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STANDING COMMITTEE
ON
PUBLIC ACCOUNTS

29 Elizabeth II

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON PUBLIC ACCOUNTS
Tuesday, April 15, 1980

Time — 10:00 a.m.

MR. CHAIRMAN, Mr. D. JAMES WALDING (St. Vital): We have a quorum, gentleman, the Committee will come to order.

Before we begin, the Auditor has provided some answers to questions that were raised at previous meetings. I will have the Clerk distribute them to members.

Can we then turn to Volume 1 of the Public Accounts. We will take it page by page in our normal manner.

Page 1—pass; page 3—pass; page 5—pass; page 7—pass; page 9—pass; page 11—pass; page 12—pass — Mr. Miller.

MR. SAUL A. MILLER (Seven Oaks): On page 12, under Revenue, subsection (c), the second line, the accounts are kept open until June 30 to reflect any adjustment . . . Is that a new date? Is that different from the past dates?

MR. CHAIRMAN: Mr. Ziprick.

HON. DONALD W. CRAIK (Riel): Maybe we should have Mr. Curtis on this, because this is the — Mr. Chairman, maybe just by way of background, the Account Books are the accounts of the Department of Finance, whereas the Auditor's Book is the Audit Department, so I think if there are questions perhaps on technicalities with regard to these ones, that we should have Mr. Curtis get involved in that aspect of it.

MR. CHAIRMAN: Mr. Curtis.

MR. CHARLES E. CURTIS: Mr. Chairman, the June 30th date is the date we have used in the past.

MR. MILLER: You have?

MR. CURTIS: Yes.

MR. CHAIRMAN: Mr. Wilson.

MR. R.G. (Bob) WILSON (Wolseley): My question pertains to Adjustment of Miscellaneous and Intangible Assets. I wonder if that section can be explained to me. Does that mean that the total amount that we are writing off for Saunders Aircraft is 38,738,398 or is there other places where it will show up that will bring that amount to a higher amount? It just seems that one of my colleagues had indicated in his literature that the total loss of Saunders was somewhere around 40 million, and I wondered, does this mean that it is only 38 million. I am looking on page 12 under Intangible Assets, Conditional Grants, Note 5, it says, Saunders Aircraft Limited.

MR. CRAIK: Oh, we are not there yet, Mr. Wilson.

MR. WILSON: You are not on 12?

MR. CURTIS: We are on 1-12, sorry.

MR. WILSON: Oh, I see, okay. You are on the preface, I see, okay.

MR. CHAIRMAN: 12—pass; 13—pass; 14—pass; page 15—pass; page 16—pass; Section 1, the first page—pass; second page—pass; 1-3—pass; 1-4—pass; 1-5—pass; 1-6—pass; 1-7—pass; 1-8 — Mr. Miller.

MR. MILLER: Just to get an understanding of this. I notice this is as at April 1, 1978, this section. I haven't got last year's book. Is this the usual way that it's presented, as at April 1st of the beginning of the year rather than April 1st? This is the 1978-79 accounting, as at April 1st, 1978, not March 31st, 1979?

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: Mr. Chairman, the purpose of these two sets of statements is to restate the accounts in the basis that we are using now.

MR. MILLER: I see. It is a recap of the previous year in a new format Okay.

MR. CHAIRMAN: 1-8—pass; 1-9—pass; 1-10—pass; 1-11—pass; 1-12 — Mr. Wilson.

MR. WILSON: Under this Intangible Assets section, I just want sort of an explanation. Does this mean that you take all the book debts and outstanding loans and everything, and moneys owing by foreign countries, and moneys held by lawyers in trust accounts, and we lump them altogether and put them as an intangible asset? What I am saying is, what are we trying to show here under that Intangible Asset column?

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: Mr. Chairman, again this is a recasting of the April 1st figure. It is described to some extent under Note 5. I'm sorry, page 1-14, the next page over. What we have tried to do is list all of the methods in which we have made adjustments or recast the figures that we are using in the recast April 1st, 1978 statements.

MR. WILSON: So what it means is any money received by the MDC from selling all these assets of Saunders, is turned over to the government and is sort of deducted from the advances that were given to that particular company?

MR. CURTIS: Yes, we are endeavouring to indicate the amounts that we anticipate to recover or in certain cases to have written off in the total, as at April 1, 1978.

Tuesday, 15 April, 1980

MR. WILSON: I would like to be able to answer the question some time, from some of my constituents. Is the total loss then, of Saunders Aircraft, as of April 1, 1978, 38,738,398.00?

MR. CURTIS: Yes. And there's an amount which we anticipate we will recover in the amount of 1,441,500.00.

MR. WILSON: That's to be taken off of that?

MR. CURTIS: That's the amount that we anticipate that we will recover.

MR. WILSON: All right. Thank you.

MR. CHAIRMAN: Any further questions on 1-12? 1-12—pass; 1-13—pass; 1-14—pass; 1-15—pass; 1-16—pass; 1-17—pass; 1-18 — Mr. Wilson.

MR. WILSON: Funds subject to call. I wondered if you could explain this 4 million, in particular, say, the wild fur program. And the 2.1 million '76 flood agreement. Is this funds that are being held in trust? Or what does this 4 million represent?

MR. CURTIS: I think, Mr. Chairman, the flood agreement related to an advance on the amounts that we would be claiming.

MR. WILSON: Advance from the federal government?

MR. CURTIS: From the federal government.

MR. WILSON: I see, thank you. And does the federal government participate in the wild fur program as well?

It's the next one down, cost-sharing.

MR. CURTIS: I believe it's a cost-shared program.

MR. WILSON: Yes. All right. Thank you.

MR. CHAIRMAN: 1-18—pass; 1-19—pass; 1-20—pass; 1-21—pass; 1-22—pass; 1-23—pass; 1-24—pass; 1-25—pass; 1-26—pass; 1-27—pass; 1-28 — Mr. Wilson.

MR. WILSON: I wondered, under Funds on deposit for investment, I guess maybe this is something I probably should ask internally, but I am wondering, if we have all this money on deposit, is there any type of study done to see that we invest this money at the maximum return to the taxpayers? What experts do we have on staff that search for the highest return and a safe basis, because these would sort of be funds with maybe a remote type of trust condition to them. I just wondered, what type of things do we invest this money in? I'm particularly interested in MPIC, who has 120 million to invest, and I wondered what type of investment would they put that money in?

MR. CURTIS: Mr. Chairman, it varies to a very large extent on the length of time that the moneys are provided to the province for investment. The requirements of the Act are that the Minister of Finance acts as agent and invests the moneys for

whatever terms, under whatever conditions he thinks are appropriate.

We do, in fact, provide each Crown corporation and agency with the short term or medium term rates at which the province would borrow money itself. And we do provide those current rates to the agencies, and provide them with the interest return at those rates.

MR. WILSON: Well that's encouraging because that's what I was leading up to. I wondered why the province, who is sort of keeper of these funds, wouldn't just simply use them for their own purposes, avoid borrowing money from chartered banks and pay these agencies of government an interest charge, which is in fact almost like paying themselves. So I am very pleased to hear that we do a lot of in-house financing.

MR. CHAIRMAN: 1-28—pass; 1-29—pass; 1-30—pass; 1-31—pass; 1-32—pass; Section 2, Page 1—pass; Page 2—pass; 2-3—pass; 2-4—pass; 2-5—pass; 2-6—pass; 2-7—pass; 2-8—pass; 2-9—pass; 2-10—pass; 2-11—pass; 2-12—pass; 2-13—pass; 2-14—pass; 2-15—pass; 2-16—pass; 2-17—pass; 2-18—pass; 2-19—pass; 2-20—pass; 2-21—pass; 2-22—pass; 2-23—pass; 2-24—pass; 2-25—pass; 2-26—pass; 2-27—pass; 2-28—pass; 2-29—pass; 2-30—pass; 2-31—pass; 2-32—pass; 2-33—pass; 2-34—pass; 2-35—pass; 2-36—pass; 2-37—pass; 2-38—pass; 2-39—pass; 2-40—pass; 2-41—pass; 2-42—pass; 2-43—pass; 2-44—pass; Section 3; page 1—pass; page 2—pass; 3-3—pass; 4—pass; page 5—pass; page 6—pass; page 7—pass; page 8—pass; page 9—pass; page 10—pass; page 11—pass; page 12—pass — Mr. Uskiw.

MR. SAM USKIW (Lac du Bonnet): Getting back to page 10; has any of this money been drawn for CCL, the maximum guarantee of 3.3 million. Has that been called in any way or . . .

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: No, Mr. Chairman.

MR. USKIW: No?

MR. CURTIS: No.

MR. USKIW: No. I see Okay.

MR. CHAIRMAN: 3-10—pass; 11—pass; page 12—pass; page 13—pass, page 14 — Mr. Wilson.

MR. WILSON: I wondered, to Mr. Curtis or the Minister, I notice the largest amount of our investments is in the province of Manitoba debentures and Manitoba Hydro. I wondered, is there any figures to indicate the type of enthusiasm that other provinces have for picking up our debentures? What I mean is that, would the province of Alberta be buying our bonds and debentures, because I notice that we are doing a diversification of Nova Scotia, Ontario, P.E.I., Quebec? In other words, we seem to be investing money in our provinces across the nation, which is a good thing if it is reciprocal; I just wondered if it isn't, we should

Tuesday, 15 April, 1980

possibly be looking to keeping our investments at home.

