, so I think that there were some sort of international effects which may today show the Woodsworth Building up in certain ways not in its favour, namely that it has a lot of glass and a lot of curtain wall, which is the material that is used on it, the aluminium looking material. But part of that reason is because it was designed and tendered before we had the crisis in oil prices. So all I am saying to you is this, that there is some tyndall stone on the building and the curtain wall is and was manufactured in Manitoba. We had various options of going outside of the Manitoba and using some big national, international American systems. We deliberately worked with a Manitoba firm, Dominion Bronze, and they were given a fairly sizable contract to first of all utilize their knowledge and also give them an opportunity to develop this kind of a system which they had never done before. So they picked up some know-how as well.

MR. CHAIRMAN: Resolution 99(c)(1). The Honourable Member for Lakeside.

MR. ENNS: Just on this occasion while we are speaking, Mr. Chairman, through you to the Minister, about the Woodsworth Building, I recall several years ago requesting of the Minister to give some consideration to the furnishings of public buildings and in particular major undertaking by Public Works, such as the Woodsworth Building, to those fledgling operations that the same government has supported over the years in encouraging local manufacturing of furniture of different types. And I am referring specifically to a parochial question now, the plant that was then working in my constituency of St. Laurent in Lakeside, as to whether or not there was any consideration given by the department as to the possibility of supplying if not some of the more sophisticated furniture, but then surely some of the more standard things such as the kind of basic desks or end tables or what have you that are required in every reception room and every office of a major building like that, to this undertaking. Can the Minister report to me, was there any local input with respect to the furnishings of that building?

MR. DOERN: Well, we have tried, I guess on a number of occasions, to do something in that regard. I recall being with my colleague, the Minister of Industry and Commerce, when we untracked a new desk one time that was made in Manitoba and I guess we did buy some of those and some were produced, but I don't know whether that source stopped or not.

In terms of St. Laurent we did in fact buy some tables and chairs and coat racks. If you want to see a coat rack, I can show you one in my office that was made there. Every time I look at it I fondly think of you. But the problem is this, that small firms, it's often very difficult to get them to produce on time and in the kind of quantity that you want and this is what we encountered there. We did work with them. We did buy some of their material. There is also some bookcases and our cafeteria tables. We did buy some cafeteria tables from them and so on but it seemed to be some sort of a production problem.

Mr. Chairman, I don't know what the intention of the Committee is, but I would make a personal request that I am sort of suffering from the flu and I would prefer to wind up around ten o'clock rather than to go on tonight if that's agreeable.

MR. CHAIRMAN: The Honourable Minister of Agriculture.

MR. USKIW: I would then move, seconded by the Minister of Municipal Affairs that the Committee rise.

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

TIME: 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY

ESTIMATES — CONSUMER, CORPORATE AND INTERNAL SERVICES

MR. CHAIRMAN, Mr. William Jenkins (Logan): I refer honourable members to Page 15, Resolution 37(a). The Honourable Minister of Consumer, Corporate and Internal Services.

MR. TOUPIN: Mr. Chairman, before we adjourned, I took I believe one last question as notice in regard to franking privileges and items printed and not printed by the Queen's Printer. Christmas cards were alluded to. There were Christmas cards — supplied, not by the Queen's Printer but I believe supplied by one of the Ministers to some of his colleagues. The Post Office, as the Honourable Member for Wolseley is aware, is under the Department of Public Works and, in most cases, the mailing of same is covered there but we sometimes do offer services at a cost of inserting the material and addressing envelopes. But the Post Office itself is not under our jurisdiction.

I am just informed now by the Assistant Deputy-Minister that the Christmas card in question that the honourable member gave me a copy of is a stock item of the Queen's Printer. It is not printed by the Queen's Printer, as I said a while ago, and not printed especially for any particular Cabinet Minister or Member of the Legislative Assembly. It is a card with a photograph of the Legislative Building and "Seasons Greetings" on it. However, I should point out that if a Cabinet Minister wishes to use a card, he has to buy them from the, in this case, Queen's Printer. If Members of the Opposition wish to make use of the card, they can at cost but they must be prepared to pay the Queen's Printer because of that particular card being in stock.

The Honourable Member for Wolseley inferred earlier today that these cards were being especially printed for Cabinet Ministers. This statement is not correct. I should point out that, in case there be any misunderstanding, the personalized Christmas cards sent by several of my colleagues are paid for out of their own pockets. By personalized Christmas cards, I mean those bearing a photograph of themselves and/or their families.

I believe this covers the questions posed of me before the 5:30 break, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Mr. Chairman, one of the things I appreciate about this Minister is that he will stand up when he is wrong and correct a situation. Before we adjourned, I had alluded to a Seasons Greeting Christmas card which I said that members of the government were using and distributing which was available at the Queen's Printer and this, of course, was denied by the Minister. However, we are now told that — and I appreciate him putting it on the record — this is a stock item of the Queen's Printer and that it was one of the things that I was alluding to when I spoke of going back into my experience at a municipal council where everyone, regardless of political stripe, was treated with fairness and equality and I think that this is missing with members opposite. The Christmas card caper is just an example of what I was talking about because it is the type of thing that is available that we are kept in the dark about. The Minister probably rightfully so, said out of certain Ministers' budgets they were able to get more personalized because obviously this might not be quite as fancy for someone who might be a more affluent Minister under a portfolio. But I suggest that members of his government were able to make use of these Christmas cards and unknown to any of the colleagues on this side of the House, they were not available. In fact, I even think it is bad enough that members of the opposition don't know about it but think of those poor Liberals; they didn't even know about it and they certainly need some help.

I say it is a small item, I appreciate that, but it goes farther. I don't want to pick on the Minister of Finance because he is not here but I have a letter in front of me where the ' Minister of Finance is congratulating somebody on moving into his new home. Is this the kind of thing that we are talking about when we talk about \$2.7 million? At some particular point in time, we have to do a little belt tightening and these are the kind of things that disturb me because they seem to be a one-sided thing. I would appreciate the Minister talking about the franking privileges of his members opposite.

I would like to talk about the benefits that do accrue to MLAs. After all, I think we all are supposed to be equal parts of a political pie and yet somehow or other, there is a great deal of knowledge that is not available to members opposite here. It seems that there is a lot of secret goings-on and I just brought out the small Christmas card issue as an example of the type of thing that I was talking about.

I also wanted to talk about the — you know, there are certain discrepancies when we get into an item which is now \$2.7 million and, of course, it doesn't show on the Minister's final total because it is wiped out. It becomes a nil balance, but you add that on to his portfolio and we find ourselves well over \$6 million which places his particular department in certainly a priority situation.

I would like the Minister if he could to tell me — I notice in his chart that he gave me pertaining to

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staff, he has 59 I believe — I would like him if he could to give me — say the last four years — the increase in staff over the last four years or, if he can't go four years, three years, because it seems as the inventory of stock mounts up, so goes the staff and this would be interesting. If I am wrong, I will have to retract it but I think there is definitely some concern there.

You know, besides all these printing privileges and franking privileges and letter writing privileges and what-have-you that members opposite have that I feel are not available to myself, and I stand to be corrected, I think we've either got to turn this thing into an equality situation or do without them altogether. I pride myself sometimes in searching around for ideas to save money and I was talking to the Minister of Public Works the other day to keep the doors closed and he didn't bother to answer me. But we talked about a desk that is so full you can't even close the lid, and I suggest that a lot of particular members opposite and possibly even this member talking have a lot of books that come to them, a lot of things from the Queen's Printer, and if we adopted a Book Market idea where if we had a bin in each caucus room we could turn around and throw these very very valuable books into that so that they could be used by under-privileged school students or maybe political science students and we could offer them free rather than having them disposed of by people who collect items. In other words, certainly members opposite specialize in areas. I know myself, I am no mental giant when it comes to agriculture and I am sure that a lot of members opposite too, I can tell by a lot of times the way they go at you that they don't know what they're talking about — certainly the backbenchers who have very little to say must have tens and twenties, maybe even hundreds of books throughout the session that they could deposit somewhere which could be made use of by some people. So this is what I mean.

You know in the old City Council days, and the Member for St. Johns would remember, Slaw Rebchuk and them, they would look at a Minister's budget and say, "Six million dollars — I want you to make it 550." In other words, they would find a way to cut \$500,000 and I am suggesting to this Minister, he could cut \$100,000 out of his budget if he really wanted to. However, I realize he is only new to the position but he does have that experience that he could go in there and carve out certainly a lot of this excess material. I am just pointing out one or two methods that . . . I will give you an example. If I'm wrong and the Member for St. Matthews is here, I believe he has a position of research. He must get one set of everything from the Queen's Printer as a research man and he must also get one set as an MLA for St. Matthews. So what does he do with that extra set? I am saying that is the kind of waste that I am talking about and they should be given away.

If you could again, just to recap, speak about franking privileges and these mounds of paper that are building up every year, what the Minister's comments are to some of my suggestions.

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

MR. SAUL CHERNIAK: The Honourable Member for Wolseley talked about the Minister being new. Well, he's not new in this House nor in the Cabinet but the Member for Wolseley is obviously so new that he hasn't learned from members on his own side of the House. There are franking privileges that are available to Members of the Legislative Assembly and I have sent letters to constituents who have moved in to the constituency when I have learned of it; and I have used the services available in our caucus room and I have used my franking privileges and if the Minister of Finance has done that, I would assume he has done it the same way. But the Member for Wolseley has not been told by his colleagues that he can do that, then I tell him that gratuitously, and tell him that, as far as I know — and I've been around for awhile, I came in with the Member for Swan River who is present with us this evening. I think he can confirm that these are privileges that — he was Speaker, and was therefore, I believe, Chairman of Internal Services so that he would know better than I whether or not what I have just described as something I've been doing, is correct or not, and I'm sure that if it is not a correct thing to do, even at this late date, he can set me straight. —(Interjection)—Mr. Chairman, now he has made a gratuitous comment from his seat because I'm not aware of the Christmas cards. I have received some Christmas Cards but they were not franked, they were stamped.

