

TIME: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Honourable Peter Fox (Kildonan): Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion.

MR. SPEAKER: The Honourable Minister of Labour.

MR. RUSSELL PAULLEY (Transcona): Mr. Speaker, this is not a Ministerial Statement but an announcement that, with regret, I note the passing this morning at 1 o'clock of a former member, my executive assistant, Art Wright.

INTRODUCTION OF BILLS

MR. SPEAKER: The Honourable Member for Gimli.

MR. JOHN C. GOTTFRIED on behalf of the Honourable Member for St. Vital introduced **BILL (NO. 83), An Act to amend The Pharmaceutical Act** for first reading.

MOTION presented and carried.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK: Mr. Speaker, my question is to either the Finance Minister or the First Minister. I wonder if he can indicate whether there has been any communication from the Federal Government to the Manitoba Government about the extension or the time for expiry of the control period in the AIB function. Has there been any communication which would indicate an extension to next year at this time?

MR. SPEAKER: The Honourable Minister of Finance.

MR. HONOURABLE SAULA A. MILLER (Seven Oaks): No, Mr. Speaker, I have no communication that I know of unless there is something in my office right now. There has been nothing coming through.

MR. SPIVAK: Well, I wonder then if either the First Minister or the Finance Minister can indicate whether there has been any communication from Manitoba to the Federal Government indicating the time at which Manitoba will withdraw from the AIB.

MR. MILLER: Mr. Speaker, as indicated by Manitoba, we felt, and still do feel, that an early withdrawal from the AIB and a decontrol is required today. I think I reported to the House after the last Finance Minister's meeting, the Federal Government will be issuing what they call a Green Paper almost any day now — I think it should have been out by now — and hopefully, that will lead to a firm statement on the part of the Federal Government as to what their intention is. In the final analysis, the Federal Government is going to have to make that particular statement because they could not get concurrence from the provinces or agreement from the ten provinces.

MR. SPIVAK: Well, I wonder if the Minister of Finance can indicate whether the Provincial Government would be prepared to go along with the Federal Government if they ask for an extension in January of 1978?

MR. MILLER: You know that's a hypothetical question and, frankly, we'll cross that bridge when we come to it. Manitoba has indicated it feels that we should be moving out of control at this time.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. STERLING R. LYON (Souris-Killarney): Mr. Speaker, a question to the Minister of Consumer and Corporate Affairs. Can we expect a statement on the extension of the Rent Stabilization Act this afternoon?

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

HONOURABLE RENE TOUPIN (Springfield): Mr. Speaker, I informed the House yesterday that I would be making a statement at the opening of the House this afternoon.

MR. LYON: Can the Minister advise if it is still the intention of the government to bring forward amendment to the Rent Stabilization Act this year to cure certain of the defects that the Minister acknowledged existed in that legislation?

MR. TOUPIN: Mr. Speaker, I attempted to inform the House again during the Estimate review of the Department of Consumer and Corporate Affairs that I did not believe that we had to amend Bill 19, Rent Stabilization Act, but that we could achieve a similar end by amending regulations which will be discussed later this afternoon.

MR. LYON: Just for clarification. I didn't hear the latter part of the Minister's statement, Mr. Speaker. That did the Minister say the regulations will be part of his statement, the improvements in

them this afternoon? Thank you.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON: Mr. Speaker, I would want to direct this question to the Minister of Agriculture. I'm not sure whether . . . the acting Minister I believe is not in his seat as well. Perhaps I could direct this to the First Minister then. In view of the long weekend coming up and because we have had problems in the long weekend in the past, I am wondering if the First Minister could assure Members of this House that farmers will have no problem in delivering all of their milk over this long weekend.

MR. SPEAKER: The Honourable First Minister.

HONOURABLE EDWARD SCHREYER, Premier (Rossmere): I don't know, Mr. Speaker, how it would be possible to give assurances of that kind. The trade and the organization of the trade is such that one assumes that if it proceeds normally there ought to be no problem.