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: Mr. Chairman, as far as the Sinking Fund is concerned, it is a matter of giving a priority to our own bonds and to assisting the market in keeping our bonds active in the secondary market, picking up bonds where a holder needs the cash. We have in the past purchased bonds of other provinces, where they indicated a good yield for the Sinking Fund. It is a very small amount and we haven't for the last number of years, in fact, purchased bonds other than Manitoba bonds. There is some merit in holding other bonds, for example, Canada bonds, if you wanted to provide a good investment say for one of the Crown corporations or agencies or MPIC.

MR. WILSON: Well, that sort of explains it. Mainly, we are in the last few years concentrating on Manitoba and I am pleased to hear that. Thank you.

MR. CHAIRMAN: Page 14 of Section 3—pass; page 15—pass; page 16—pass; page 17—pass; page 18—pass. Page 1 of Section 4—pass; page 2—pass, page 3—pass; page 4—pass; page 5—pass; page 6—pass; page 7—pass; page 8—pass, page 9—pass; page 10—pass; page 11—pass; page 12—pass, page 13—pass. Section 4, page 14—pass, page 15—pass, page 16 — Mr. Wilson.

MR. WILSON: I guess this is mainly based on what the Auditor had indicated at our previous meetings, but this would seem to be one section of the Blue Books in which . . . I give some thought to the approach that our government is taking and I felt that there is certain sections within the Blue Book that might merit an examination based on a comparison. I feel that if, for instance, under this particular section, a summary of expenditures by departments, we noticed a massive increase in the travelling of a particular department we would be able to bring the department head or one of his assistants to this committee to explain why the increase in conferences and trips, because in the future, if I interpreted the Auditor correctly, there was going to be a comparison in years. In other words, this is for the year ending March 31st, 1979, we would have the year ending March 31st, 1978, and we would be able to compare. I just wanted to make those observations. When looking at a page such as this, which breaks it all down, which I think is

excellent, into departments, and I appreciate that the members on this Committee can then take this page and have one of their workers or themselves do the comparison. I, for one, would hope that this is the area in which comparisons can be very very clear to members of this committee when looking at future financial statements, and I welcome the breakdown.

MR. CHAIRMAN: Mr. Craik.

MR. CRAIK: Mr. Chairman, just to underline that, these four pages here, 16, 17, 18 and 19, is the first time that we have had these broken out in this kind of detail by object code, and there will be that

comparative capability from hereon in into the future so that you can compare fairly readily year by year what's happened under these different expenditure codes.

MR. CHAIRMAN: Page 16 of Section 4—pass; page 17—pass; page 18—pass; page 19—pass; page 20—pass; page 20A—pass; page 20B—pass; page 21—pass; page 22—pass; page 23—pass; page 24—pass; page 25—pass; page 26; page 27—pass; page 28—pass; page 29—pass. Page page 30—pass; page 31—pass; page 32—pass; page 3page 3—pass; page 34—pass; page 35—pass; page 36 — Mr. Wilson.

MR. WILSON: This is an observation, after having gone by a few pages, that I wondered if you could explain to me, Mr. Curtis, do we still have, over in the Norquay Building, a sort of system where, for instance if we were to take, under the Minister of Consumer and Corporate Affairs and Internal Services, if we were to take, for instance, Publications, would it be filed under Publications and then a particular member could look at this particular invoice as the total, in this case, say 1,216.06 by looking at a microfilm; the member of this committee, whoever, could then tell how that department arrived at 1,216.00? What I am saying is, I'm trying to envision in my mind the system that is used so that in the event, as a member of this committee I wish to research out a particular trend towards spending so that it could be explained to myself, I would be able to know where to go and how to go about it. In other words, I wondered if Mr. Curtis could explain the system that would allow me to find out how that total was arrived at.

MR. CURTIS: Mr. Chairman, the microfilming is completed for this year and it can be obtained by searching the particular appropriations. The only problem with obtaining all of the background detail is that we still would have to pull all the background invoices that would go behind the payment to the supplier. The voucher itself would show the supplier and the amount, but it wouldn't give the detailed background information that you might want to look at, which means you pull the vouchers, and that's time consuming. That's a fairly slow job.

MR. WILSON: Well, the point that I'm making is that the initial impact, for instance, if we were dealing with three suppliers, those bills — I could very well be talking about 300,000, but in this case I've picked out a small amount — three suppliers would total the 1,200, and what you're saying is that the actual vouchers to show what type of foolscap and so on and so forth, and what type of magazines were purchased, and whatever, would all be the type of thing that would cause our staff to do an awful lot of work to dig out this information. But a general overview by a member of this committee could be obtained by getting a general idea as to what companies we were dealing with, and basically the invoice numbers and amounts, and I guess if a person on this committee was fairly worldly, he could then derive his own observations as to what that might be for, knowing what the company is selling and so on and so forth.

Tuesday, 15 April, 1980

I was just trying to envision what type of work a member of this committee might cause civil servants and the government if he wanted to do some research. I can see where the initial part, the microfilming, is of no problem at all, but I can see where looking up vouchers would possibly present some problem.

MR. CHAIRMAN: (Pages 36 to 131 of Section 4 were read and passed) Page 132 — Mr. Wilson.

MR. WILSON: I guess the question I am raising here is under the sale of gravel and gravel properties. I thought that most of the gravel and gravel properties were on Crown lands, and I wondered, is this common for the government to be in the hole on sale of gravel property? In other words, is this something that the government could be looking at, like they did in the petroleum industry, where they started selling leases for land that has gravel and gravel properties on it — what I mean is that, could the Minister or Mr. Curtis explain, does the brackets around it mean that we are in the red in the sale of gravel and gravel properties?

It's right at the top of the Page, 132, it's the second item called Receipts: Sale of gravel and gravel properties. I just raise the question because I'm interested in . . . having come off of eight years under the socialist government, I would have thought that they would have been in the gravel business and we would have had a figure in the black.

MR. CURTIS: This is a small amount of reserve that is maintained in the highways for gravel for our own use.

MR. WILSON: I see.

MR. CURTIS: It's a relatively small amount of what we do purchase in total during the year.

MR. WILSON: So it is not the section that I would be looking at to see if the government was in the sale of gravel and gravel properties, as they say. Just humorously, I thought that the former government would have been in that business, and I wondered why we would be in the red.

MR. CHAIRMAN: Any further questions on 132 of Section 4? 132—pass; 133—pass; 134—pass; 135—pass; 136 — Mr. Wilson.

MR. WILSON: I notice under this section, this is one of the sections where last year I wanted to bring the former Minister of Tourism and Education, the Member for Burrows, forward pertaining to his expenses and the government was very kind to supply me with a breakout. I am wondering, in looking at these, I notice they are down quite a bit this year. Does somebody automatically receive a mileage allowance even though they live in Winnipeg? The Member for Churchill, I believe, lives in my Wolseley constituency, on Maryland Street, and I wondered why he would be receiving 4,100 for mileage allowance? Is this to cover his cost of his air fare, or does he fly for free on government aircraft?

What I am saying is, if a man represents a particular area, does he automatically get the mileage allowance regardless of where he lives?

MR. CRAIK: Mr. Chairman, that's under The Legislative Assembly Act, and it's a statutory amount that members get and it's based on the mileage distance to the constituency, as I recall. So that Churchill being the furthest one it would be calculated on that basis. You will notice that the Member for Fliin Flon gets a slightly lesser amount, about 3,000.00, the Member for Churchill gets 4,000, Brandon East gets 1,000, they're all relative to the distance from the Legislative Building. Those in the urban area don't qualify for any, which is evident here.

MR. WILSON: I really, as I say, will have to think about that, because I find it rather strange that somebody who is only a part-time resident of a particular constituency, and I realize it's not a prerequisite that a person live in his particular constituency, but to be able to . . . if we are all 57 parts of a pie and we are all to be treated equally, I take exception to the fact that the Member for Churchill is receiving 4,100 more than myself, for possibly performing the same duties. However, I believe he travels by government aircraft, gratis, I stand to be corrected, and so therefore, it raises some doubts in my mind as to whether this type of practice should be continued, unless in fact the fellow does indeed live in the constituency. I would hate to use the long-range thing, taking inflation in the thing, where we would have five or six city lawyers running in Churchill rather than in Wolseley, because they would get an extra 6,000 or 7,000 by representing a northern constituency rather than representing an urban riding.

I just put that on the record, it's just my own personal views, I really feel that — you know in the private sector in business a salesman comes to me with his expense account and if I find out that he got a free ride to Brandon or got a gratis trip on a bus and he's charging me mileage I take exception to it. Page 136 pass — Mr. Miller.

MR. MILLER: Mr. Chairman, just before we leave that item. I believe this is the amount as indicated by the Minister, that's in The Legislative Assembly Act is payable to those who represent other than city seats, and it's an amount calculated, I believe, sort of on a weekly basis, to permit them to be able to make a number of trips back to their constituency. The suggestion that in this case, Mr. Cowan flies on government aircraft, I think is totally incorrect. — (Interjection)— Well, I can tell you it's incorrect. The likelihood of getting a government aircraft on Friday afternoon that flies up to Leaf Rapids or Lynn Lake or Churchill, or wherever it is, is almost nil. So that basically, it's simply calculated on the cost of travel from Winnipeg to the constituency. I'm not sure whether they figure it's the town of Churchill, the town of Leaf Rapids, it's such a vast constituency that it's almost impossible to determine that. But I can tell you, my own knowledge, that this amount doesn't even come close to covering the actual out-of-pocket expenses that this man has to cope with because of the size of the constituency.

Tuesday, 15 April, 1980

MR. CHAIRMAN: 136—pass; 137—pass; 138 — Mr. Wilson.