Mr. Chairman, it might be of interest for members to know that within the first week of my becoming a Minister of the Crown my secretary asked me to replenish, or to start her petty cash fund, because she had to buy the postage for those letters, which were sent out by me, which she considered were not on government business. And indeed, matters such as the Christmas cards — I say such as because I haven't sent them, but letters of that personal kind were always stamped although they were sent through the Internal Post Office Service within the building — they were stamped and every so often she would remind me to replenish her petty cash for that very purpose.

Secondly, as far as the material is presented, if it were not brought to each Member of the House, if a report of whatever department or whatever Crown agency were not given to every member, I think if I were in the Opposition, I would be one of the first to complain bitterly. Now I have never thrown out any of those reports which I receive annually, and I think annually they amount to quite a pile, probably a foot high, I've never thrown them out although I don't have them. And the reason is that is caucus, when we were in Opposition especially, we had a central library within caucus where we kept that, and in many cases I made it a practice of returning it to the department after having used it

because the department very often wishes to have a certain number of past reports available for purposes that may arise, and they very often do. I might tell honourable members that if they have copies of last year's Budget speech, I would like to get them, because apparently it's not too readily available. But in any event there is a use for them, and I don't know why the Member for Wolseley has to criticize all the rest of us because he doesn't know what to do with the material he accumulates. I have not had that problem.

But, I want to tell him something about budgeting. He remembers, and he's correct in assuming, that I was on City Council with Slaw Rebchuk, and he remembers that Slaw Rebchuk would say you can "cut it." I remember how Finance Committee, of which I was a member, handled a budget. And let me tell the Honourable Member for Wolseley that the way it was handled in my time in City Council was a much more superficial manner than is done in this government, and when I say "this government," I don't mean the NDP Government alone, I mean the Conservative Government before it, and if I know Doug Campbell as I think I know him, then I'm sure the Liberal Government before the Conservative Government, there was a very thorough head-knocking, bloodletting is the term that is used every year, going over of every department's Estimates. So the way it was done in City Council, where they would sit around the table and say, "Hey, can't you knock \$500,000 off" is nothing like what is the procedure done in government, and was done. I remember Gurney Evans, the former Minister of Finance, describing the rough time that they had on a certain occasion in Treasury Board dealing with much less than half a million dollars in program, and that is done thoroughly now. Honourable Members opposite have every right — well, they have a right to do anything really, so long as it is parliamentary, and even then they don't follow that through. . . . I mean none of us do that carefully. —(Interjection)— The Member for Swan River asserts that he always does it correctly.

But, Mr. Chairman, the fact is that if there is criticism of program, I think that's valid and justified. If there are instances of waste that can be shown, by all means they should be shown. There should be a rigid questioning taken place to justify. But let me tell honourable members that when it comes to the budget process it is done very rigidly and it is done first by administration, by the staff in Management Committee whose job it is to question every expenditure again and again. Year by year they will review again, at the departmental level, and when it comes to the political level, the Cabinet level, there is a very thorough and long-lasting review. So that for the Member for Wolseley to try and relate budgeting in government provincial matters with the way it is done in city council, he still has a great deal to learn. I suspect he won't have that opportunity to learn it in any greater detail than the way I have described it to him because I doubt if he will ever end up in the Chamber or in the room of a bloodletting experience of reviewing departmental budgets.

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

MR. TOUPIN: Well, Mr. Chairman, again in attempting to answer some of the questions of the Honourable Member for Wolseley, my answer before breakup at 5:30 in regard to the question posed of me pertaining to Ministers having had Christmas cards supplied by the Queen's Printer on their requisition, my answer was, based on information received at that time, that the Queen's Printer had not supplied such Christmas cards. I corrected, or amended in some way, the answer this evening based on additional information supplied to me by staff. I can tell the honourable member, in regard to myself, in 1976 I did not order, did not receive and did not send Christmas cards as a Minister of the Crown, so you can take that for what it means.

I repeat again, Mr. Chairman, that in regard to the post office, that is under the Department of Public Works and I would appreciate if the honourable member would pose his questions pertaining to franking privileges, *et cetera*, to the Department of Public Works.

The annual reports — and I think this is of some significance, at least those that were started and completed quite recently — the annual reports that were tabled in this House, made available to the public, I believe reflect quite a few thousands of dollars of savings this year over previous years, because the reports themselves are black with just one additional colour' and apart from the touristic information documents that are produced, I believe, mainly by the department or by contractual arrangements, most of the reports themselves go through the Queen's Printer.

To our knowledge there has been no increase in staff in , the Queen's Printer for the last four years, but again I would not want to leave this on the record. I will take the member's question as notice and attempt to give him an answer, but the off-the-cuff response that I get for my staff here this evening is that there has been no increase in staff in the Queen's Printer in the last four years.

I would like to repeat that the Queen's Printer only supplies paper and printing on the requisition from various departments of government and does not itself maintain a large stock of books or paper which are not currently being required. Surplus reports and books for school purposes, as an example, could possibly be made available from various departments but not from the Queen's Printer.

As the honourable member can take notice, in regard to staff complement 1977-78 there is no increase in staff man years for the current fiscal year just started on the 1st of April. It is the same as 1976-77. There is a slight increase in funds that I explained I believe on Friday before we adjourned,

and I did make more precisions today on some of the additional funds required in this section before 5:30.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Well, I will just clear up then. Basically the Minister has finally straightened out something which I knew all along. In other words the Queen's Printer, even though it is up over \$2.5 million, does not engage in any type of control at all. It is just merely an order-taker on requisition and this is exactly what I wanted the Minister to put on the record because that tells me that the Queen's Printer, on someone's requisition, goes ahead and has all these stock items available, and if you are fortunate enough to find out what goes on in the Queen's Printer, then you can avail yourself of some of the items that may be, or may not be available to you when you come. And the Minister is absolutely right. There has been a fantastic saving this year because probably very conveniently, it is election year.

But I look to the Department of Tourism alone where they have now condensed it all into one book where they used to have six or seven books. That's the type of example. Because it's election year we no longer have the Queen's Printer printing a book prepared and published by the Department of Tourism which is out busy selling tours for Thunderbird Travel. These are the kind of things that take place, I guess, in nonelection years. So that's my comment.

I am very familiar to the Member for St. Johns with the difference in the so-called bloodletting as he calls it, but if it's such a bloodletting session then how come such things as electric cars and electric trucks are purchased, and the Minister who makes that decision is not held up for any type of answer to the public for decisions that may, or may not, prove worthwhile, but you never get a report to find out.

So basically, I'll let this department Estimates go through, but I'm not convinced that every year the growth takes place, complement of 59 staff who only does 15 percent of the printing for the \$2.5 million, the other 85 is tendered out. The Minister did not say to me whether he did say that everyone could tender on it, but he didn't say if two tenders are close if they would disqualify a tender, based on the fact it was a non-union or union shop. Again I apologize for not having the report that I apparently read somewhere which indicated that there could be better controls pertaining to stock that is ordered and not used, or whatever.

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

MR. TOUPIN: Mr. Chairman, again the Honourable Member for Wolseley is attempting to put words in my mouth which I didn't say. The Queen's Printer has guidelines and when a department, as an example, orders a report that is multi-coloured, and the Queen's Printer is operating under a policy or guideline that says that it is black on white or grey on blue, whatever, two colours that's the way it's going to be printed. So, there is that type of control. As the honourable member is aware, most of the reports that were tabled this year, whether it be an election year or not, were tabled just on ordinary black and white paper. So, you know, that is a policy not only for the Queen's Printer, it is a policy for all departments of government. And when it is being done or charneled through the Queen's Printer, that is the way it gets its printing, whether it's done by the Queen's Printer, or contracted out.

The Department of Tourism, I happen to know that most of their work is done either by themselves or contracted out, and the reason as far as I know that they reverted back to the one booklet instead of seven for each region, is the amount of flak that the department got for having seven pamphlets instead of one, is the reason why they went back to the one booklet itself. I can recall the short period that I spent in Tourism, Recreation and Cultural Affairs, that we got more flak over the splitting of that booklet than we did on anything else. And that's the reason, in my humble opinion, that they went back to the one booklet.

The tendering system is open to anyone and, as the honourable member knows, it is not necessarily the lowest bidder that gets the award. And, you know, it's not necessarily the union that would get the award either. So, that's really left to, I don't take any decisions myself on tenders, unless it's a job that has to be done very quickly, then they'd ask for Ministerial approval. Apart from that, the Minister very seldom, to my knowledge, gets involved.

MR. WILSON: To the Minister, I wanted to ask two quick questions. Could the Minister tell me who was responsible then for distributing the seven different pamphlets which raised all the complaints, because I notice Saskatchewan for years has always had them in the condensed form and now we've reverted back to that? Could you tell me who the Minister was that ordered the splitting up of the book into seven different sections or six different sections?