MR. EINARSON: Well, Mr. Speaker, that is my point, that I would like to ask the Minister, does he envisage any problems insofar as the delivery of milk is concerned because we have had this happen before over a long weekend. I realize the Minister of Agriculture is not in his seat so I have to direct it to the First Minister. I think farmers are concerned over the long weekend. We have had situations where there has been a surplus of milk and it has not found its way to the processing plants in the Province of Manitoba; rather it has been skimmed off and there is some loss incurred. I am just wondering if the Minister can assure the farmers of this Province that that won't happen again.

MR. SCHREYER: The only assurance I can give, Mr. Speaker, is the assurance that we will check this out as to why there would be a different kind of problem on this given long weekend as compared to other long weekends of the summer season. Admittedly there would be a difference with respect to long week-ends in the winter, but other long weekends in the summer, as to why this one should pose this problem and others not, we will check.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. I wonder if he can confirm to the House that he has received a report from Leaf Rapids Corporation dealing with the proposed experimental satellite at East Selkirk, and recommending against the report.

MR. SPEAKER: The Honourable Minister for Mines.

HONOURABLE SIDNEY GREEN (Inkster): Mr. Speaker, I have received a report but the report doesn't recommend immediate procedure with a development in that area. But I have received a report, yes.

MR. SPIVAK: Well I wonder if the Minister would elaborate when he says immediate procedure. I wonder if he would indicate to the House whether the report in fact recommended that the government not proceed with the proposed experimental satellite city.

MR. GREEN: Mr. Speaker, I think I've said it the way I would like to say it.

MR. SPIVAK: I wonder if the Minister is prepared to table that report to the members of the Legislature.

MR. GREEN: Mr. Speaker, I'm not quite certain that the Leaf Rapids Development Corporation will be appearing before the Committee on Economic Development between now and next week and it will depend on whether the corporation feels that it is in any way commercially a problem for it to table the report. The corporation will be and is engaged in commercial competitive development of building lots. I don't know whether BACM would table its reports to us. So I'm not certain. It will have to be a judgment of the corporation.

MR. SPIVAK: I wonder then if the Minister can confirm whether the report came as the result of a request of the government, or was it solicited gratuitously by the Leaf Rapids Corporation.

MR. GREEN: Mr. Speaker, I don't know whether the words "solicited gratuitously" . . . I think that Leaf Rapids Development Corporation examines what it is going to do and what it is not going to do and I would imagine that the report was done in consequent of that type of an examination. I really do not recall myself having solicited the report but I would expect the corporation to be examining what it intends and the basis of what it is going to do.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, I have a question for the Minister of Urban Affairs. Reports indicated that discussions have been held between the Government of Manitoba and the City of Winnipeg concerning the setting up of a non-profit housing corporation. Can the Minister indicate whether the province has offered support, both in capital and operating finances, for the City of Winnipeg to establish such a non-profit housing corporation?

MR. SPEAKER: The Honourable Minister for Finance.

MR. MILLER: Mr. Speaker, a meeting was held with certain members of the Environment Committee — I'm not sure they were all there — where it was indicated this group was thinking in terms of setting up a non-profit housing corporation. We encouraged them to do so. We indicated that if we could assist them in any way we would certainly do so. But now it's in their hands and in the hands of council itself.

Mr. Speaker, while I'm on my feet, I wonder if I would have leave . . . I guess I should have made this advice to the House during the Ministerial Statements but it's not really a statement as such and I'm wondering if I have leave perhaps to advise the House of certain information which I think would be of interest.

MR. SPEAKER: Does the Honourable Minister have leave? The Honourable Minister.