MR. WILSON: Do I read this right? Is this money that the government receives from these individuals? Who are these individuals that are listed here?

MR. CHAIRMAN: Mr. Craik.

MR. CRAIK: They're remissions back to the individuals for rebates or for corrections or amounts that they have been overcharged, they are remissions from the Liquor Commission back to the individuals.

MR. WILSON: Well, I wondered if it is fair to the individuals to have their names put in a public document so that we would know that they had committed some breach of the Liquor Control Act.

A MEMBER: It is not a breach.

MR. WILSON: It is not necessarily a breach?

MR. CRAIK: It is just a correction on a overcharge.

MR. WILSON: Oh, it could be for a liquor permit or something. I see. That is good then, I am pleased to hear that.

MR. CHAIRMAN: 138—pass; page 139—pass; 140—pass; Section 4—pass.. Section 5, page 1—pass; page 2—pass, page 3—pass; page 4—pass; page 5 — Mr. Wilson.

MR. WILSON: I wondered if the Minister or Mr. Curtis would care to comment: Is this a standard practice? What maybe I am asking, it seems to me that the chartered banks are probably the greatest people in the shell game of being able to have moneys in trust funds that pay very limited interest, and I am interested in the government's role pertaining to custodial trust funds —(Interjection)— I didn't mean to. My colleague from Minnedosa is taking exception to my remarks and I can hardly blame him, but he didn't let me finish. I was mainly saying that if the government is able to invest these moneys without the word trust, I wondered if they would not benefit to a greater degree in the interest-rate market.

My concern is that surely we can trust governments, and I would think that we should be . . . Is it the government policy to truly put these in trust funds where they don't get any interest or limited interest or are we free to invest the largest portion of this in sort of a self-funding situation where we pay interest to these funds. Maybe Mr. Curtis could explain how this works. My concern is that in raising a matter in the House, I was told that moneys held in the Attorney-General's Department, some of them were only getting 2-1/2 and 3-1/2 percent interest.

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: Mr. Chairman, the funds that we have interest, which are left with the Minister for investment, are not left in bank accounts without earning the full market value of the current rates.

Most of the moneys that are in our accounts are put out on a day-to-day basis with banks competing for them or other agencies competing for the use of that money, and it is at the best rates that we can obtain.

MR. WILSON: Well, I just wanted to say I am very very pleased that the chartered banks are helping the taxpayers by competing for these dollars and I just wanted to change my attitude towards the Member for Minnedosa and his colleagues.

MR. CHAIRMAN: Page 5—pass; page 6—pass; page 7—pass; page 8—pass, page 9 . . . Section 5, page 9 — Mr. Wilson.

MR. WILSON: No, I will pass on it.

MR. CHAIRMAN: (Section 5, Pages 9 to 25 were read and passed.) Page 26 — Mr. Wilson.

MR. WILSON: Under 26, we go into the second other aspect and we appear to be holding for investment or holding for a particular department an amount of money under the Attorney-General, at one point 5 million seems to be quite a bit larger than the others mentioned in the column. Would this be traffic fines or what type of money would this be that we would be holding for the Attorney-General? I am just trying to imagine what type of money we would be holding for his department.

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: Mr. Chairman, I think it is basically accounts for such court ordered situations, not only fines and other items of that nature, but probably estates for the mentally incompetent, where there is a court decision to look after the affairs of an individual or a family.

MR. WILSON: This maybe leads to a policy decision, but would somebody be able to — maybe Mr. Ziprick could examine this, I will just put it on the record, because I may be off base — but if we are handling funds for mentally incompetent people and the interest from those funds is being paid to the government, I wondered if we might look at the possibility of treating these unfortunate people in such a way that the interest from their diminishing estate would be paid to their estate so that their assets don't truly disappear and they become full wards of the estate? I just want to put that on the record, because I may be wrong, and Mr. Ziprick might want to look at that.

MR. CURTIS: I believe that we do provide the estates with interest earnings on their accounts.

MR. CHAIRMAN: Page 26—pass; Section 5—pass. (Section 6, page 1 to 10 were read and passed.) Volume 1—pass.

I refer the attention of honourable members now to Volume 2, Supplementary Information. Members have any questions on the first ten pages of the report?

Mr. Wilson.

Tuesday, 15 April, 1980

MR. WILSON: My standard concern every year, and this year I probably won't have the same concern, because I find it very hard to consider the large salaries being paid a great number of members in the different departments when hockey players are all starting at a minimum of 90,000 a year. So I will not have my usual annual concern for the large amounts of money paid to quite a percentage of the people involved, and you will have no trouble getting it past me this year.

MR. CHAIRMAN: Pages 1 to 10—pass; Pages 10 to 20 — Mr. Uskiw.

MR. USKIW: Canada-Manitoba ARDA Agreement, Page 12. Are those staff positions, or contract positions, or what are they?

MR. CRAIK: We may have to provide information on that, take that as notice. Some of these are, and as you know a lot of them are term positions that ran for terms five years and so on, but with the expiry of programs, there was an open question as to the tenure of it. But with regard to that specific one, perhaps we can take that as notice. Unless Mr. Curtis or Mr. Ziprick happen to know.

MR. CHAIRMAN: Any further questions? Mr. Miller. Mr. Uskiw.

MR. USKIW: Yes, Mr. Chairman, if they're all staff, then that's fine. If there's a variation, then perhaps we could have a notation on the variation and why and so on.

MR. CRAIK: As a general rule, on these federal-provincial shared-cost programs, if, in order for staff to qualify, they either have to come from outside the provincial service or be seconded over to a special assignment in order to qualify for the cost-sharing and as a result they take on a special category of employment, and that part we will check out and indicate which ones are which.

MR. MILLER: These are all salaries then, this is not a contracting out with somebody. This would be straight salary?

MR. CRAIK: Yes. Well, perhaps we'd better check on it. They are certainly permanent, term, contract, they would all be shown here, they could be contract.

MR. CURTIS: That we'll find out.

MR. MILLER: You mean contract staff, or a contract to provide a certain service.

MR. CRAIK: No, a contract employee.

MR. MILLER: Employee. That's what I meant by salary.

MR. CHAIRMAN: Any further questions on Pages 10 to 20? Mr. Wilson.

MR. WILSON: I just wanted to add the observation to my colleague from Minnedosa that the sheriffs and bailiffs, my namesake, does considerably better than

myself as an MLA, and I'm possibly. . . Page 20, under Sheriffs and Bailiffs he was commenting on how well the bailiffs are doing, and I must concur with him, compared to the MLAs' salary.

MR. CRAIK: Mr. Chairman, we should note that it looks like it's the highest payment of the category.

MR. WILSON: He's no relation.

MR. CHAIRMAN: Pages 10 to 20—pass; Questions on Pages 21 to 30—pass; Pages 31 to 40—pass; Pages 41 to 50 — Mr. Uskiw.

MR. USKIW: On Page 44, Mr. Puchniak, 35,809.00. Can we be advised as to what that is for? It's under Finance.

MR. CRAIK: He's a Director of the Mining and Use Tax Branch, and that would be his income.

MR. USKIW: A director of . . .? I'm sorry.

MR. CRAIK: He's a Director in the Department of Finance. It's the Mining and Use Tax Branch, he's the Director of it.

MR. USKIW: I see.

MR. CHAIRMAN: Any further questions on Pages 41 to 50? 41 to 50—pass; Pages 51 to 60—pass; Pages 61 to 70 — Mr. Wilson.

MR. WILSON: With no particular observation, but I wondered, I guess I should be directing this question to the Civil Service Commission, but it seems that while we could expect to have a lot of Smith's and Jones' in the Civil Service, I guess it's not uncommon that entire members of a family become part of the Civil Service. I notice a lot of similarity in the names, but not particularly picking any out, I guess the government must be a pretty good place to work for when entire families seem to sign up.

MR. CRAIK: Is that on Page 69 under Welfare?

MR. WILSON: You notice I left the name out, but I mean, it could apply.

MR. CHAIRMAN: Mr. Blake.

MR. DAVID BLAKE (Minnedosa): As a general question, Mr. Chairman, I wonder if anyone off the top of their head could give us a figure of the highest paid civil servant? —(Interjection)— The highest paid civil servant the government employs without going through all of these to pick it out?

MR. CURTIS: To my recollection, it's one of the head doctors in the service.

MR. BLAKE: . . . would draw what, 65, or. . .?

MR. MILLER: It's bound to be somebody in the Health Department, somebody like Tavener.

MR. CURTIS: It might be Tavener, but I'm not sure.

Tuesday, 15 April, 1980

MR. CHAIRMAN: Any further questions on Pages 61 to 70? 61 to 70—pass; Pages 71 to 80—pass; Pages 81 to 90—pass; Pages 91 to 100—pass; Pages 101 to 110 — Mr. Wilson.

MR. WILSON: I wondered if the Minister could indicate, Page 107, under Petroleum, I just was hoping that there would be a considerable acceleration of possibly staff and importance given to the petroleum section so that . . . or will there be, pertaining to the government's new thrust in the area of selling of leases, or does the Minister expect to do that with the present component of staff, or does he anticipate there will be an addition in staff man years, or is this something I should have asked under his estimates, or be asking under his estimates?

MR. CRAIK: Mr. Wilson's latter comments are most appropriate, Mr. Chairman, because it should be checked out under the estimates of the department.

MR. CHAIRMAN: Pages 101 to 110—pass; Pages 111 to 120—pass; Pages 121 to 130—pass; Pages 131 to 140—pass; Pages 141 to 150 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, Page 145, could someone explain the payment to one, Mr. A. Forsythe Coal Company Ltd. of Portage la Prairie?