MR. TOUPIN: I think, Mr. Chairman, the honourable member probably knows the answer before he posed the question. First of all, we are getting involved in the total responsibility of the Department of Tourism, Recreation and Cultural Affairs. The decision was not made by the Queen's Printer because it had not been submitted to the Queen's Printer to actually do the work. I believe that I was the Minister of Tourism, Recreation and Cultural Affairs at that time, but without wanting to pass the buck, the honourable member well knows that a lot of things do happen within the department

without, in some cases, the Minister being aware.

MR. WILSON: The last section is: I notice that the Minister gives out pens which say "Compliments of the Province of Manitoba" yet myself, as an MLA, I have to pay for those.

And the second thing is, the Minister of Tourism has many items for senior citizens banquets and what-have-you, that we seem to have no knowledge of, and I wondered, I found out by accident that the Minister of Tourism has flags available for senior citizens upon request, and I wondered if there is any way that the members opposite could find out how we get this material.

MR. CHAIRMAN: Order please. Order please. I think the honourable member could ask that question under the Department of Tourism and Recreation. We are now under the Department of Consumer, Corporate and Internal Services. The Honourable Member for Swan River.

MR. JAMES H. BILTON: Mr. Chairman, I was interested in what the Minister had to say a few moments ago with regard to the operations of the Queen's Printer. And what interested me was that, if a department develops a pamphlet or booklet in four or five colours and it's approved by the department and sent to the Queen's Printer, and the Queen's Printer, in his judgment, considering the funds that he has available and what-have-you, he thinks that it could be done more economically by possibly two colours, what support does the Queen's Printer have in making that point in the interest of economy, with that particular department?

MR. TOUPIN: Well again, Mr. Chairman, it depends on what's we're talking about. If we're talking of annual reports, say tabled in the House or made available to the public generally, reports of departments or reports of agencies, that are submitted to the Queen's Printer for printing or to get printed through them, then the policies set by government stands, where we say that it will be reports with two colours. If a department' on its own, gets a report made, either for itself or for an agency that falls under the responsibility of that Minister, well the Queen's Printer is not involved because he hasn't been canvassed —(Interjection)—

No, not necessarily. You see, this is what I said when we started the . As an example ' the Department of Agriculture has a lot of pamphlets that don't get done through the Queen's Printer. Tourism has a lot of pamphlets that don't get done through the Queen's Printer or channeled through the Queen's Printer, so the Queen's Printer can't take responsibility for those. It can only take responsibility pertaining to policy in regard to pamphlets or any printed material that is channeled through them, printed by them or they take responsibility to contract out.

MR. BILTON: Mr. Chairman, I realized that throughout the Estimates that the various departments have pamphlets and what-have-you printed. But it seems to me, from what the Minister is telling me, that this thing is wide open, that the Queen's Printer does not have complete control of the printing for the government. Is the Minister telling us tonight that departments can get printing done on their own without going through the Queen's Printer , who in turn is going to call for tenders on that particular printing? Because a moment ago he indicated to me that annual reports and that sort of thing, I fully understand, is the Queen's Printer's responsibility, but surely the Minister, Mr. Chairman, is not telling us tonight that each department, even though it has an appropriation for printing within its Estimates, ignores the Queen's Printer and gets it done on its own.

MR. TOUPIN: I am sure, Mr. Chairman, that if you go back to the record, at the opening or near the beginning of my Estimates, that I laid on the record the fact that not all departments had their printing channeled through the Queen's Printer, and this is the reason that I said again this evening that that was the case. I am now informed by my Assistant Deputy Minister that they are all channeled through the Queen's Printer. So, if that's the case, then I have to withdraw what I believe you'll find on the record based on what I had understood to be the policy, that some departments would get printing done on their own. But now I'm informed that they all have to channel through the Queen's Printer. And if that's the case, and if there are reports that are richer than others, I guess we do have to take some responsibility.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: I want to finish up, just to get one thing clear. You mean there was a government policy passed that the individual Ministers could no longer have these multi-coloured reports with their picture on the front, and we're now down to a more economic black and white report, this was a government policy that was passed? Can the Minister answer me on that? The second thing is, could this possibly happen? We have the instance where members opposite used, for instance, Travel Unlimited more than they used other travel agencies, could it happen that individual members could use their favourite printer without going through the Queen's Printer tender system? Those are two of my last questions to the Minister.

MR. TOUPIN: First of all, Mr. Chairman, in regard to the annual reports of departments, the policy I have referred to was a policy of Cabinet of last September, 1976' in regard to having the type of reports that most departments have tabled in this House this year. If the statement that I just made, based on information supplied to me by my Assistant Deputy Minister, that all material for printing is channeled through the Queen's Printer, then it would be practically impossible for I, as a Minister, to

have my favourite printer, and allot to that printer, unless I paid for it myself.

MR. CHAIRMAN: Resolution 37(a)— pass. Resolution 37(b)(1)—pass; (b)(2)—pass; (b)(3)—pass; (c)—pass; (d)(1)—pass. The Honourable Member for Wolseley.

MR. WILSON: Under this item called the Audit Office or the Advertising and Media Co-ordination Centre. Again we come to an item which does not recover \$86,400 but which is almost a \$2 million item. Upon researching this last year I was under the opinion that the advertising audit office was really a purchasing agency and that it negotiated rates. And even the Member for St. Johns last year, on page 1456 said he demanded they reduce the flow of advertising because too much money was being spent on advertising. So I think I have a friend on the other side when I — (Interjection) — when I speak about my concern for too much government advertising. It has been suggested to me that this department has no longer become a purchasing department as envisioned when, I believe, Mr. Goldstein headed up this organization. We now find that we have had a steady climb and now we are looking at salaries of \$76,400 and Other Expenditures of \$10,000.00. How does a group of people engaged in the simple purchasing of advertising spend \$10,000.00 I'll ask the Minister that question? And is there any truth in the suggestion that these people are trying to proofread and possibly amend some of the, how should I call it, Deputy Minister's suggestions for advertising and stuff that goes to the news services. Is this department supposed to be just a purchasing department or are they to proofread and offer suggestions? My own personal opinion is I have never been convinced that, like Ontario, which is the agency of records, that the Minister can ever prove that there's been a saving to the taxpayers, because this would all have been done by the private sector, and if it is going to cost us \$86,400 a year, I wonder if the Minister can give us some suggestions in his Estimates as how much money these people save his government every year.

MR. CHAIRMAN: The Honourable Member for Swan River.

MR. BILTON: I wonder if I could couple my remarks with that of the Honourable Member for Wolseley. Looking at these figures, Mr. Chairman, the Minister has a \$6,000 increase which is neither here nor there. But somehow or other, the similarity of the figures as approved last year and being asked for this year, makes me wonder just how much research was done with a view to reducing this overall figure.

I so well remember, Mr. Chairman, when the Queen's Printer had the responsibility of looking after the advertising and he dealt with advertising agencies, and I have no brief for advertising agencies. I'd like that understood at the beginning of my remarks. — (Interjection) — Somehow or other I don't have the figures when the changeover was made, but as I understood it at the time, it was to cut out the middleman, and that was the advertising agency, and that the money would stay within the department. It would seem to me that it's gone far beyond the wildest dreams of those that initiated it in the beginning. And \$1,900,000 for advertising in this province is just something beyond my comprehension.

Here we have an advertising audit staff, here we go again: a director, a print buyer, a time buyer and an accounting staff of two. Mr. Chairman, I suggest to you and to the Minister that the Queen's Printer is quite capable of doing this job at a greatly reduced figure than we are examining tonight. And I'd like the Minister, if it's at all possible, to give us some idea of the increase in cost, as of now, as opposed to what it was when Mr. Goldstein did this selling job to the government. He just, insofar as the weekly press was concerned, he just tore the heart out of the industry at that time and they haven't got over it yet. And I feel that the weekly newspapers of Manitoba have a responsibility to the people of Manitoba to give the news as it is, and I feel that the province in its advertising has no right, under this heading, to be selective and deny one community of advertising as opposed to another community, and this is what it has developed into. I think the sooner that is brought to the halt the better.

MR. TOUPIN: Mr. Chairman, first of all we are talking of advertising for all departments of government, all agencies of the Crown, Commissions, Crown corporations, the whole bit. We're talking of Tourism, Recreation and Cultural Affairs advertising, Liquor Control advertising, Manitoba Telephone System, Manitoba Hydro, and I'd like to put on the record again — I did say this in my opening remarks — I'd like to point out what I believe to be significant figures. In the fiscal year ended 1966, the government and it's Crown Corporation — the same thing as we're talking about now — spent a total of \$743,222 on advertising. By the year ended 1968, the advertising cost had risen to \$1,562,000. In other words, advertising had doubled in two years. This happened under the system whereby the advertising agencies decided how much should be spent and in what media. Through the more orderly system of purchasing government advertising through the advertising audit office, in the fiscal year ended 1976 the government and Crown Corporation spent \$1,780,000. This means that government advertising in 1976 was only 14 percent higher than in 1968. However, I should point out that during the same eight years, the cost of advertising in newspapers, on radio and on television had risen about 70 percent in that same period of time.

I believe if anyone really wants to appreciate the worth of advertising audit, of the audit office itself, I believe we should ask the media, which we have, in regards to what the advertising dollar is

worth today as compared to 1968. The office pays the media within ten days if a discount is offered and within thirty days as a matter of course.

The 1977-78 dollars for, again, all departments and all agencies of the Crown, for 1977-78, is the same — we've left it the same as 1976-77 although there's been an increase in costs in the advertising dollar itself. The Member for Wolseley talks about staff. The staff again here is kept at the same level as the previous year. There is no increase in staff. The increase in the cost of staff man years is \$5,900 and that's due to normal increments and negotiated general salary increases. Other Expenditures are the same as the previous year, \$10,000. And I can enumerate the reason for the \$10,000 point by point, but there hasn't been a change there.