MR. MILLER: I'd like to take the opportunity of advising the House that the province will be making available to Manitobans the savings bonds which may be purchased commencing May 24th; that's just a week from now. The bonds will be dated June 1st and will be for a ten-year period maturing on June 1st, 1987. It will be possible to cash these bonds purchased after December 1st, 1977; that is after the first six months. The bonds will bear interest at the rate of 8 ¼ per annum and, as in past issues, the bonds will be fully registered with interest being paid annually. And as indicated last year, Mr. Speaker, it's the intention of the province to make these bonds available every year, and that's why we're doing it this year, in order that those citizens who wish to purchase this kind of investment may have the opportunity to do so. The bonds will be in denominations of \$500, \$1,000, and \$5,000, with a maximum amount of \$50,000 per individual.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. LYON: Just a question to the Minister on his statement, Mr. Speaker. Has the Minister set an upper limit on the issue that he has . . . ?

MR. MILLER: No, Mr. Speaker, we are looking for a very modest amount, really. It is mostly, as I say, because last year we decided we would make it available annually. The amount we think will come forward is very, very modest, so we are not pegging it, but we can withdraw the issue by giving 48 hours notice. So if in fact it starts being heavily purchased, we could simply stop it. But I don't think that will occur, and frankly I am looking perhaps around 8, maybe 10 million.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. I address a question either to the Minister of Urban Affairs or the Minister responsible for Manitoba Housing. In those discussions with the city, was it discussed what the relative area of jurisdiction would be then in the supply of low or moderate-cost housing, and does this mean that there would be a change in the proposals that the Minister acknowledged might take place during his Estimates about the province itself setting up its own, or having its own non-profit housing corporation enter into this field?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. MILLER: Mr. Speaker, no, there would be no clash at all as between MHRC and this non-profit group, if it is created by the city. One will complement the other. The city, as I understand it, is interested in housing, to acquire old homes which can be renovated and can be put back on the market. That apparently is their greatest interest and their main concern, and that is not something that would necessarily, or in any way, clash with MHRC's purposes, which would be dealing more with multiple-family units and the infill of lots and the acquisition and demolition of placarded and condemned homes.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Speaker, I would address this question then to the Minister responsible for Manitoba Housing. In his Estimates he indicated that he was considering transforming the present non-profit housing corporation that the province has into undertaking activity of a similar kind. Does this now mean that the province will withdraw from this field or change its plans in that regard?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, perhaps I could indicate to the honourable member that when the meeting was held as between representatives of the city of Winnipeg and the province, the Honourable the Minister responsible for MHRC was in Ottawa, and accordingly I can advise the honourable member that if there is a change of plans, it will be a change of degree and will be possible because of a change in policy that is — perhaps I could say now — likely to take place on the part of the City of Winnipeg. As the Member for Fort Rouge may know, should know, up until this point in time, the City of Winnipeg has not given definitive indication that they were prepared to proceed by way of the establishment of a municipal non-profit corporation for the purposes of rehabilitation of existing stock of housing. The appearance now is — and one can only speak in terms of likelihood — that the city may well choose to do so.

In the event they do, as the Minister of Urban Affairs has said, the province's position is to encourage that. It will then leave all multiple older structures requiring rehabilitation to be still in the purview of MHRC, because it is our understanding that the City of Winnipeg's proposal, if in fact formally adopted and proceeded with, will relate to single family dwelling structures.

MR. AXWORTHY: Mr. Speaker, then to the First Minister. As a consequence of those discussions, can the Minister indicate whether the province intends to provide any further, additional forms of

assistance in the way of capital loans to the city non-profit housing corporation for renovation purposes or other areas such as the installation of different kinds of fire safety equipment, as has been discussed in the House in the past. Can we expect any further assistance beyond that which is presently under The National Housing Act?

MR. SCHREYER: Mr. Speaker, I am not sure that that would be necessary, inasmuch as it is my understanding that under Section 51(15)(1) of The National Housing Act that the municipal corporation would be entitled to — I believe it is — 100 percent loan financing plus a 10 percent additional amount. Well, let us say 100 percent loan financing, and that 100 percent is subject to some interpretation as to forgiveness of up to 10 percent. It is our impression that the need for additional financing may well not exist beyond that.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Mines and Natural Resources. It relates to the East Selkirk satellite community. I wonder if he could indicate whether the recommendations of the Leaf Rapids Corporation to postpone or even abandon the project was based on their projection of costs of the services to be provided.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, may I say that I have not fully read the report. I am aware that there is a report; a copy of it has been given to me but as to the details of it, I would ask my honourable friend to deal with that matter when the Chairman of the Corporation is before the committee which will be within the next ten days — within the next week, I hope.