MR. CRAIK: We'd have to get the details, Mr. Chairman. We'll provide those back.

MR. USKIW: On 146, Ada Holding Company Limited, Winnipeg, 27,696.10. And opposite that, Agassiz Development Corporation of Winnipeg, 30,000.00.

On Page 148, Altona Mall Development Limited, Altona, and Altona Motor Hotel, Altona. That's at the top of Page 148. Three-quarters of the way down, Anaheim Publishing, Fullerton, U.S.A.

And on Page 149, Aristocrat Swimming Pools Limited. I'm just wondering whether that is for a swimming pool for the Minister of Finance. Not that we begrudge it, Mr. Chairman, we just want him to pay for it, that's all.

Where does that take us to, Mr. Chairman?

MR. CHAIRMAN: 150. Any further questions? Mr. Wilson.

MR. WILSON: I asked similar questions last year, and the answers that I got back mainly said the money was for XYZ, and I think that the answer that I was trying to arrive at last year, which I didn't quite get, and this is one of the reasons that I'm not really asking for the cash payment questions in any great detail this year, but for instance, under Academy Cartage and Transfer, I'd asked how much the government spent on cartage last year, and it was broken down, and I more or less wanted to know what departments were using the particular cartage companies so that I would be able to see — for instance, when I was on city council I found when dealing with furniture vouchers for welfare recipients that one company was getting 95 percent of the business, and I was hoping to be able to evaluate the fairness of our tendering system, or our

distribution system by asking for this information, and I didn't really get it. I'm just wondering if maybe Mr. Curtis could explain, what should I be asking for if, for instance on Page 146 I asked for Academy Cartage and Transfer, what could I get by saying, what is this for, that would show me what department this particular firm is doing business with, with the government?

MR. CURTIS: Mr. Chairman, we could break it down by department and do an analysis of the individual purpose for each specific payment made on behalf of that department. In that case, there is a bit of work involved because we probably would have to pull the vouchers to find out what service was provided to each department.

MR. WILSON: So this would be better done by the individual member of the committee. Well, if I may refer then, to, I believe it's on this same page, no it is on page 148, the Amaranth Taxi for instance, 21,900.00. Last year when I asked for the breakdown of the analysis of the taxi bills, it was told to me that the government spent 480,963.11 on taxis; however, the largest portion of that is Health and Social Development. I just wondered, for instance, if you were to give me the breakdown on Amaranth Taxi, it doesn't show where this particular taxi company is taking people to. Is there a hospital somewhere close by that they would be running people to?

What I am trying to get at is how do I get the answer to the question that I may be looking for, i.e., the examination of the cash payments to see that a member of this Committee is satisfied that they are going for the purpose to which they are intended. I am wondering what would Mr. Curtis suggest that I ask in my question to find out where the people taking the Amaranth Taxi are headed for, and what authority, and who signs for the vouchers, or what authority do they have to go. It has been suggested to me that sometimes an individual community will find a person suffering influenza or a cold or something and it is judged that they should go to the hospital, but six people ride in the taxi, which maybe I don't fault if one person is sick, but it seems to me to be used as a means to go into Dauphin and other particular communities that otherwise would cost these individuals money for a bus. This is the type of detective work that I am trying to do and maybe I am just asking Mr. Curtis, what does he think I should be asking for, having him know what they have; should I be asking for the vouchers or what should I be asking for?

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: Mr. Chairman, it would be difficult for us to determine that detail of information from the invoices or vouchers. In all likelihood, the only way that depth of analysis would be available would be by requesting it from the department, perhaps by Order for Return on specific items.

MR. CHAIRMAN: Mr. Ziprick.

MR. WILLIAM ZIPRICK: Mr. Chairman, this falls into the approach of the accountability and control over expenditure on taxi service. There is a system

laid on and, for instance, the Department of Health, we have carried out checks on their system and their requisitioning for taxis. There is a system for requisitioning and it is approved by people that have knowledge as to whether a taxi is required. Then the service is provided, and when the service is provided, it is checked back against this requisition, so there a reasonably good control on the system. I don't know if we have checked the system very thoroughly quite recently but I know that approximately three or four years ago we did quite an extensive check on the system of use of taxis, and we found it to be quite satisfactory as far as the approvals are concerned.

With regard to measuring as to what is budgeted and whether it is coming in within the budget and in excess of budget and why is it in excess of budget, and the usage, this is a different area that gets involved through the comparison of what is expected and what had actually happened and what is the difference. We are trying to do some comparisons and analyses of that area, too, so I think this is what you are talking about. During the course of audit we are trying to do this; we will be able to do it much more precisely and objectively when the system that Finance is now putting into place comes into full force.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: I find that unless the accountants have sort of a University of Life degree in addition to their very many years in training to become accountants, that it is the people that are on the street, the politicians close to the people that are getting the feedback that all is not well in the voucher system employed by the government. When we took over government, we invoked that the Minister or some senior official in his department was responsible for okaying travel trips to conferences and so on and so forth, and the result was over a million-dollar saving. I suggest that 480,000, probably 490,000 with inflation, in taxi bills is unacceptable to me when I find that there doesn't seem to be any responsibility on behalf of the hospitals and people who are in charge of signing these vouchers.

What I am saying is that it has been reported to me that people at the desk, the taxi driver will run in and get the voucher signed, sometimes two and three at a time, that the ambulance people will run in and get a voucher signed, and there is no question as to who was in the ambulance. And it has been suggested to me that certain people who are laughing at the system take an ambulance down to the Health Sciences Centre, because their relatives live on William Avenue.

I would suggest, with all due respect, that I would like to be assured that if some doctor has a dedication and the interest in looking after the taxpayers' purse and he assigns a particular nurse or a person at the front desk, that is where the control has to come in. It can't come in from the accountant in the Department of Finance. It has to come from the line of authority. I throw out these comments because I am far from satisfied in the tendering system for medical supplies and the lack of

tendering is what I underline, the lack of tendering, when I first came on this Committee.

I am very unsatisfied with the control over these taxi expenses, who signs the vouchers, who is responsible for them. At some point in time, I would hope that our government would make somebody answerable for signing these vouchers. It is a known fact that welfare recipients are the greatest movers. The moving companies just love to do business with the government. I believe last year they did something in the tune of over 900,000 in cartage and moving. I think that welfare recipients should be restricted to only one or two moves a year. This business of moving every couple of months and sending the cartage bill to the taxpayers is unacceptable, and I think the answerability for that has to come from the social worker who is in the trenches. Unless she has somebody to answer to, this is what I call production; this is what I call loyalty to the government, which the people work for. I will continue to, like the member across that is going to be asking questions, because out of it you get a general drift that maybe out of asking questions on some of these cash payments, believe it or not, governments have a change in policy.

I remember last year, a small item of 6,000 for coffee. True, some of it was for the tourism, in and out things at border points, but it was found that everyone said these Cory coffee machines are for free, so let's put one in every Minister's office. I said to them that we have a restaurant downstairs and it then became a question of whether it was better to have the secretary drinking coffee at her desk or better to have her drinking coffee downstairs on her break. I left that up to the government, but I think I did prove that these coffee-making people, who put these machines in for free — everyone said, they are for free, but they are not for free, the supplies costs money. The question is: Should the taxpayers of the province of Manitoba be paying for coffee for civil servants? I never did get that question answered, but I noted with interest that a lot of those coffee machines disappeared.

I will continue, from time to time, to ask questions under cash payments, but I wanted to just put on the record that a lot of times you can't get the information you require by asking for a breakdown of a particular item.

MR. CHAIRMAN: Mr. Filmon.

MR. GARY FILMON (River Heights): I did have a question, it has been so long . . .

MR. CHAIRMAN: Use the microphone please.

MR. FILMON: I note that the senior civil servants are listed for some fairly healthy cash payments. Is that their normal expense accounts that are listed in that fashion?

MR. CHAIRMAN: Mr. Curtis.

MR. CURTIS: It could well be some or parts of them could be for expense accounts, but there are other payments that come in — I am just trying to spot one . . .

1

Tuesday, 15 April, 1980

MR. FILMON: I note that some are former members of the Legislature and they would be pension payments, but these are senior civil servants who are still under our employ.

MR. CURTIS: Was there any specific one?

MR. FILMON: Oh, no. I wouldn't want to imply any wrongdoing by mentioning any name.

MR. CURTIS: I noticed one large one, as a matter of fact, and it happens that he is the accountant for this particular group, and all of the accountable advance cheques would go through his name, so that it wouldn't be for him per se, but it would be expenses that in this case would be charged to the Provincial Garage.

MR. FILMON: I see. Okay. Thank you.

MR. CHAIRMAN: Mr. Blake.

MR. BLAKE: I don't want to belabour the point, Mr. Chairman. In addition to the comments made by my colleague, the Member for Wolseley, this is not the first time that that item has been questioned in Public Accounts. It is an extremely frustrating thing to try and get a handle on. I think maybe in Health or now the Corrections and Community Services, when the estimates are before the House and when the people from the departments are before the House, you may get a little more satisfaction to your questions than you could get in Public Accounts, but over the years the use of taxis by the Welfare Department or the Social Services Department has been questioned at considerable length. The people that are involved in the field find it just an extremely frustrating thing.