Again, if I go back to the overall amount sought here for advertising — again saying that for all the departments and agencies of the Crown — the only way we could actually decide to cut, which we have over the years, cut quite a bit if you consider the increased cost of advertising, we could cut more by deliberately, say as an example, cutting pamphlets that are ordered by Tourism, Recreation and Cultural Affairs or other pamphlets that are ordered by different departments of government. But there has been some cuts wherever possible.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: Mr. Chairman, I really had no intention of, at this juncture of the Minister's Estimates to rise, but I find this statement simply incredible, simply unbelievable. When he suggests that advertising costs of government, since '68 have risen by no more than 14 percent. I'm looking right now at the former Minister of Finance, because I had a particular to-do about his introduction of a complicated Tax Rebate System, in fact I can recall the day in the House where I unfolded the 14-15 page Federal Revenue Taxation form that he was adding another 3 or 4 pages to, and I then told the government ' I then told the Minister, that fine, maybe he understands the form but it would be a tremendous advertising campaign that would have to be launched by this government to make the people of Manitoba understand the form.

And, Mr. Chairman, you watch television occasionally, as I do, and this time of year — just about the time that I'm shovelling out my snow from my driveway and my driveway happens to be a lot longer than the former Minister of Finance's, because it's a half a mile at the ranch — I'm interrupted by some friendly person that says, "Now's the time to fill out your rebate form." It's done in brilliant colour. It's done in the kind of advertising that I've never seen before. I see the Minister of Agriculture advertising in brilliant colour, how I, as a rancher should feed my cattle. I find the numerous games that this government has invented, grasslands, beef game, etc., etc.

Now, I don't think I have the time, nor do I have the inclination right now, to actually check into the Minister's statement, but, Sir, just simply on the surface of it, for him to suggest to us that the gross advertising budget of the government hasn't risen more than 14 percent over a decade is simply stretching the imagination to its wildest, wildest dreams. This government has spent more dollars on advertising, more dollars on advertising, there isn't a day goes by that we don't turn on a TV set or listen to the radio that we don't hear this government advertising. Mr. Speaker, I'll guarantee right now, as I drive home tonight, that I can turn on — and it's always bothered why it happens at 1 o'clock or 2 o'clock at nights when you're driving home — (Interjection) — That's when I drive home, yes, it's a long way home. Then you get the legal aid people advertising, "Is your marriage breaking up? Are you contemplating divorce or separation? Come and see the friendly Legal Aid officers of this government and we will help you break up your marriage." And that ad runs every hour, every hour from 1 o'clock to 6 o'clock in the morning. At six o'clock in the morning, God bless Red Alix, he comes on, he sings a hymn and we're all back into the whole scheme of things again and we love our wives and our children and stand at attention to the Queen. But, perhaps from one to six in the morning most marriages break up, I don't know? And, I have yet to ask the law profession that has some ethics about advertising their legal services

A MEMBER: I'll tell you one to six in the evening isn't so hot either.

MR. ENNS: But, Mr. Chairman, I rise only to protest the suggestion made by the Honourable Minister. I'm sure that maybe he was being given some hasty advice from his advisors. I'd like to even think that the former Conservative Party, with all the bad things that honourable members opposite have said about the people that we used to run advertising contracts with people like Dalton Camp, etc. etc., that I don't think we could have contained Dalton Camp to a 14 percent rise over ten years. I don't think we could have. But this Minister says he can, he says he has.

Mr. Chairman, I have asked the Honourable Minister not to spread it on quite that thickly at this hour, at this late date in his Estimates because I see the ads, I see the quality of the ads, I see the number of them.

I would like to be serious, or more serious — I was serious from the moment that I rose — I would like the Minister to give us an idea of the Budget for the Rebate Program alone. Those ads that appear now, at tax time, consistently on all the television media, on all the radio, advising the people of their rights, advising the people of the legislation under the rebate program. Now, surely that's a relatively new program that wasn't there in '68. It was there in '64 and because of the criticism by people like the

Member for St. Johns we dropped it, because the Member for St. Johns in '64 said, when Duff Roblin had a rebate program, he said that was vote buying. He said drop it. He said that was blatant vote buying. What the Member for St. Johns said, "Why take money from people and then give it back to them?" That's what he said. You know, Mr. Chairman, as I've said so before, there was occasion when you had a responsible government in this Chamber, we actually listened to opposition from time to time. And the Member from St. Johns made eminently more sense then, when he was opposition, than he does now, and we dropped that program.

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

MR. SAUL CHERNIACK: I trust you will recognize me in due course to speak on the same subject as the Honourable Member for Lakeside, because I intend to do so unless I'm prevented.

MR. CHAIRMAN: Order please. The Honourable Member for Lakeside.

MR. ENNS: Well, I often, and always encourage the comments from the Member for St. Johns, because in the main they are enlightening to the Chamber and I have yet, I think, to be on record of having, in any way, denied him any opportunity of responding to anything that I may have said from time to time in the Chamber.

I go on to another point, Mr. Chairman, as we're dealing with Advertising. As this Minister, and this government tells us, tells us they have reduced advertising by government, virtually to a standstill. I mean, Sir, 14 percent over ten years, just in recognizing inflation, just in recognizing what goods and materials are worth, what people employed in the business of advertising are worth, then surely what they are trying to say is that advertising has come to a standstill by government.

Well, Sir, let me remind you, Mr. Chairman, that one of the big features, in fact one of the selling features of selling Autopac to Manitobans was, that one thing it would do, it would do away with all the wasteful advertising that the private insurance companies were engaged in, "buy my insurance", "buy Royal", "buy General", "buy this", "buy that". After all once we made it compulsory, once we made it government there would be no more need for advertising in the automotive insurance industry in this province.

Now, Mr. Chairman, again, Sir, you read the newspapers, you watch television and you listen to your radio. Can you honestly tell me that we have, in any way, reduced the amount of advertising with respect to automobile insurance in this province? I can show you week by week, every country paper that carries a full page ad by Autopac. I show you the advertising on radio and on television that is carried by Autopac, but this was one of those evil things that the public entré into comprehensive insurance was going to do away with. We would need no more advertising. Yes, I will read you back the Hansard. I will read you back the Hansard, not one but numerous individuals on that side of the House spoke as to the benefits of introducing a government automobile insurance scheme. No more advertising. It was one of those costs that could be eliminated from the wasteful private sector dealing with insurance.

Mr. Chairman, I know you should be ruling me out of order any time now and I will come back to the point. As I say, Mr. Chairman, I was only exercising to rising at this time because the Minister made the incredible statement that government advertising has risen by no more than 14 percent over a decade.

Now, I'm sure that even when the Member for St. Johns wants to rise and speak, that although he will not want to directly refute his Minister — I mean you can do that in your caucus rooms, you can have both doors closed and the press will still hear when you're fighting — but, I know the Member for St. Johns will not do that in any rude way vis-a-vis his Minister, but he cannot really follow me and indicate that that is in fact the case, that government advertising has been maintained to a 14 percent rise.

A MEMBER: As they say at the ballet, "Bolshoi".

A MEMBER: Watch it now.

MR. ENNS: I am prompted to read into the record, because it is a notable remark by the Member for Morris, "As they say at the ballet, Bolshoi!"

MR. CHAIRMAN: Order please. I should have called the honourable member to order. He could have made his remarks under (d)(3), not under (d)(1). The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I wonder why it is that the Member for Lakeside felt it incumbent on him to characterize his speech with a word supplied him by the member behind him. I think that that is probably the most honest statement he made today was the description of his own speech in the last word he used just before he sat down.

Mr. Chairman, he suggested to me my reaction to a statement made on cost. I must tell the honourable member that I don't remember, well, maybe I did because I was younger when I was in opposition, to make a blanket attack such as he did without having some facts in my possession, and indeed I would have given more credibility to the member's speech had I known that he had taken the trouble to find out the facts and then referred to facts instead of making a wild attack, wild in terms in the manner he used, not of course his intent, to just say, I don't believe you, that's all he had to say is, "I don't believe you." But instead of that he made a great big speech without having any facts, and I

would suggest he find out the facts. He said that he'd like to know the cost of the advertising for the tax credit program to notify people of their rights. That's ascertainable. I wouldn't be surprised if it hasn't been put on the record year by year. And, indeed, I think it's important to know that. And I would also like to know whether the Members of the Opposition are opposed to that kind of informational campaign that is being conducted at this time when, indeed, people are being encouraged, that should be encouraged to take advantage of their rights in order to claim the benefits of a program with which the honourable member, I believe, disagrees anyway. But, nevertheless, I think he will agree that once the program is there then people should be informed of their rights and be urged and encouraged to make their claim so that they get the benefits.

And the advertising campaign that he tries to justify back in '64, I don't think he was in the House then, I'm pretty sure he wasn't in the House then but he remembers vividly my attack on Mr. Roblin for that rebate. And therefore if he remembers the program so well, he should recall that Mr. Roblin's program was to send a letter to every property owner enclosing a cheque for \$50 signed by Mr. Roblin — I believe he was then the provincial treasurer. Oh, I shouldn't say that. Maybe it was signed by the deputy as was the case during the entire time of the NDP government being in power, but it did contain a little note from Mr. Roblin saying, "Dear Homeowner, here is the fifty bucks that you get as a result of this program we have done."