MR. SPIVAK: To the First Minister. I wonder if he can indicate whether his government has abandoned the proposal to build the satellite community in East Selkirk.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the land was acquired for the general purposes and under the general heading of land assembly for the future. It is my distinct personal impression that at some given point in the future — not too long at that — that this block of land which only amounts to some very few hundreds of acres will lend itself well to the construction of housing. The question is one of timing in relation to market requirements and in relation to other available lands already owned by the Crown on the right of the province. Those are the two basic caveats. The basic concept in suitability certainly is undiminished in our view.

MR. SPIVAK: Well, I wonder if the First Minister would indicate whether the government would consider as an option the possible resale of the land back to the citizens of Manitoba.

MR. SCHREYER: Mr. Speaker, I could just make two observations in relation to that question. The first is that generally speaking where there has been urban planning consideration with respect to development of housing outside of city limits, that there has been — I believe this is borne out in the Greater Winnipeg Development Plan — an assignment of priority, as one example, as has already taken place, the putting in place of a subdivision or subdivisions of housing around the nucleus of existing villages. A case in point: Birds Hill. This has already taken place. In the case of East Selkirk, it is felt that some day in the future there may be need to proceed toward the installation of sewer and water service for reasons both of amenity and of public health and if that were to occur, that would be an appropriate time at which to take a very hard look as to the timing of any approximate subdivision. Finally, I say that the land is owned by the citizens of Manitoba.

MR. SPIVAK: I wonder if the First Minister would express his government's position with respect to the fact that the report itself really tests the credibility of his government's urban planning.

MR. SCHREYER: That, Mr. Speaker, is a stupid and a ridiculous assumption to make. I am not surprised. My honourable friend has done so from time to time over the past few years.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, I see the Minister of Agriculture is in his seat now and perhaps I could ask the Minister a question I posed to the First Minister because of his absence and probably express it in just a little different way that it would be better understood. In view of the long weekend coming up, I am wondering if the Minister could inform the House whether or not an agreement has been arrived upon between the Manitoba Milk Producers' Marketing Board members and the processing plants throughout the province to ensure that all milk will be delivered that farmers have to produce over the long weekend.

MR. SPEAKER: The Honourable Minister of Agriculture.

HONOURABLE SAMUEL USKIW (Lac du Bonnet): Mr. Speaker, I know that there have been discussions between the two agencies mentioned by the honourable member. Just where those discussions are at the moment, I am not aware.

MR. EINARSON: Mr. Speaker, I pose a second question to the Minister. Could he advise the House today or tomorrow as to whether or not there is going to be any problems insofar as deliveries are concerned because I believe in the past, over a long weekend, we had some — if my memory serves me correctly — some 70,000 pounds of milk that had to be skimmed off and I am wondering if this is going to be avoided in this coming long weekend.

MR. USKIW: Well, Mr. Speaker, this is obviously something that has to be dealt with between the plant owners or operators and the marketing board. It's not something that we have jurisdiction in as a department.

MR. EINARSON: A third question to the Minister of Agriculture. Is he consulting from time to time with the officials of the Manitoba Milk Producers Marketing Board in order that he may give us the answers that we are posing to him now?

MR. USKIW: Mr. Speaker, I'm sure the member knows the answer that he wants and whatever happens will be evident to all of us.

ORDERS OF THE DAY

ADJOURNED DEBATES ON SECOND READING

BILL (NO. 62) - AN ACT TO AMEND THE CITY OF WINNIPEG ACT

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I'd like to proceed with Bill No. 62.

MR. SPEAKER: Bill No. 62, proposed by the Honourable Minister of Urban Affairs. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. When the Minister introduced the bill he concluded his remarks by making an offer that he was in the market for suggestions, constructive or otherwise, about how The City of Winnipeg Act might be even more improved beyond that which he and his colleagues were able to devise.