I don't doubt the things that have been said, that three or four people get a free ride to town when somebody is going and you don't know whether the charges are trumped up or what, but the people that are signing the vouchers, you could have a case in an after-hours situation where somebody comes in a wheel chair, you don't know how badly they are hurt, and there is one girl on duty at the desk and she really doesn't have time to argue with that cab driver who authorized the trip or how he got there or how many he brought him; she just wants to get rid of him and get the patient into care and be looked after as quickly as possible. It is an extremely difficult situation to handle. I have no question in my mind whatsoever that it is being ripped off, and fairly substantially, by the people, but they are cute, they know every trick in the book and they know the welfare social workers that are a little more susceptible to being a little lenient than the ones that are tough, and they always avoid the tough ones, believe me.

I just wish the Member for Wolseley good luck in his quest at trying to nail this down and find some good concrete evidence of misuse, because it is an extremely difficult thing to nail down.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: I concur with the Member for Minnedosa, but you see one of the tragedies of this

is that this system is so vulnerable to so many . . . It is like a cheesecloth; it has got so many holes in it that unless the accountants in the Auditor's Department can work closely with somebody within the department, say, to stand up in the House. I remember the former Member for Wolseley, Mr. Asper, tried to — and he is more articulate than I am — properly word this thing and he just got crucified in the newspapers.

I, yesterday in the House, asked the Minister a question, if there had been an Environmental Impact Study pertaining to the moving of the city Public Welfare Department, completely, en masse, from Main Street down to 705 Broadway in the heart of Wolseley without any consideration given, and I challenge 24 Hours or Peter Warren or any of the media to stand out there on welfare cheque day and you will see the taxis lined up five and six deep. I am saying that it seems something wrong to the middle-class working person when the greatest customers of the taxis are people who are using the particular voucher system. I challenge somebody to look at it. Let's pick Associated Winnipeg Taxis somewhere in the book. Maybe they changed their name this year, but last year they were 85,000. I see this year, they're not even here. What are they under, Yellow Cab or something? I don't even see them listed this year.

These are the kind of things that when you look, in the city of Winnipeg, at a bill fast approaching 100,000 for one taxi company, and you've got a mass transit system, you know, we would be better off to write off monthly bus passes and give them out at holus-bolus than we would to continue with this voucher system that is wrong, and it's given such a low priority. I'll tell you what it does. It builds up a negative attitude amongst the working people towards the people who need help the most, the less fortunate. They're not to blame. The system is to blame for leaving all these loopholes in the system. The lack of production, the lack of incentive, the lack of loyalty to the person paying their pay cheque by these people, and you just have to look at, in the old days when they did have the right to seize for non-payment of rent, you would go in and invariably, people would just walk away and leave three rooms of furniture intact, just walk away and move to another section under another district, from maybe city welfare to provincial welfare. Because they were entitled to special services, i.e. furniture, they would simply avoid the cost of moving and everything, and just move into another suite, go to a new welfare worker in another department — there was no cross-referencing — and have the place completely furnished to the tune of 150 to 450 a year.

It's this kind of system; how can you blame, in its entirety? I'm saying you have the taxpayers in my district who are down in that area. They're down in there for a number of reasons. They may be going to visit their children at Gordon Bell High School; they may be going to church — there are many churches in the area, Elim Chapel or others — and as they walk to their particular church or their business or their high school, they see all these taxis, and they see all these unfortunate people. They see the people setting down their 12 pack of beer outside the building and walking in to pick up their cheques. I don't know. I just really haven't got a handle on it,

but that seems to me to where I can't blame the accountant. I just think that close to 500,000 a year in taxis does not sit well with me when we have a public transit system that has a deficit, when these people have got lots of time on their hands. If the person was rushing off to go to a job or something, but we have spring weather now; I would like to see, because of our severe winters, that as of April 1st, taxi vouchers are only given out on very rare occasions, so that people enjoy our summers and get out in the warm weather and walk to that particular 705 Broadway.

I just put those comments on the record because it seems that I am repeating them every year and each year the allotment for taxis and moving companies and special warrants for purchase of furniture seem to be on the increase.

MR. CHAIRMAN: Mr. Minaker.

HON. GEORGE MINAKER (St. James): Mr. Chairman, just for the information of committee, I want it to be made clear to Mr. Wilson that our department only provides income security to single parent families. That's women with children or those that are declared unemployable, those that have permanent disabilities or are mentally retarded, etc., so that many of the cases that he indicates, if in fact are happening, are on municipal welfare, not on provincial welfare, and I might, just for the information of the committee, indicate that the only personal allowance that's provided to a mother of a family is approximately 29.40, which she can use for her own desires. The rest are designated in a budget for either household clothing or food.

I don't want this to become a community services estimate meeting, so that if the Honourable Member for Wolseley has other questions, I'll look forward to providing him with those answers during my estimates, not during the Public Accounts.

MR. WILSON: I appreciate that 705 Broadway is a municipal welfare office, and I appreciate that many of the things I say may or may not be provincial or federal responsibilities. The point is that there are many documented cases over the years of, for instance in the case of the medical assistance homes on Dominion, were it was a known fact that people from the north that were coming in for medical treatment and doctors' appointments, took taxis, Yellow taxis, from St. Andrew's Airport to Dominion Street, and because of the fact that they were recognized as having a need to get to the home, that there was some kind of a loose arrangement where these vouchers were available so that they would send up to the drugstore for aspirins and a case of coke and have the taxi driver deliver these things to the particular home.

All of these things are documented, and obviously there has been some improvement because the complaints have ceased. But I remember, now the Member for Fort Rouge, always insisted, and I say this to any of the public, that we are dealing with the most unfortunate and disadvantaged people at the lower spectrum who need all the help they can get, and I'm talking about the people that pay the tax bills that are up in arms with their politician, who

write and generalize and have innuendo and, a lot of times, unfair comment and it's hard to nail it down as to whether it's federal, provincial, or municipal. The point is that maybe because of so many doors to knock on, that that may be part of the problem, the duplication of services. I believe that the city has a department working in the St. Boniface area, Ste. Anne-Lorette area, and that the city also has somebody in that area.

Again, because of the fact it's brought up every year, I just felt that maybe Mr. Ziprick could look at it once more and see if there can be again, an observation pertaining to taxi bills, when, as I say, we have terrific weather now, and it would seem to me that even those that may, in some cases, have children, might find it, because they have all day to themselves, might find it within reason that taxpayers may expect them to, in some cases, take public transit down to the provincial or municipal welfare offices.

MR. CHAIRMAN: Any further questions on Pages 141 to 150. 141 to 150—pass; would members prefer to take these page-by-page? (Agreed) Page 150 — Mr. Uskiw.

MR. USKIW: Assiniboine Travel Service, three-quarters of the way down the first column, some 32,000.00. Is it possible to get a break-down of that, to what it was for? I don't mean now, but eventually.

MR. CRAIK: I'm just wondering, on something like that, Mr. Chairman, there could be a general description. It's, undoubtedly, for government travel, a travel agency, I presume. If that's the case, then you'll want expenditures per department?

MR. USKIW: Well, the thing is, if this process is to mean anything, then it seems to me the committee should be able to have all the information as to who did the travelling and for what purpose. Otherwise, it's just an item in here that doesn't mean anything. It could be 100,000 and what's the difference, Mr. Chairman? If we're just going to say, should it be 100,000, as opposed to 150,000, or 20 as opposed to 30, I don't think that's going to be very productive, unless we know what the travel was for, what purpose it served, for which department.

MR. CRAIK: I wonder, rather than though . . . Couldn't we categorize it, commercial airline travel, ground travel . . .

MR. USKIW: By whom.

MR. CRAIK: Well, if you get into that, then you're getting into every voucher in the department.

MR. USKIW: How do we spot an abuse of it is really what I want to know, under this system?

MR. CRAIK: Well, you have the comparative break-out by object code in the previous book that breaks out travelling for all the departments right through. Now, it might be more appropriate, if you want to get break-out per division in a department, or Ministerial or whatever, that sort of thing has been requested by way of Order for Return, for instance, the Minister's

Tuesday, 15 April, 1980

office and those associated with the Minister's office, out of province, out of country, and all that sort of category. But to ask for all of the vouchers, for instance, under one item, under Assiniboine Travel Service Limited, or any other travel service limited, means, I think, going beyond where we have normally gone in the listing of the Public Accounts.

MR. USKIW: Mr. Chairman, can we then agree to pull out only those that might be considered to be unusual or extraordinary circumstances, where others are brought in to the system on a consulting basis or whatever, and are using public transportation in this way, rather than all the vouchers for all the civil servants and the government as such; if we could break out any that are not part of the civil service and part of the government operation, that is, people that are not in the employ of government or in the Ministry of government.

MR. CRAIK: I think, probably what we could do is break it out by department and sections of department, or categories as they now stand in the departments and give you total amounts. I think that if, though, you want to go beyond further and say, well, break out of province, out of country, off-shore and that sort of thing, you should really detail that in an Order for Return. But we can give you a break out by department and really take it back to this . . .

MR. USKIW: Mr. Chairman, I'm not really interested in the department. I'm merely interested to know whether there are non-departmental people involved and non-government people involved. In other words, private consultants and so on, that may be involved in the use of the travel service through government expense. There may not be any, but there may be one or two that might be of some significance. And the only way we can find out is by asking the question, I presume. I really think it's too much work to compile all of the travel for all departments. I don't think we would want to do that. But if there is a consultant that's been taken on on a contractual basis, perhaps that is one that we would want to highlight and to know the purpose of his trip, and so on.

MR. CRAIK: We could give, Mr. Chairman, the break out, as I indicated by department; that would be available. As far as a further break out, it would probably break down into air travel. Commercial air travel would be the biggest one. There may be some ground transportation, arrangements that they have made for ground transportation, those kinds of categories. He might say, is there travel there other than government personnel. I would guess that it would be highly unlikely. If it was a consultant, the normal practice is that they do their own arrangements and bill as transportation, so it wouldn't come under this. We can undertake to do that to indicate whether there is anything other than regular government travel.