Mr. Chairman, what bothers me so much is the honourable member, whom I assume was a resident of Manitoba at the time that that program was carried out, did not realize that that program had no form of progressivity or selectivity in it whatsoever. And for him to be constantly relating that program to our program shows an abysmal lack of knowledge or of understanding of the differences between the two programs. I think he really ought to know that that program was \$50 to every person including every piece of property that person owned, so a person who owned ten or twenty properties would get \$50 for each of those titles, whereas the program we have now relates to the home you occupy and relates to whether or not you are owner and relates to tenants therefore and therefore has a much different social value than the vote-buying program which Mr. Roblin obviously, by inference at least, admitted was vote-buying because in fact he couldn't face up to it and he dropped it.

We are still talking about advertising, Mr. Chairman, at least I am. The Member for Lakeside wasn't, I believe, but I am. I am not sure the extent to which Legal Aid budget has an advertising program which is reviewed and the responsibility of government. I know very well that the Autopac program has no review in government itself. Nevertheless, even though it is a Crown agency with an independent management from government, I don't really believe that I have ever seen an advertisement by Autopac advertising Autopac as such. I believe that I have seen safety programs advertised by Autopac. I think I have seen probably advertising relating to residential or to building insurance which is competitive with private enterprise but I really don't think I have seen advertising such as the honourable member describes, and I don't know whether I am going to stay up till 1:00 in the morning just to listen to his favourite programs, the titillating programs that he described to us. But I doubt very much that I will hear an advertisement from Autopac this evening or almost any evening unless it is related to information as to driver safety or safety on the highways or relating to the competitive features. The Member for Swan River —(Interjection)— No, I said earlier, Mr. Chairman, I don't know about the Legal Aid program and unlike the Member for Lakeside, I am not prepared to make an entire speech based on what I don't know, but I will try and find out and maybe then I will be glad to exchange facts with the honourable member rather than fiction as he is inclined to do.

MR. CHAIRMAN: The Honourable Minister of Consumer Affairs.

MR. TOUPIN: Mr. Chairman, the Honourable Member for Lakeside has forced me to quote from Public Accounts. This is Public Accounts of 1967-68, Mr. Chairman, and I have got the details of the exact amounts that were paid to the respective advertising companies and it comes to \$1,562,593. That is for 1967-68.

In 1976-77 we had in the budget \$1.9 million and we spent \$1,780,000.00 Now in 1968 dollars that means —(Interjection)— The Honourable Member for Swan River should listen if he wants to learn. In 1968 dollars, that is a fourteen percent increase in 1968 dollars, but if you take it in 1976, never mind 1977 dollars, and the increase in costs of advertising of 70 percent in that given period of time, the amount spent in 1976-77 is much less than spent in 1967-68 by a great deal. So there has been a reduction.

Now to specifically answer the question of the Honourable Member for Lakeside, the amount spent for the cost-of-living property and the cost-of-living tax rebate plan for the year is \$42,000.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: I am not going to dispute the point. I accept the fact that as compared to 1960 or 1962, 1968, that certainly today in 1977 the government, whether it is its agencies as represented by the Liquor Control Commission, Autopac, the Legal Aid programs, or the rebate program, we are obviously spending considerably less money on advertising these programs to the people of

Manitoba. If the Minister says that, then I certainly won't argue with him. If my constituents have the feeling that a great deal of tax dollars are being spent in promoting government programs that they have normally not been accustomed to seeing on their TV screens' then who should I be to quarrel with the Member for St. Johns or in fact the Minister? Yes, undoubtedly we are spending a great deal less on the public dissemination of information and advertising in 1977 than we did in 1960.

MR. CHAIRMAN: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON: Mr. Chairman, the Minister mentioned a figure of \$42,000 and maybe he can possibly just clear up something. I am holding the Public Accounts for 1976. In 1976 the Manitoba Tax Credit Office under Other Expenditures was \$165,000, in 1977 the amount was \$181,200 and this year we show it as \$182,000, but in the Public Accounts of 1976 the Manitoba Tax Credit Office Administration, under Other Expenditures says Advertising and Exhibits, \$60,199.00. It is \$42,000 this year?

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Well, again, Mr. Chairman, the Honourable Member for Sturgeon Creek doesn't have to take what I am being told as fact here, that in 1976-77 for the fiscal year ended March 31st, 1977, the amount spent on advertising the property and cost-of-living tax rebate plan was \$42,000.00. We can double-check that. We can ask the Public Accounts people when we sit in Public Accounts on Thursday or we can wait and get it by way of a question in the House, but that is the amount that is given to me. And I guess I don't have to repeat the media plan that I made in regard to the Member for Lakeside. The amounts that I cited were the amounts that are here as supplied to us by the Public Accounts themselves pertaining to the years going back to 1965-66 and right up to 1976-77.

I guess, Mr. Chairman, even though the amount is higher and we talk about the increased cost in advertising, the only reason that I am saying that that cost may be more — well, it did cost fourteen percent more over 1968 — but because of the increased cost in advertising and because of the additional government programs, naturally there is going to be an increase in advertising that you will see on the different media today' but the overall cost as compared in 1968 over 1976 dollars would be much less because of the increased cost.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Oh, Mr. Chairman, this is unbelievable. I just can't sit quiet because basically we have got a percentage juggler over there. I did the same thing with the Minister of Health. Okay, what he says is media costs have gone up 70 percent but they have only gone up fourteen percent so that means we have saved you 56 percent. Come on, now, Mr. Minister, that doesn't make sense. No, it doesn't. I mean what he is saying is media costs have gone up 70 percent; they have only gone up fourteen percent and he says, so it is much less. Why, you just take a pencil . . .

A MEMBER: One more and you can call it nine, that's 57 percent.

MR. WILSON: Pardon me? Well, that's right. But one of the things that is so glaring in the Minister's annual comments that he has got here is that he talks about every campaign, every advertisement in excess of \$1,000 prepared by a department or its agency must be approved by the Advisory Committee on Advertising. That is very enlightening because it means that when Mr. Syms is taking all the flack for his ridiculous advertising on TV, it is really that government over there that should be taking the flack because every one of their advertising programs according to your report, Mr. Minister, goes through this advisory committee on advertising. Well, it is in the Minister's own words. He said there is a director, a print-buyer and extra staff people who go out . . . And I would like to know from the Minister: Does this include all the Crown corporation ads and all the Liquor Commission ads and all the ads for the department as this report says it does, anything over \$1,000? Also does this include — I don't see anywhere where it would include the rent, postage, office furniture, supplies, staff luncheons and what have you. Where is that hidden? Is that hidden somewhere as part of this \$10,000.00?

I would suggest to my colleagues that they just have to look at Page 137. I could only find a two-year-old Public Accounts but \$908,000 goes to Legal Aid Services so chances are they do their own advertising because they are autonomous. And the government members opposite have a great deal of autonomous gifts they give out and they are at sort of an arm's length so they don't count in this particular expenditure.

Last year I asked for an Order for Return. They should ask for one every year because it is extremely enlightening and I, as I say, should have been faulted for not trying to seek an explanation to some of the particular expenditures. I will just read a few of them into the record. They may be very, very concerned periodicals or publications but I have never heard of them. What is the . . . Magazine for \$450 and what is the Canadian Press Club for \$8,000? Why does the government belong to the Canadian Press? Is this fee that every government pays or are we unique? And I wondered why so many of the out-of-town newspapers seem to get a tremendous amount of advertising. I can imagine — (Interjection) — Well, the Montreal Standard Publishing Company gets \$45,151.07. That seems to be a Montreal market. Reader's Digest, I imagine the \$38,000 there is something to do with tourism,

but I don't know. As I say, there are some very interesting things. In fairness to everybody I didn't want to read some of the names out but you can ask for an Order for Return. And if we are to have two dailies to be treated the same, they are given an equal space in here, why is there such a discrepancy in the amount of advertising money placed in the two? Now remember this is a couple of years old, this information, but the Free Press gets \$187,406 and the Tribune gets \$116,031. I don't know what it is this year, depending on whether the Minister of Mines had anything to say with the reduction — (Interjections)—

MR. CHAIRMAN: Order please. We can have the Choir Hour some other time, please.

MR. WILSON: I will just finish up again asking the Minister if he still wants to repeat his suggestion that there have been fantastic savings in light of the 70 percent increase in media costs compared to his 14 fourteen percent rise. Is he suggesting that there is a 56 percent saving from this particular advertising audit office, their function under what we have in front of us; and is it true that the Advisory Committee on Advertising which this report says monitors all government advertising so next time I turn on the television set and next time I get letters from constituents complaining about certain types of advertising and the next time the newspapers take Mr. Syms to task, then I will know it is really the members opposite who are responsible.

MR. CHAIRMAN: Resolution 37(d)(1)—pass. (d)(2)— Other Expenditures—pass. (d)(3)—pass? The Honourable Member for Wolseley.

MR. WILSON: I just wanted to refresh the Member for St. Johns. It was I believe on Page 1456 of last year where he demanded a reduction. It says, "Reduce the flow of advertising. There is too much money being spent on advertising." I wanted to read that into the record so that it shows that we just want to make sure that the government does look at this very expensive thrust that they have.

MR. CHAIRMAN: Resolution 37(d)(3)—pass? —(Interjections)— Order please. The Honourable Member for St. Johns.