MR. AXWORTHY: I'd like to approach the presentation of this bill, Mr. Speaker, in a spirit somewhat akin to that because certainly I think it's in need of a lot of correction and suggestions, so that the offer the Minister has made will be taken up, not without some acco, because anying criticism I don't think it is possible to make any kind of a suggestion without also asking oneself what is wrong either with the existing structure of the City of Winnipeg or the proposed amendments to it.

I'd like to say first, Mr. Speaker, that Winnipeg is getting itself quite a reputation across North America kind of as the instant pop-up, throw-away city, that we have sort of changed our city structure more often than a strip-teaser changes her clothes, that every time we turn around someone else is deciding that we need a new structure. I thought that maybe this was a current modern phenomena that was part of our society like we approach the City of Winnipeg like a kleenex box and we just simply pull one out every time we wanted to blow our nose. But I discovered in some late night reading of a book on Winnipeg's history from 1874 to 1914 that in fact we are only fulfilling what has become a long time-honoured tradition, that in that 40-year period something like nine different changes were made to the City of Winnipeg Charter at that particular period of time, normally inspired by what was then called the Board of Trade, who decided about every three years some other rearrangement was necessary.

So the fact that we are once again engaged in the procedure of reorganizing the structure of Winnipeg means that we are following faithfully in the paths of our forefathers. Mr. Speaker, I hope with somewhat more success because one of the conclusions that this book has, and it's an interesting one, I recommend it to the members for their late night reading, is that nothing changes. That with all the reorganizing and rearrangement and new structuring, the old City of Winnipeg kept on moving along just about the same way. That everyone who was benefiting from its goods and services continued to, and everyone who lost continued to lose, and that there was remarkably little alteration in the end product, which was the kinds of taxes one pays and the kind of services one receives and the kind of policy that one received didn't seem to be all that much affected by the numbers of changes that took place during that period.

I would suggest, Mr. Speaker, that that is probably a fairly good historical lesson to keep in mind when we analyze the present amendments before us. That the changes in structures and organization, and in ways that you elect people and organize boundaries has a relatively limited impact in many respects upon the underlying political, social and economic reality of the city, and if we expect that we are going to create miracles or make radical new changes, that we are sadly mistaken.

Mr. Speaker, perhaps that was one of the underlying flaws in the original concept of Unicity was that there was a high degree of expectation, by many of us, and I include myself in that, that some very important new directions could be expected as a result of changing the structure. I think the experience of Unicity indicates, Mr. Speaker, that in many ways the way in which government is organized may have far less to do with what really happens than with the kind of informal, political and social groupings and organizations.

That doesn't mean to say that there are not some important things that do happen when you change government. I'm not saying that the structure is totally irrelevant, but I am simply wanting to offer a certain caution about how much we can expect from these changes. Therefore, that I think

gauges the nature of the change that one wants to bring about, that you have to begin looking at more modest restricted kinds of ambition than assuming that you are going to make wholesale alterations in the way that the City of Winnipeg is governed.

In that respect, Mr. Speaker, I would begin my own comments by simply asking the question that if we are going to change the City of Winnipeg we have to reason why. What kind of goals does the Government of Manitoba now have that they think have not been fulfilled over the past five or six years of Unity? And the way of measuring it that I simply come out with . . . there are lots of ways, I guess you can do it in ascetic form, which in my own profession has given all kinds of work and opportunities to attend fancy conferences talking about the intricacies of governmental organization.

And by way of aggression, Mr. Speaker, I simply say that if there is any group that is thankful to the Minister of Urban Affairs, it is that small but incestuous group of local government specialists who spend a lot of time going to conferences talking about governmental change, and that this new change will give them food and ammunition for one more successive round of conferences, meetings, and learned society organizations . . . —(Interjection)— As long as you don't pay for it, but it certainly will keep the academic wheel turning with even more frequency than they have in the past. It's obviously part of the provincial job creation program for local government political scientists — but that's at his discretion.