MR. USKIW: All right, if you would do that and then if I want further information I could then pursue it with an Order for Return. If I would know whether there are extraordinary circumstances here, then I

could pursue it with an Order for Return if I wish to pursue it any further.

MR. CHAIRMAN: Page 150—pass; page 151 — Mr. Uskiw.

MR. USKIW: At the top of page 151, or near the top, 281,775, the third item from the top, Bache, Halsey and Stuart Canada Limited, Winnipeg; what is that?

MR. CURTIS: Mr. Chairman, that Bache, Halsey is a firm of investment dealers and we would be buying securities for sinking fund purposes and also would be providing short-term investments through them; it's a commission house, yes. But that would be the gross amount, not a commission amount.

MR. CHAIRMAN: Any further questions on page 151?

MR. USKIW: Yes, I would presume that Dr. Baizley's would be related to his superannuation. Would that be correct or is that for services to the Crown. . . chairman, or what is he?

CRAIK: No, it's more likely to be travel or something like that. Well, if you want a breakout, we can get you an explanation . . .

MR. CHAIRMAN: Page 151—pass; Page 152 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, the Bank of British Columbia, 32,430,800; what is that all about?

MR. CURTIS: Again that would relate to investment transactions that we've had with them. These would probably all be short-term investments through them. I think you'll find all the banks have those kinds of transactions in this book.

MR. USKIW: This is not an expenditure?

MR. CURTIS: No, no, this is a series of cheques issued over the years.

MR. USKIW: As an investment rather than an expenditure, I see. That would follow through with all of the other banks.

MR. CURTIS: You should find all of the banks that have in fact worked with us on short term paper.

MR. USKIW: On the same page, Barclay House Motor Hotel, La Riviere, 6,949; who's skiing trip was that? —(Interjection)— Just make a note of that if you would, Mr. Chairman, the information on it. Barclay House Motor Hotel at La Riviere.

MR. CHAIRMAN: Any further questions on page 152? Page 152—pass; Page 153—pass; Page 154 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, rather than discuss each travel agency, if the previous discussion would suffice to cover them all I wouldn't pursue the others, which has already been agreed to. There are a whole host of them in here and I don't want to pursue the

Tuesday, 15 April, 1980

same question with each one. If the Minister's commitment on the first travel agency that we discussed would apply to all the others that would be fine.

MR. CRAIK: Well, we'll see what kind of a breakout can be generated to see what's in the . . .

MR. USKIW: Yes. On that same page, Mr. Chairman, the Birchwood Inn in Winnipeg.

MR. CURTIS: 7,000?

MR. USKIW: Yes, 7,261.

MR. CHAIRMAN: Page 154. 154—pass; 155 - Mr. Uskiw.

MR. USKIW: Yes. About two-thirds of the way down the page, Bonar and Bemis Ltd. there are two items, one for 36,000, one for 15,000.00. The question would be whether that was direct purchase — I assume these are sand bags, things of that nature — whether these are tender purchases or direct purchases without tender? — (Interjection)— Well, it would be interesting to know.

MR. CHAIRMAN: (Pages 155 to 159 were read and passed.) Page 160 - Mr. Uskiw.

MR. USKIW: Mr. Chairman, in the right hand column at the very top, Camperville Taxi 25,147.00. What would that be for? —(Interjection)—

MR. CRAIK: Just as well Bob Wilson is not here.

MR. USKIW: Well, there are a whole host of them throughout the book, Mr. Chairman. It seems to me an awful lot of expenditure on taxis in that part of the province. These are authorized by other departments I would assume, is that it?

MR. CRAIK: That one very likely is almost entirely the Community Services budget.

MR. CHAIRMAN: Mr. Ziprick.

MR. ZIPRICK: Mr. Chairman, I just related the checks that we carried out some time ago on these taxis and I know it's quite an element of concern. We'll do that again. In checking we don't decide or evaluate as to whether a taxi is necessary or not. The people are designated who are qualified to do this, who know this, and we would just ensure that these are the people that approve it and that there is a good system to ensure that it doesn't slip through their scrutiny. So we'll carry out a fairly substantial review of this again this year.

MR. CRAIK: Well, just a little more information from a question from last year's public accounts that was asked by Mr. Wilson there, which I think was filed. The total expenditure on taxis is 480,000 last year and 469 of that came under Health and Social Development. So it is nearly entirely . . .

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Well, I think, Mr. Chairman, the only valid question is whether or not those are properly authorized and so on. I don't know what else one can say about it, I presume someone has had some control over it. It is a matter of satisfying ourselves that the controls are adequate, and the Auditor has assured us that he is going to take another look at that.

MR. CHAIRMAN: Mr. Ziprick.

MR. ZIPRICK: The last time we did take a look at it, we did observe that there were some weaknesses, which were tightened up. We do a small test on an ongoing basis, but we can do a more extensive check in view that there is concern, and if there are any weaknesses that the people that are really designated are not signing or paying the kind of attention that should be paid, we will request that the system be tightened up again.

MR. USKIW: On the same page, we have a large item there, Canada Life Assurance Company from Toronto, for 2,463,000.00. Is that for group insurance? —(Interjection)— That's group insurance for the Civil Service per se? My question that flows from that, Mr. Chairman, is whether or not we do not have in-house capacity to provide that, whether it doesn't make some sense or logic in trying to expand the role of MPIC to provide our own group insurance program, rather than having to pay to other companies these sums of money annually. — (Interjection)— No, I know, but we're not in the business. I'm wondering whether it wouldn't pay to be in the business.

It's obviously a policy area, Mr. Chairman, but it strikes me that there might be a lot of logic in looking at that question as to whether or not that might be the most efficient and beneficial way of handling that program for the people of Manitoba.

MR. CHAIRMAN: Any further questions on page 160? 160—pass; 161 — Mr. Uskiw.

MR. USKIW: Yes, Mr. Chairman. About three-quarters of the way down in the first column, Canadian Corps of Commissionaires, 267,000.00. Is that a company? —(Interjection)— I know, but who is the company? —(Interjection)— I see, there are a number of them, are there? —(Interjection)— That's what I'm getting at.

MR. CHAIRMAN: Order please. May we have just one speaker at a time. If members wish to speak would you just raise your hand. Any further questions on 161?

MR. USKIW: Well, Mr. Chairman, I'm just not sure how they function. Is this on a tendered basis or a per diem basis, or how do we arrange for these services?

MR. CRAIK: They're like the other firms that are contract, but there's a special condition on this one, they have to be a veteran to be a member of it, so on.

MR. USKIW: But they tender for their work, do they?

Tuesday, 15 April, 1980

MR. CRAIK: No. I'm getting some noes from somebody at the end of the table.

A MEMBER: It's on an hourly basis . . . They're given preference.

MR. CRAIK: Yes, that's right.

MR. USKIW: So there is a preference, Mr. Chairman.

MR. CRAIK: It was, Mr. Chairman, I gather from somebody who is close to me that this was up in the estimates last night in Government Services and perhaps that's the . . . Unless there's something specific with regard to a breakout of this, that would be the place to address it.

MR. USKIW: Well, let me pursue it further then, Mr. Chairman. Am I to understand then that this group is a non-profit group, or is a group that is trying to provide employment for veterans and that is their sole function? Or is it a shareholder situation where people are . . . ?

MR. CRAIK: I can't tell you I haven't got . . .

MR. CHAIRMAN: Mr. Filmon.

MR. FILMON: Perhaps, Mr. Chairman, I could shed some light because we went through this analysis with city council. It's a non-profit group essentially that's set up to provide employment for the veterans. They're Canada-wide, they will tender; they will operate in competition with the others. But generally speaking because of their terms of reference being limited to employing veterans, they do have some special needs and special concerns.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Yes, Mr. Chairman. In the next column, just opposite that item rather, we have Canadian Management Centre from Montreal some 29,000 of expenditures. I wonder what that is all about.

MR. FILMON: We can get you a breakout.

MR. USKIW: Okay.

MR. CHAIRMAN: 161—pass; page 162—pass; 163—pass; 164 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, midway down page 164, in the first column, Berens River, 324,800 — Channel Area Loggers, that's what it is, sorry — what has that to do with, Mr. Chairman, what is this payment for? If you'd make a note of that, or does Mr. Ziprick have some comment on it.

MR. CHAIRMAN: Mr. Ziprick.

MR. ZIPRICK: Mr. Chairman, I am familiar with this and I don't know if the entire amount, but I think it probably is, that there is a subsidization being provided to this particular company. It's a government-owned company and any deficits that

are incurred are taken care of from the appropriation and this is the payment to subsidize it.

MR. USKIW: Yes. There's a large item here — I'm not going to deal anymore with travel agencies, I assume we're going to have the answers to all of those — the Charter House Hotel, 25,000.00.

MR. CRAIK: Yes, we can get some explanation of that.

MR. USKIW: Okay.

MR. CHAIRMAN: Page 164—pass; page 165 — Mr. Uskiw.

MR. USKIW: Yes. Midway on column 2, City of Neche, 77,000.00. What would that be for? Neche, North Dakota.

MR. CRAIK: We'll have to get an explanation . . .

MR. WALDING: 165—pass; Page 165 — Mr. Filmon.

MR. FILMON: Just a general question if I may. I'm not sure what Mr. Uskiw's question was about the travel agencies because I assume that the government's policy is that there is no commitment to deal with any one particular travel agency so department's have their choice as to whom they deal with. Is that correct?