MR. CHERNIACK: The honourable member did get me to rise to my feet and I am ashamed of myself for having risen to debate, but I am assuming that he is not talking about my contribution relating to government advertising. I assume that he is talking about other forms of advertising. I would like to know whether or not I am correct or whether he is attempting to mislead this Committee.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: Well, again, as I understood it, and again it is my own personal opinion, I felt that the Member for St. Johns was indicating an item of thrift for his government to cut back the flow of advertising. Now if he was just talking about TV generally, then maybe he could stand up and say that I was incorrect, but I understood him to say that he shared my view that there was too much money being spent on advertising by his government.

MR. CHERNIACK: Mr. Chairman, I am wondering if I could have a page borrow that copy of that Hansard from the Honourable Member for Wolseley and whether the Honourable Member for Wolseley would be prepared to give it up at this moment so I can check to see just what it is he is referring to.

Well, Mr. Chairman, I will have to check that but I want the impression that I have clearly left on the record, that he is quoting me as discussing publications by this government. That is the impression he has left with me. And if he would repeat that page number, I will go immediately and check it up in Hansard.

MR. WILSON: Mr. Chairman, the impression the member left with me was that as I read it, and it's my own personal opinion and my own interpretation was that, he shared my views that there was too much government advertising.

MR. CHERNIACK: Page number please.

MR. WILSON: 1456, as I have it.

MR. CHAIRMAN: 37(d)(4) — pass. —(Interjection)— Order please. I see we have enough levity, let's just try and proceed with the business of the House. —(Interjections)— Order please. Resolution 37, Resolved that there be granted to Her Majesty a sum not exceeding \$208,400 for Consumer, Corporate and Internal Services — pass.

Resolution 38 — Public Utilities Board. (a) — Salaries Salary — \$169,300 — pass. The Honourable Member for Wolseley.

MR. WILSON: I wonder if the Minister could give us a rundown. I realize it has been a very busy year and they've had a lot of meetings. But has there been any one accomplishment from this Public Utilities Board that the member would care to enlighten this House about?

MR. TOUPIN: Mr. Chairman, we're talking of an increase of 0.26 staff man year increase. There is a \$24,400 increase due to annual increment and general salary increase of \$9,100; ; increase payment for board members, the increase staff 0.26 per thousand and one board member added during 1976.

Other Expenditures, an increase of \$10,400 due to general cost increases and heavier workload. The Public Utilities is an agency operating under the authority of the Legislature itself. The Board administers several Acts pertaining to the regulation of public utilities, both private, municipal and Crown corporations, in all matters and such matters as set out in legislation. Several Acts

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administered by the Board are The Gas Distribution Act, The Gas Storage and Allocation Act, and The Pre-arranged Funeral Services Act. The Board administers the portion of The Municipal Act pertaining to water and sewer rates, utility revenue deficit, utility reserve funds, street lighting application, and a portion of The Manitoba Telephones Act. The Board serves as an appellant tribunal with regard to decisions of the Highway Traffic Board. All wholesale prices negotiated by the brewery companies and the Liquor Control Commission are brought before the Public Utilities Board for approval. The Board also regulates fares for bus lines operating within the boundaries of the province. There are also provisions of Manitoba Hydro Act for optional referral of matters under review to the Public Utilities Board for adjudication.

Mr. Chairman, the Board had 80 board meetings and public hearings were held by the Board in 1976: regular Board meetings - 46; public hearings - 33; special Board meetings — 1 for a total of 80. Orders issued in 1976: Public utilities - 196; Highway Protection Act - 9 for a total of 205. Licenses and fee schedules: Pre-arranged Funeral Services Act - 23 licence issued to funeral directors and 29 schedules of pre-arranged funeral services and were approved. Revenues - Many of the costs incurred by the Board in carrying out its operation were substantially recoverable from the utilities and agencies under its jurisdiction. Revenue collected by the Board during 1976 was as follows: Public utilities - Pre-arranged Funeral Services Act - Highway Protection Act \$250 for a total of \$247,739.06. During the year, the Board issued a total of 205 orders relating to public utilities, municipal street lighting contracts Manitoba Hydro 55; water and sewer utilities - 103; gas utilities 12; revisions to the Manitoba Telephone System - general tariff - 24; Manitoba Telephone Act general rate increase - 1; Liquor Control Act - 1; Appeals under the Highway Protection Act - 9, for a total of 205.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, like to just take a minute to take this opportunity to suggest once to the government and to this that the Public Utilities Board which sits as an objective body in regulating and in reviewing increases in so many of the fees and costs that the public is faced with, whether it's gas or whether it's Manitoba Telephone rates, or whether it's other commodities, the position that my former leader, Mr. Spivak, the Member for River Heights, has made on several occasions in this House, that is that really Manitoba Hydro which has become a pretty burning issue with many people in this province, that it too, should submit its rate increases to the Public Utilities Board for review and for consideration. That's the position that my former leader placed before this government on numerous occasions in this Chamber. suggest that the events as of late have reinforced that position, and I would like to hear from the Minister some rational explanation why the government is not prepared to have Manitoba Hydro rates placed under the same by the Public Utilities that MTS has, telephone rates has, that the gas company has, or some of these other functions of the Board. I really fail to understand the reluctance the part of the government and on the part of this Minister so charge the Public Utilities Board with that responsibility. Chairman, Manitoba Hydro for reasons that I don't choose to go into at this particular time, I don't choose to bring all the politics of Manitoba Hydro into the question at this time the Public Utilities Board has a function, a particular function of reviewing rates charged to the citizens of Manitoba for certain services. And who can deny that Hydro is a very basic and a very fundamental one. Well I would think quite frankly that this government would welcome at this time the kind of objective view that the Public Utilities Board could bring to the decision and to the discussion of rates, and in fact, bring them under their purview. am only rising at this time to support the position put forward by the Member for River Heights on several occasions, several years ago when he was my and if he were in the House right now, he would bring it to your attention right now, Mr. Minister, namely that Manitoba Hydro rates should come under the purview of the Public Utilities Board. And I'd invite the Honourable Minister to give me some rational reason why Manitoba Hydro is excluded from the review provisions of the Public Utilities Board. Manitoba Telephone does it, the Greater Winnipeg Gas Company does it, every other utility does it, except Manitoba Hydro which probably affects more Manitobans than anybody else. I would ask the Minister to give me some understanding why Manitoba Hydro is exempt from the examination of the Public Utilities Board.

MR. TOUPIN: Well Mr. Chairman, I am not in a position to discuss the possibility of changing or not changing a policy of government or change of a statute. The statute as we have it, in regards to Manitoba Hydro, has been in existence for, I am told, many years. It goes back way before we were in government. I know that the statute of the Manitoba Telephone System has one provision, the Manitoba Hydro has another. Manitoba Hydro has a provision of appeal. As an example, if there is a complaint lodged with the public utility pertaining to a rate that the public utility is authorized on the legislation to review the appeal. But it's not authorized under legislation to set rates as it is for telephones. What would have to be done in that case would be to amend the statute and obviously, I am not even going to contemplate discussing the reasons why such a policy is still in existence no more than, I guess, the honourable member would have discussed that when he was in government, the reasons why one policy or one set of statutes is good for one and not the other. That's how it

stands and when the statute is changed, then we can discuss it.

MR. ENNS: Mr. Chairman, one of the reasons why the question didn't rise when I was in government was that Hydro rates didn't rise as dramatically as they are rising now while he is in government. And secondly, for the Minister to tell me that he is not in a position to change policy, then I really would have to ask the Minister what is he doing there. Mr. Minister, you are making policy in this province. It was only the other day that you were lecturing the House about how you felt that unless boards, commissions, and I assume included in that was commissions and boards like the Public Utilities Committee, did not respond to requests by the duly elected members of the government that you had . . .

A MEMBER: Summarily dismissed.

MR. ENNS: Well I won't say that, Mr. Chairman, but the Minister left a distinct impression that he certainly was prepared to accept his responsibility as a responsible person elected by the people, speaking for the people, acting for the people, to do those things and to make those policy changes for which he's getting paid. Mr. Chairman, I can't really accept the Minister's statement that simply because I didn't do something when and where, that that's good enough. I've given him my reason, in the course of my period in office Hydro rates probably didn't increase by more than four or five percent over an eight or nine-year period. The fact of the matter is Hydro rates are increasing by 20 percent every year, as are gas rates, as are other rates increasing. But all the more reason for the operation of having those rates exposed to public scrutiny by a board other than the immediate utility board, to help explain, to help rationalize, to help justify them. I would ask the Honourable Minister to use his influence in the councils of government, to bring Hydro rates under the purview of the Board.

MR. TOUPIN: Well again, Mr. Chairman, that's something that can be done by a recommendation, I am sure that like my colleagues we're willing to listen to recommendations of the honourable member, but what I did say is that I am not in a position this evening to contemplate an amendment to the statute. I am or will be tomorrow when the Manitoba Telephone System Act is brought in for second reading. That's something we can discuss then, but I'm not in a position to discuss here this evening. I don't think that would fair to my colleagues. Yes, by all means, Manitoba Hydro rates are going up the same as they are elsewhere in Canada because of increased costs, increased facilities that are being installed here and elsewhere in Canada. I think no one would say or attempt to say that the Hydro rates in Manitoba are that much higher than elsewhere in Canada. If we compare, we'll find that they're lower than a lot of provinces in Canada. So that's really all that I wanted to leave on the record, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Chairman. The question of the role of the Public Utilities Board, I think as each year goes by becomes somewhat more critical, and I believe, particularly in this year, the activity of the Board is subject to a lot of public questioning simply because it's placed in the role of really being the only agency that can control the prices over those areas where it should have a direct monopoly in so many critical consumer areas, particularly those in energy. And reading over the Public Utilities Board hearings, I'm struck increasingly that particularly in the area of natural gas supply, that there is a number of unanswered questions. I think what really should be the responsibility in examining this year's Estimates would be to raise some questions about the adequacy of the Public Utilities Board as it's presently constructed, both in terms of its statutory areas of competence as well as its procedures it follows to ensure that the consumer in these areas does have full and most adequate protection that is available. Because there is no marketplace mechanism and public utilities are, by law, excluded from the AIB controls, and therefore I think require a much higher degree of accountability than, perhaps they've been given in the last decade. And the Member for Lakeside is right. The reason why we're so much more concerned this time is because it's so much more important with the rates going up.