The issue I wanted to raise was if you really look at city government, I think, in taking away all the kind of theoretical stuff that you can look at, it comes down to simply a question of who benefits from it, what particular groups of people in the community find themselves either winning or losing by the way government works in the City of Winnipeg.

I think, Mr. Speaker, that in pretty simple terms you can say that for most citizens it is simply a matter of how well are their services delivered at what cost. And for most citizens, the City of Winnipeg is viewed as a way of getting its garbage collected, getting the streets cleaned, having a certain degree of public transit available to it to move around, having other basic services at a relatively minimal cost. Because if there is any one great preoccupation on the minds of most citizens, it's their property tax bill. It is the most visible form of government that incurs in their lives.

But there is another group that benefits on a higher degree of order, a higher degree of range, and that is the commercial groups in this city who gain very major advantages through the downtown development projects and other kinds of public works incentives that are given. They find themselves more attracted to the requirements of city government and therefore perhaps more intrigued by what does the city do, than the ordinary citizen does. The ordinary citizen, if you really looked at it, and I've done some surveys, you would probably find less than five or ten percent really get too much excited by the whole question of government reorganization or organization.

It's much more a smaller elite group of people in the commercial sector who find themselves interested in what the city is going to look like. But I think, Mr. Speaker, in later years that commercial elite has been joined in battle, if you like, by a somewhat, certainly a small group of citizens coared to the total number of 600,000, but a very vocal and active group who are becoming increasingly concerned about the state and condition of the urban environment. I mean that in its total sense not just in its air and water; I don't interpret environment the same way the Minister of Mines and Resources. I interpret environment as the total habitat in which we live, and that the habitat for a lot of people is now becoming much more a concern. What's happening in older neighbourhoods? What's happening with the kind of product of the automobile that affects cities? What's happening on the whole question of getting a degree of community established in our own suburban neighbourhoods, which oftentimes tend to become wastelands of tract houses with very little places for recreation or communication, or communion in fact?

That has become, I think, a phenomena of really the last ten years or so, but while it is a minority, it has been one that has succeeded in attracting a fair degree of attention because I think in some ways they may be pioneers, being able to see something that the rest of us may not see quite so clearly, and they are calling attention to the fact that unless something is done now, that the kind of trepidations and travesties of urban life will become far more widespread in the future. What the warning bell of that group is signaling is that Winnipeg could easily become like some other North American cities. Detroit being probably a prime example where large parts of the inner city are totally wiped out or become sort of wastelands.

It is not that farfetched, Mr. Speaker. Many of the signs are there. The same kind of patterns are in motion and they are simply holding up a warning signal saying watch out.

Then, Mr. Speaker, that group of people who have been here ever since 1874, when the city was incorporated, and will still always be with us, and that is basically a group of people who are forgotten by almost all levels of government, who exist really without much support and are oftentimes neglected by all of the government in the kinds of concerns they have for simply getting a proper standard of living in our own city.

Now the question I would ask, Mr. Speaker, is if those are the kind of groups that expect some kind of service, how well has the City of Winnipeg satisfied them? I would say that if you look at the history of Unicity, it certainly makes a major improvement. I think the Member for St. Johns indicated some of them where the universality of the tax base was a major change I think that was one that was a long time coming. I think that we could also say that within Unicity, certain major changes took place in the ability of the City to provide for centralized services, police and fire and other forms of services, and that certain — I think beneficial — products have come out of that. But in terms of the ability of the City of Winnipeg, before when it was under Metro, under Unicity or even way back in the good old days of separate municipalities, to deal with some of these other problems that we've talked about. I don't think there has been any change. I think that the City of Winnipeg still, by and large, orients its policies and programs, to service and provide advantages for the commercial groups in this town, almost to the exclusion of those others that I talked about. I don't think that that has changed.

Mr. Speaker, the new amendments will not make any further changes in that area. There is nothing — (Interjection) — if the member wants, yes.