MR. CRAIK: That's the usual practice, Mr. Chairman, that the different departments deal randomly, some deal directly with Air Canada or C.P. and others deal through an agent and so on.

MR. FILMON: And the costs are identical whether you book your travel service through an agency or directly with the airlines, the cost is exactly the same, so it really doesn't make any difference in that respect. In other words, was Mr. Uskiw satisfied that the breakdown on (1), the first one, for instance, that he ran across, Assiniboine, would be fine or did he want a breakdown on the expenditures for travel with every single agency? I wasn't clear as to that.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Well, Mr. Chairman, for the benefit of the Member for River Heights, I merely wanted to have recorded any unusual kind of travel on the part of people other than in the government service that might be involved in these figures, and that's throughout the whole of this document. There are a number of travel agencies that could be involved, so anything that is somewhat unusual, if we could have that highlighted and an explanation as to why and so on. There may not be any for all I know, but I just wanted . . .

MR. CHAIRMAN: Any further questions on 165? 165—pass; 166 — Mr. Uskiw.

MR. USKIW: Oh, I see. These are two taxi companies, two different places, is that what that is, the same company in two different places — and Mafeking, okay. On the next column right at the top,

Tuesday, 15 April, 1980

Cockfield, Brown & Co. Ltd., there are two items there; one from Montreal and one from Winnipeg of the same firm.

MR. CRAIK: We can get something on it.

MR. USKIW: Okay.

MR. CHAIRMAN: Page 166—pass; Page 167—pass; 168 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, with respect to Cabinet Ministers when they are identified in these accounts, is this part of their — now, I'm not sure, is this something extraordinary or is this a common thing. I'm looking at Mr. Cosens here for 2,100, is that travel or what is that? I'm not familiar with the regulations on it. It's not very important, if you take note of it, it's all right. There's one for Mr. Craik, too.

MR. CRAIK: I think we're all listed here somewhere, probably.

A MEMBER: Yes, you're all listed.

MR. USKIW: I see. Okay.

MR. CRAIK: It probably will — yes, it dovetails with the first book.

MR. USKIW: Or expense accounts, I presume, is that it? Would that be expense accounts or travel or a combination?

MR. CRAIK: It's that total that you see under MLA Indemnities

MR. USKIW: I see.

MR. CRAIK: It's expense accounts, it's direct expenses of Ministers. It might be travel; it's more liable to be direct expenses . . .

A MEMBER: Taxi from the airport to . . .

MR. CRAIK: Yes, that sort of thing.

MR. CHAIRMAN: Page 168—pass; Page 169 — Mr. Uskiw.

MR. USKIW: At the bottom of 169, near the bottom, the righthand column. D.A.W. Steel Products Ltd., 10,000.00. If we could have some explanation as to what that is all about?

MR. CHAIRMAN: (Pages 169 to 177 were read and passed.) 178 — Mr. Uskiw.

MR. USKIW: About midway in the first column, Falcon Motor Hotel, 7,000, some odd.

MR. CRAIK: Okay.

MR. USKIW: Okay.

MR. CRAIK: Got that.

MR. USKIW: That's fine.

MR. CHAIRMAN: 178—pass; 179—pass; Page 180. Mr. Uskiw.

MR. USKIW: Yes Thelma Forbes 2,682; I presume that's for some board work is it — Oh is it pensior money? I see, there all in there. Okay. I though perhaps she was on a board or something. Jus curiosity. It's nothing very important.

On the next column midway down the page, Four Winds Motel, Altona.

MR. CHAIRMAN: I wonder if the Chair can get an indication from members of the committee now that the House is sitting half an hour early. It's usual for us to adjourn at 12:30. We have quite a bit still to go in the book. Is there an indication we could finish this morning by 12:30? So can we continue? Page 180—pass; 181 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, Friendly Family Farms near the bottom of the first column, some 2,600.00. What would that be for?

MR. CRAIK: Yes, I'll make a note.

MR. USKIW: Okay? Who is hungry?

MR. CHAIRMAN: 181—pass; page 182—pass; 183 — Mr. Uskiw.

MR. USKIW: Yes, Mr. Chairman. Page 183 about a third of the way down the page there are two accounts, 16,000 and 2,800 and another one for Gemini Fashions of Canada Ltd., and Gemini Outerwear Ltd., Winnipeg.

MR. CRAIK: Okay.

MR. CHAIRMAN: Page 183—pass; page 184 — Mr. Uskiw.

MR. USKIW: About midway in the second column of 184 there's a Mr. Glenn, A.M. Kabul, Afghanistan, 24,000.00. What are we doing in Afghanistan, Mr. Chairman?

MR. CRAIK: All right.

MR. CHAIRMAN: Any further questions on page 184? Mr. Uskiw.

MR. USKIW: Just one more, Mr. Chairman. The Gold Trail Hotel at Ilford, 2,032.00. Okay.

MR. CHAIRMAN: 184—pass; page 185 — Mr. Uskiw.

MR. USKIW: Gordon Downtowner Motor Hotel in Winnipeg, some 18,000; Gordon Hotels under Winnipeg, 43,000; and Gordon Motor Inn in Portage la Prairie, 6,969; those three items are of some interest.

MR. CRAIK: Okay.

MR. USKIW: It seems a very substantial amount, Mr. Chairman, for one . . .

MR. CHAIRMAN: Page 185—pass; 186 — Mr. Uskiw.

Tuesday, 15 April, 1980

MR. USKIW: The Great-West Life Assurance Company, the bottom of page 186, first column, or near the bottom, it's 1 million. What would that be for? That wouldn't be for Mr. McCance's salary? Is it McCance?

MR. CRAIK: Well, we'll get that.

MR. USKIW: Okay.

MR. CHAIRMAN: 186—pass; page 187 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, yes. Haig, Graeme T., Winnipeg, 28,184.10.

MR. CRAIK: Yes, we can get that. Probably to do with the lotteries.

MR. USKIW: With the commissioner?

MR. CHAIRMAN: 187—pass; page 188—pass; 189—Mr. Uskiw.

MR. USKIW: Mr. Chairman, would this be a pension amount for Mr. Henderson or is he on some board or commission, G. L. Henderson from Manitou, some 8,298.00?

MR. CHAIRMAN: Mr. Craik.

MR. CRAIK: Well, it would be both. He's on the Boundaries . . . that would be his pension plus his per diem that he gets on the — I've forgotten the name of it.

MR. USKIW: He's on the . . .

MR. CRAIK: Land Appraisal Commission?

MR. USKIW: That's what it is, that's right.

MR. CHAIRMAN: 189—pass; page 190—pass; 191—pass; 192 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, at the top of 192, Huggard Equipment Co., Ltd., for 1.4 million. What would that be for?

MR. CRAIK: We can get a breakout of that.

MR. USKIW: Okay. Mr. Chairman, on the next column near the bottom, Imperial Tobacco, 9,000.00. What would we be doing with tobacco?

MR. CRAIK: Okay.

MR. USKIW: And below that, Independent Fish Co. Ltd., 93,000.00. What would that be for?

MR. CRAIK: All right.

MR. CHAIRMAN: 192—pass; 193—pass; 194 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, at the top of 194, the first column, some 3.8 million to International Nickel. Is that a rebate or what is that?

MR. CRAIK: We'll get that, Mr. Chairman.

MR. USKIW: Okay. The next item is on the same column, just below, Investors Group Trust Co. Ltd., some 90,000.00. Would that be commission earnings on investment transactions, or what would that be?

MR. CRAIK: We'll get that, Mr. Chairman.

MR. USKIW: Okay.

MR. CHAIRMAN: Page 194—pass; 195 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, John A. Flanders Ltd., about midway down the second column, 291,000.00.

MR. CRAIK: Yes. We can get that.

MR. CHAIRMAN: 195—pass; page 196 — Mr. Uskiw.

MR. USKIW: Now here is a travel agency, midway down the first column, which does raise an eyebrow, Johnson Travel Services, 75,000 in The Pas. Sounds like a tremendous amount of travel. May not be anything unusual but . . .

MR. CRAIK: I think I'll give it . . .

MR. USKIW: I see. Might be worth taking a look at anyway.

MR. CHAIRMAN: Page 196—pass; page 197—pass; 198 — Mr. Uskiw.

MR. USKIW: It's an item of 2,591 for one Mr. Andrew Kirkness from The Pas, midway in the second column.

MR. CRAIK: Okay.

MR. CHAIRMAN: 198—pass; 199—pass; page 200—pass; 201 — Mr. Blake.

MR. BLAKE: At the bottom of 201 in the second column, Mr. Chairman, Lakeshore Contracting Manitoba Ltd., Selkirk, 374,520.44. If we could have a breakdown on that.

MR. CHAIRMAN: Page 201—pass; page 202—pass; page 203—pass . . .

MR. USKIW: Mr. Chairman, on 202 I missed one. Yes, the Law Society of Manitoba on the second column of 202, some 257,000.00.

MR. CRAIK: Associated with the transfer of the trust moneys that goes over to them for their education purposes funds.

MR. USKIW: I see, okay.

MR. CHAIRMAN: 203—pass; 204—pass; 205—pass; 206 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, midway on Page 206 is Macaw & MacDonald Ltd., Winnipeg, some 981,000.00.

MR. CRAIK: Macaw, yes, they're bridge contractors.

Tuesday, 15 April, 1980

MR. USKIW: Oh, I see, that's the Highways Department, is it?

MR. CRAIK: Yes.

MR. CHAIRMAN: 206—pass; 207—pass; 208 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, there are three items at the top of 208, Manitoba Beef Cattle Performance Association; Manitoba Beef Growers Association and Manitoba Beef Growers Association. I wonder if we can get a breakdown as to what those payments were for.