So taking that into account, Mr. Chairman, I think there is a number of key questions that the Minister should be prepared to answer. First that would seem to come to mind is in the question of the supply of natural gas. And we've gone through a period in the last two years where in fact decisions there was taken by the natural gas companies to prohibit any future hook-ups for residential, commercial, and sometimes industrial purposes, and that these had very major consequences in the house-building industry certainly would have a large impact upon the industrial-commercial growth potential of the City of Winnipeg. It seems to me, Mr. Chairman, that we're really subject to a lot of vagaries here, and I'm wondering to what degree can the Public Utilities Board be constructed to provide a more definite long-range kind of responsibility to enable the gas utilities to secure not only immediate supplies of natural gas, but also to not go through this kind of short-term will-we or won't-we type arrangements in the supply of gas. I note with some satisfaction the gas company seems to indicate that the present hook-ups would be sufficient for the near term, as they describe it. But it still really means that the ability to analyze what gas supplies are required is something that I think should be presented to the Board. And the one thing that did concern me, Mr. Chairman, is that in the hearings before the Public Utilities Board as I went through the reports that were given to us, no one

seems to be able to predict or project with any kind of accuracy what the demand might be. What kind of gas supplies are going to be required? And, what sort of control or regulation are we going to set upon its uses? It simply, again, seems to be the old game that we're in a panic when we don't have it. As soon as there is a short term supply everyone figures the problem is over and we go back to our old ways again. That certainly seems to be the case in our regulation of natural gas.

For members who were in the House at the Private Members' Hour, you'll know that we had a little bit of a set-to with the Minister of Public Works concerning the lack of energy policy in the province. I think this, again, is an indication of the ability of the Public Utilities Board to provide certain standards against which the gas utility companies has to measure their own performance in the supply of gas and to set certain categories of users as to who gets priorities, what sort of growth we're expecting, what supplies will be delivered and basically setting certain standards. There is no such policy in this province from what I can determine. Again, they were simply reacting to events.

So in a very critical area in the supply of natural gas there again doesn't seem to be much in the way of considered judgment, or information given upon which the Public Utilities Board makes its decisions in reference to the operation of the gas companies.

I note with some approval I think, Mr. Chairman, that the Public Utilities Board in its report on Page 30 indicates that it might be a wise idea to hold public hearings into this issue and I certainly endorse that position. I'm just wondering when it's going to happen? It would seem to me that before such a public hearing was held, that we find out what we are talking about first. And what are we talking about in terms of the natural gas needs of this province? And where do we assume that they're going to be allocated? Who will use them? Which communities will require them and then what will that require in the way of capital expenditures and the securing of supplies?

That goes on to a second point that also appears in the Public Utility Board hearing and that is that there seems to be, Mr. Chairman, a major confusion in the basis upon which rates are set by the Public Utility Board. According to the Public Utility Board itself, there are six different criteria or formulas that could be used to determine the rate of return for the gas companies and they seem to in good time-honoured styles just chosen that which fits the mean; the average of all six. Again, that strikes me as being a somewhat inadequate basis. When pricing policy has such a great deal to do with both consumption of natural gas as well as the investment question.

The rate of return is obviously one of the key factors or variables in determining both those factors which are absolutely essential to any energy policy in the province. There doesn't seem to be anything much in the way of an informed judgment as to which criteria is most applicable in terms of the rate of return on equity. Again, it would strike me, Mr. Chairman, I don't know if it is the responsibility of the Public Utilities Board to its own staff to provide that kind of research and investigation upon which those formulas could be firmly established and therefore the companies would know what they are operating with, or whether it is the responsibility of the government in its nonexistent Department of Energy to establish those returns. Again, we are at an impasse because we don't know who is responsible for setting those kinds of judgments or putting forward those kind of criteria.

So on this question of the rate of return, which now I believe is set at about 10.08 percent on equity — I believe that's the figure that's now being used — 10.82 percent. The question I would raise, Mr. Chairman, with the Minister is to what degree has that been accepted as the effective rate of return to enable both companies to maintain their capital investment portfolios?

Now, a third question which doesn't appear to have been considered at these hearings as they are reported is the relationship that this Board has with some of its sister agencies in other provinces and with the National Energy Board. One of the areas of mass confusion that we've gotten into really is the jurisdictional question of who is the what areas? And, I think, Mr. judge, upon Chairman, I'll have more to say about that when we come to consider the Manitoba Telephone System, but in this issue where we are so dependent upon the setting of supplies by the Conservation Board in Alberta and by the operations of the National Energy Board, it would seem to me that we should be asking the Federal Government and our sister provinces to come up with a clarification exactly as to the areas of responsibility that each of these regulatory agencies require.

A fourth question that I would have then in relation to the operation of the Public Utilities Board is really the lack of any strong consumer representation to appear before these boards. The Utilities Board knows, I suppose with some regret, that when these hearings were held concerning increases in gas rates, that no representations were heard and no representations were received, particularly from consumer interests. It's no mystery why not, Mr. Chairman, because this is a complicated business. It's one that requires a high degree of sophistication and skills and it would seem to me beyond the ability of most volunteer private consumer organizations to be able to mount the kind of investigation and representation, both in terms of legal and economic counsel that would enable them to present an effective case.

I'm wondering, Mr. Chairman, if we shouldn't in these very critical cases where we are dealing with matters such as this, we shouldn't adopt something of the pattern that has now been established by

the federal government in appearances before the National Energy Board, where they in fact are prepared to help support the preparation of cases by public interest groups, so that there is at least, two sides to the argument. I wouldn't advocate that in all cases, but certainly it would appear to me that in this question of the setting of gas rates and the pricing of natural gas which affects almost every consumer in this province that the lack of consumer representation and argument, due primarily to the inability I would believe of most consumer groups to be able to have the resources to do it, is a serious handicap in ensuring that the rates are set according to some basic equity in a fair hearing. That also means that the hearings themselves should be held open, but it would seem to me that this is something that as a Consumer Affairs Minister, charged with defending that particular set of interests, that the ability of the consumer point of view to be heard before these boards is presently a serious absence right now and one I would suggest has a bearing upon the actual decisions that are being taken.

So in that respect there are a series of questions relating to the operation of the Public Utilities Board dealing with the issues of natural gas and I would hope that the Minister would be able to provide some answers to these issues so that we would be able to ensure that the Board itself is up to par with the kinds of demands of the present period that we live in where it is really our first line of defence in trying to both maintain adequate costs and at the same time making sure that we have adequate supplies.

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

MR. CHERNIACK: I believe the rules say that one has to raise a point of privilege on the first opportunity, and I would like to raise a point of privilege.

MR. CHAIRMAN: On a point of privilege. Proceed.

MR. CHERNIACK: Mr. Chairman, the Member for Wolseley quoted me a short while ago saying that he was glad that I agreed with him in being opposed or criticizing the advertising spent by government. I believe that clearly summarizes what he stated. He also stated that it was last year on page 1456 of Hansard. It took me a little time to discover that he was referring to Page 1456 of 1975 Hansard and was actually quoting a speech he gave last year referring to 1456, so he quoted himself from last year, where he then stated that he was pleased that I had agreed with him. Mr. Chairman, I've taken the trouble to find page 1456 of 1975 Hansard. I have found that it did deal with Consumer Affairs. It was not dealing with advertising, it was dealing with Consumer Protection section, and just to indicate to you, Mr. Chairman, the danger that happens to a person who falls into the mouth of the Member for Wolseley, the danger in which he may distort to his pleasure and to his use that which was said, I would point out to you that I was speaking then on the need for Consumer Protection involved with a debate with the then Leader of the Opposition and was referring then to the great drive for advertising that's taking place in the consumer field.

I want to quote two sentences, Mr. Chairman, from that page. "I do not see any justification in the expenditure of money to convince somebody to have a pink bathtub,"—may I interrupt now and say there is no reference to toothbrushes on this page—"pink bathtub rather than a blue bathtub rather than a white bathtub, but if you look at the advertising, you look at the magazines one reads, one can see all the money that's being spent on persuading people to spend money on what I think are absolutely unnecessary expenditures in time of inflation." Another sentence, Mr. Chairman, "I don't know if the Leader of the Opposition would agree that there is too much money being spent on advertising. I don't know whether he would think there is a waste involved in the use by which advertising is attempting both to consume the available dollars itself and furthermore to divert people and encourage them to spend money on what many many would agree are useless means."

Mr. Chairman, I showed this page to the Member for Wolseley a few minutes ago. I challenged him to find any part of that speech that I made which criticized the amount of advertising by government and he did not find it. He will have the opportunity to speak after I sit, I presume. Mr. Chairman, the point I'm making is that if he interprets what I said and makes an analogy with something else, that's his privilege. But to suggest to this Committee that I agreed with a statement of his, is an absolute distortion to his benefit and one which, I think, one has to be careful to watch lest it happen again and again as voiced by an irresponsible person.