MR. CRAIK: Okay.

MR. CHAIRMAN: 208—pass; 209—pass; 210—pass; 211—pass; 212 — Mr. Uskiw.

MR. USKIW: Mr. Chairman. Yes, two-thirds down in the the second column McKim Advertising Limited, 58,000.00.

MR. CHAIRMAN: 212—pass; 213—pass; 214 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, on the first column midway on 214, Metropolitan Investigation and Security (Canada) Ltd., 489,000.00. I wonder if the Minister could indicate whether that is in competition by tender or whether that is handled in some other fashion.

MR. CRAIK: Mr. Chairman, again I just happened to be sitting in last night when the Minister of Government Services went over all these contracts. If I recall correctly, they are all by tender. But if you want a breakout of the combined amounts, we can give you that.

MR. USKIW: Well, Mr. Chairman, I would like a breakout but I would also like to know as to how the work was allocated, what were the contractual procedures used, and so on, and whether it was by tender or not?

MR. CRAIK: I wonder, Mr. Chairman, whether perhaps the member could just direct that to the Minister of Government Services. I believe that they are all tendered but since he was dealing with it last night in this very room in the committee, I think that perhaps that would be the place. Since his estimates are still up, perhaps just ask and see.

MR. USKIW: Okay.

MR. CHAIRMAN: 214—pass — Mr. Uskiw.

MR. USKIW: Just before we get off that one, Mr. Chairman, it seems to me that from time to time it's possible for a department to not follow procedures. Would that be a possibility with respect to this item on page 214? As I understand it, there were no tenders involved; or if they were, the lowest tenders were not followed or accepted. Now this may not be the exact contract, I don't know.

MR. ZIPRICK: Mr. Chairman, the purchasing package provides for a system whereby tenders are obtained and the lowest tender is accepted; and if it's not accepted, explanations are provided and in some cases tenders may be waived. But in each one of those situations it requires special approval. Now we see that all these . . . Not all, but on a test check basis we are assured that the system is working as prescribed by the purchasing effort. Now, there might be an odd exception that slips by and I wouldn't guarantee that every item is exactly as it should be, but we do check on that system to ensure that that's being followed.

Now, in accordance with the authorities specified in The Purchasing Act, if that government Treasury Board approves departure and explains it, well, then the explanations are then provided.

MR. USKIW: Mr. Chairman, who would be the approving authority where a tender process is sidestepped, bypassed or rejected? Is it the Minister of a department or does it go to the Lieutenant-Governor-in-Council, or what is the procedure then?

MR. ZIPRICK: Mr. Chairman, now it depends on the size but in the larger tenders it's the Treasury Board that makes the final decision and all the explanations are provided to the Treasury Board as to why the lowest tender is not accepted; and if the Treasury Board does not agree with the explanations they could reverse the situation and say, we'd like to have the lowest tender accepted.

MR. USKIW: That's fine.

MR. CHAIRMAN: Page 214—pass; 215 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, about a third of the way in the second column of page 215, MJR Management & Marketing Ltd., Winnipeg and MMP, Winnipeg, two figures there amounting to about 110,000.00. What would that be for? Consulting work or what is that?

MR. CRAIK: MMP is Moody Moore Architects.

MR. USKIW: Architects, oh, I see.

MR. CRAIK: MJR, we can get it for you?

MR. USKIW: Okay.

MR. CHAIRMAN: Pages 215 to 224 were each read page-by-page and passed. Page 225 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, about midway in the second column of page 225 we have Piercy & Associates, Winnipeg, 13,644.00. Could we have a breakdown of that expenditure?

MR. CRAIK: Okay.

MR. CHAIRMAN: 225—pass; 226 — Mr. Uskiw.

MR. USKIW: Mr. Chairman, on 226 we have Pitfield, MacKay and Ross Ltd., for some 11 million.

MR. CHAIRMAN: Mr. Curtis.

Tuesday, 15 April, 1980

- R. CURTIS:** Mr. Chairman, again these payments are for security transactions. They're an investment tender.
- R. USKIW:** Commissions maybe?
- R. CURTIS:** They're not commissions, but they're related to gross payments out.
- R. USKIW:** Oh, I see, yes. Okay, gross payments out. All right. On the same page we have Place Louis for some 16,000.00.
- R. CHAIRMAN:** 226—pass; 227—pass; 228 — Mr. Uskiw.
- R. USKIW:** Mr. Chairman, about a third of the way down on the second column, Prudential Insurance Co., some 534,000.00.
- R. CRAIK:** Okay.
- R. CHAIRMAN:** 228—pass; 229—pass; 230—pass; 231 — Mr. Uskiw.
- R. USKIW:** Mr. Chairman, on the second column of 231 about three-quarter way, Ramada Inn, 4,384.00.
- R. CRAIK:** Ramada? Okay.
- R. CHAIRMAN:** 231—pass; 232 — Mr. Uskiw.
- R. USKIW:** Mr. Chairman, the second column midway, Red Wine, Winnipeg, 7,000.00.
- R. CRAIK:** That's a lot of wine.
- R. USKIW:** A lot of wine, yes.
- R. CRAIK:** Okay.
- R. USKIW:** And below that is Reed Shaw tenhouse, 38,000.00 Brokers?
- R. CRAIK:** Crime insurance policies.
- R. USKIW:** Crime insurance, I see. It's another item, Mr. Chairman, the same question that I put on the major amount to a life insurance industry would apply, whether or not that couldn't be handled in-house.
- R. CRAIK:** Well, this one was tendered.
- R. USKIW:** Pardon me?
- R. CRAIK:** These are tendered. MPIC also is involved in the tender.
- R. USKIW:** Oh, they were competing for this, or could have been.
- R. CRAIK:** Yes.
- R. USKIW:** I see, okay, that's fine then.
- R. CHAIRMAN:** Pages 232 to 235 were each read page-by-page and passed. Page 236 — Mr. Uskiw.
- MR. USKIW:** Mr. Chairman, before we get off 236, near the top of 236, Russell Inn Motor Hotel, 6,811.00. —(Interjection)—
- MR. CRAIK:** Okay.
- MR. USKIW:** Is there? Gee, I missed that.
- MR. CHAIRMAN:** 237 — Mr. Uskiw.
- MR. USKIW:** Mr. Chairman, yes, on the top of the first column, or the second item from the top, Sandy Lake Golf and Country Club, 2,498.00. And then midway Saults & Pollard (1971) Ltd., 29,893.75.
- MR. CRAIK:** Printers.
- MR. USKIW:** Oh, those are printers, I see. Below that is Saunders, Roger Evelyn, 15,267.00.
- MR. CRAIK:** Okay.
- MR. CHAIRMAN:** Pages 237 to 242 were each read page-by-page and passed. Page 243 — Mr. Uskiw.
- MR. USKIW:** Mr. Chairman, near the bottom of 243 in the second column, St. Regis Hotel, 6,367.00.
- MR. CRAIK:** Okay.
- MR. CHAIRMAN:** Pages 243 to 251 were each read page-by-page and passed. Page 252 — Mr. Uskiw.
- MR. USKIW:** Mr. Chairman, near the top of the first column on page 252, Twaddle, A. Kerr, some 54,000.00. I presume that's legal fees there.
- MR. CRAIK:** Yes. Do you want a breakdown?
- MR. USKIW:** Do you have a breakdown, if we could? On the bottom of that page we have Unies Ltd., 457,000.00. What would that be for, Mr. Chairman?
- MR. CHAIRMAN:** Mr. Craik.
- MR. CRAIK:** We can get you a breakout on that. Primarily it was consulting services to the Manitoba Energy Council. It probably includes also the payments for the work on the Western Power System Study since that was administered through Manitoba.
- MR. CHAIRMAN:** Page 252 — Mr. Uskiw.
- MR. USKIW:** Mr. Chairman, would that be a tendered contract or not?
- MR. CRAIK:** No, not generally.
- MR. USKIW:** Could the Minister explain that more fully, as to why it would not be a tendered contract?
- MR. CRAIK:** Well, very few of these are, Mr. Chairman. I don't know of any . . . There's a very very few come through on projects that are straightforward that are tendered professional services, whether they're architectural or engineering, but they probably don't amount to more than 5 or 10 percent of the total that are called. This one would be mostly the Western Power Study; it in total was

Tuesday, 15 April, 1980

somewhere in the order of 300,000, which would have probably flowed in this particular fiscal year. That of course was not tendered and would not normally be.

MR. CHAIRMAN: Mr. Miller.

MR. MILLER: Mr. Chairman, further to that, some of this is recoverable from the other provinces is it not?

MR. CRAIK: Yes, two-thirds of the 300 would be recoverable from the other three western provinces.

MR. CHAIRMAN: Mr. Uskiw.

MR. USKIW: Mr. Chairman, since we are not dealing with a tender situation here could the Minister indicate to the committee whether or not he is involved in any way with this firm as a shareholder, employee or otherwise. Or has he been involved?

MR. CRAIK: No, Mr. Chairman, not involved, haven't been involved.

MR. USKIW: Did I hear the Minister correctly say he has never been involved with this company in one way or another?

MR. CRAIK: No.

MR. USKIW: Okay. That's fine.

MR. CHAIRMAN: Page 252—pass; 253—pass; 254—pass; 255—pass; 256—pass; 257—pass; 258—pass; 259—pass; 260—pass; 261—pass; 262—pass; that completes Volume II of the Public Accounts. There is no further business to come before the committee.

Committee rise.