MR. WILSON: Would the Member permit a question. Does the Minister agree with my comment that the government spends too much money on advertising?

MR. CHERNIACK: Mr. Chairman, the honourable member is speaking to me when I have risen on a point of privilege. I don't dare permit him to be able to say at any time that I agree with anything he said because the fact is I don't trust him to be able to report accurately or even by inference a statement I have made.

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Mr. Chairman, the Honourable Member for Fort Rouge raised several points in regard to the responsibilities of the Public Utilities. In regard to the Public Utilities Board preparing, say, hearings for the gas rate setting, the Public Utilities Board intends to hold a hearing in regard to the problems of supply, both past, present and future. The date has not been set but hopefully this

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will be done this summer. The timing of the hearing is not yet certain, but we're thinking of May or June but that may have to be revised.

The Board alone sets rate of return presently at 10.2 percent to the Greater Winnipeg Gas Company. A very extensive study is made before the Board concludes and makes its decisions. All hearings are public. Notice is advertised in all major newspapers and a number of times before each hearing but I understand the problem of a lot of consumers in understanding what the Board itself is discussing and the reasons why a certain decision is arrived at.

If I can read the question of the honourable member or the comments in saying that possibly the Board or the Department of Consumer Affairs would have the responsibility in attempting to inform consumers in understanding more fully what is being discussed and the reasons for it. It may be somewhat difficult for the Board in the process of rate-setting to have a session of information to consumers attending. But unless that is done, in most cases the average consumer would not fully appreciate the discussions taking place, say, between the company and the Public Utilities Board. But I can certainly see a useful purpose arrived at by having more consumers involved in attempting to understand the reasons for the rate-setting itself.

In the case of cost of gas increases, the Board makes certain that only the cost increase is allowed without any change of rate of return. I'm reading here "not one cent more than the allotted amount." The Public Utilities Board protects the consumer interest by hiring the most competent advisers to look into all aspects of cost, rate-base prudently acquired, used and useful, and the rate of return.

I don't feel, Mr. Chairman, that I should comment on the intervention of the Member for St. Johns. He dealt with the matter that I considered to be a personal privilege.

I hope I have dealt with most questions asked of me by the Member for Fort Rouge.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY. Thank you, Mr. Chairman. I thank the Minister for that information. There is some confusion, I think, in the case I was trying to make. What I was advocating in part was this, that it's not simply a matter of a consumer having general information as to how the rates are set or why the charges are as they are. I think that's important in itself because I think many consumers, certainly, as I have spoken to them, don't understand why they are paying 20 percent more. They figure someone is getting ripped off somewhere and it's usually them and they figure that someone is, you know, poking away a big chunk of dough, which for all I know may be the case.

But, the nature of the regulatory process that we have established by having a hearing is based upon the adversary system, meaning that different arguments are made. What I am suggesting is that what is missing from that present procedure is any effective spokesman on behalf of the consumer, because there is no one there that is able to mount the kind of resources, is required to do the economic and legal investigation into a very complicated field of rate setting in natural gas. It's probably one of the most highly specialized fields and it takes a good deal of sophistication to come to grips with it. —(Interjection)— Well, the telephones are entirely a different case; some of us know more about that.

The issue that I'm trying to suggest is that there have been efforts made, and I think in particular the Federal Government now is prepared, in hearings before the National Energy Board, to support the investigations of certain public interest groups who are able therefore to speak on behalf of the consumer. Now, I guess if you want to use the analogy, we need kind of a degree of Ralph Naderism before these boards. Now, in the case of the United States, Nader gets his money through private donations and by winning lawsuits against big corporations and through foundations, I suppose. We do not have any form of similar source of funds at this stage, therefore it is my understanding that in certainly regulatory instances, the Federal Government has provided certain public interest groups, the Consumers Association of Canada, let's say for sake of argument, the necessary support to enable it to do a comparable amount of research to that that the gas company might do or an industrial representative, to ensure that their point of view is based upon an equal amount of good information. So that at least both sides of the case can be heard.

I am simply wondering if it is possible, perhaps in combination with some of the other provinces, to work out a system so that that kind of consumer advocacy, Naderism if you like, might be available at certain critical hearings before the Public Utilities Board when gas operations come before it for hearings. And I'm not suggesting that there is any hanky-panky going on with the gas company, I'm simply saying if we have a regulatory process dependent upon that kind of adversary system, that it's not really working on any kind of equitable basis right now because it's chickens and elephants appearing before it.

I suggest that one of the reasons why you are not getting that kind of representation before the board, as it itself states with some regret, is for that very reason, that no one is prepared to go up against the high-priced help that can be mounted by industrial groups.

A MEMBER: You need a consumer advocate.

MR. AXWORTHY. We are talking about a form of consumer advocacy under certain circumstances and I wouldn't want to suggest exactly the nature in which it would take place

although I do know the Federal Government is prepared to do that under certain circumstances at this stage.

In connection with that, I'm pleased to hear that there will be this public examination of the whole issue of gas supply. It would seem to me that that even brings about an even more important responsibility to ensure that there are several sides of the case to be heard. One I think could be accomplished and I would like to ask the Minister this specifically, does he expect when this public hearing is heard this summer, if that's the time it is going to be held, that the government itself would be presenting its own case, its own investigation as to what the gas supply needs are, what they think the basis of distribution should be, what rates should be, what the projected needs are going to be. In other words, all those questions that arise into the question of the supply of natural gas for the variety of consumer needs.

Is government itself preparing that kind of position paper, similar, I expect — I see the Minister of Education — that they presented in respect to cablevision about three years ago, or in respect to communications which I think at that time was a good paper. Too bad that they haven't lived up to it. But at least it was an initial paper, that we were able to set the position for it. So I would really ask that if a hearing is being planned as early as this summer, then I would assume that the government itself is doing that kind of basic research.

Secondly, if in fact they are informing the variety of organizations, the gas companies, the consumer interests and so on, who would also be equally interested, perhaps even some of those university research groups that get involved in energy, to make sure that they are able to do the proper kind of preparation for that hearing? The housing industry would be one prime example of a group that in the past has been extremely sensitive to the changes in gas supply and distribution and certainly I think that they should be informed. The HUDAM Group in Manitoba should be informed about the possibility of this hearing so that they can get their own act together and make sure that they come forward with their representation.

It seemed to me, Mr. Chairman, that if that's being held then there would have to be a fair amount of preparation done for it and I would really like to know if this kind of work is presently going on?

MR. CHAIRMAN: The Honourable Minister.

MR. TOUPIN: Well again, Mr. Chairman, I can only take as notice the recommendation of the Honourable Member for Fort Rouge in regard to having the government sponsor to some degree financially groups of consumers wanting to get themselves involved in participating more actively in regard to what happens under the responsibility of Public Utilities, whether it be gas rate revisions, telephone, or hydro or whatever comes before the Public Utilities. That is not now the case. It hasn't been the case in the past. Certainly we can look at it. The only thing, I am informed here, is that members of the board and staff of the public utilities are available to groups to go there either to listen or to participate in helping them understand more of what is happening before the particular hearing in question. That is now being done.

In regard to the upcoming study, yes, the Manitoba Energy Council is being invited as well as the Trans-Canada Pipeline and representatives of the Alberta Government and the producers of the Province of Alberta also are being invited to participate. We can always think about more consumer involvement at that meeting too, but again it is a question of finding funds to do that. I don't happen to believe that that is the responsibility of the Public Utilities Board. I believe we would have to find other sources for that.

MR. AXWORTHY: Well, Mr. Chairman, I won't belabour the problem any further because I think we have some outline of what direction I would suggest we go in and I only ask one further question. I think that in respect to this hearing that is going to be held on gas supply, that certainly the construction housing industry would be a very critical organization or group of associations to be involved in this hearing and should be so informed. But I am also intrigued equally with the invitation that the Minister says has been extended to the Province of Alberta and I assume the Energy Conservation Board. It would strike me if there is any request to be made to demonstrate perhaps interprovincial co-operation has been so much a part of our prairie existence that all that money that Alberta is presently acquiring from the sale of gas and oil to other provinces, we might sit down and begin negotiating with them to determine if they are prepared to begin supplying some of the wherewithal to support these kinds of examinations that are so critical to our own being.

And I guess I would only express the regret, as I did before, that it seems to me that one of the failures that we are presently experiencing on this whole question of rate-setting on gas and discussions of supply of energy resources is really the lack of any concerted action on the part of the respective provinces, even in our own region, to make sure that we are working in some kind of co-operation together. And it would seem to me we have let Alberta off very lightly in terms of its own responsibilities in these areas and I am pleased to note that they will be invited to appear before this hearing.

It would seem to me that perhaps other national bodies should also be invited as well, including the Federal Government, in terms of setting forward its position, particularly in relation to the

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transportation and export policies to the United States and also to eastern Canada where natural gas is used perhaps for a number of extraneous uses that aren't otherwise required. So it would seem to me we might turn this hearing into a much fuller discussion of the issue than presently might be presently there.

MR. CHAIRMAN: Resolution 38(a)—pass. 38(b) Other Expenditures—pass. Resolution 38: Resolved that there be granted to Her Majesty a sum not exceeding \$331,600 for Consumer, Corporate and Internal Services—pass.

Resolution 39, Rent Stabilization, (a) Salaries, \$491,900.00.

MR. SCHREYER: Mr. Chairman, I believe since this is a relatively important new item, that this would be an appropriate time to rise and report.

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. THOMAS BARROW: I beg to move, seconded by the Minister of Consumer Affairs, that the report of the Committee be received.

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