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

MR. SAUL CHERNIAK (St. Johns): Thank you, Mr Speaker, I appreciate the honourable member agreeing to concede to a question at this stage. Would he not think that a substantial part of the ability of the City to deal with the problems he raises that he is about to expand on, relates to the nature and the thinking of the people who are elected by the electorate of the City of Winnipeg?

MR. AXWORTHY: Well, Mr. Speaker, I don't know if the Member for St. Johns was here for my opening remarks That's exactly what I did say, that the ability to structure and organize is limited by the basic realities of the political and social economic arrangements in the City. That's what I said. And the fact of the matter is that structure will have little influence on those. Those will be the basic facts of life of the City and all that the structure can do is channel them perhaps in different ways; the most that you can expect from reorganizing a City structure is to perhaps channel those political forces and energies in somewhat different fashions than they have been before. I would simply suggest, Mr. Speaker, that there is nothing in this bill which will provide any difference in those areas. It will certainly not, in many ways, alter those forces one whit. We will still get a major preoccupation with Trizecs and concourses under the new City of this amendment as we got under the old. I' frankly, Mr. Speaker, am happy about that because I don't think that that is necessarily the way in which the City should be built. — (Interjection) — Well, Mr. Speaker, the Minister of Public Works says, "Run for Council." I would suggest, Mr. Speaker, that if you really look at it, I still believe very strongly that perhaps the most effective way of influencing what happens in the City of Winnipeg is in this Legislature because it is in the Legislature and the Government of Manitoba which has much more power and ability to affect the City of Winnipeg and this still is the arena and form in which many of those battles have to be fought. So, frankly, Mr. Speaker, I am quite happy where I am — and continue to stay. — (Interjection) — Mr. Speaker, that's a hypothetical question.

I would also say, Mr. Speaker, that one of the unhappy and unfortunate consequences of Unicity, however, was that it also prevented in some ways the older inner city parts of Winnipeg to achieve their goals as they would like to do. No one saw it when Unicity came in — and as the Member for St. Johns knows, I read the White Paper very carefully several times and commented on it, and I didn't foresee it at the time but certainly have seen it since, that one of the unfortunate, unintended results of Unicity was that it simply gave a major amount of political power to the suburban areas of the City to the detriment of the Unicity. If you really compare the Unicity scheme with what happened in Toronto, the ability to develop a reform group in the old City of Toronto, the Crombie kind of crew that arose in the City of Toronto provided very different orientation to the city policies in that city, couldn't have occurred if there had been Unicity Toronto; that if you had amalgamated Mississauga and North York and Scarborough in with the old City of Toronto, you would never have had Dave Crombie and you would never have had the kind of influence that that so-called reform council in Toronto was able to provide.

So, in effect, one of the things that Unicity did was it took away the ability of the older parts of the City to develop a political system that had been much more closely compatible with its own concerns. In fact, if you look at the question of budget, who benefits and who loses under the City of Winnipeg budget? Recreation budgets 5 to 1 per ratio according to other outer areas versus inner areas. The Capital Works Budget, you look at \$250 million prescribed for capital work expansions over the next five years, less than \$1 or \$2 million for Inner City capital expansion — Interjection — Well, \$50 million spent exactly in the wrong place and in the wrong way with no impact.

But the fact of the matter is that in the Capital Works budget of the City of Winnipeg, almost the total amount is going to suburban expansion. Nothing is going in to refit, upgrade or improve the older cities of Winnipeg. Mr. Speaker, there is no culprit; there's no villain in the piece, that's simply an expression of political reality. The political power now lies on the outer edge of the City, not on the inner, and therefore that's where the goods and services go. What I am suggesting, Mr. Speaker, that that is one of the problems of Unicity and unfortunately that is not a problem that is corrected under

this Act. There is no way of trying to balance out that imbalance in political forces and in programs and policy. Therefore, Mr. Speaker, I think that if we want to look at it, I think there are some ways of correcting it and I will come to them, but I think that that is a major problem that existed under the old City.

Now, a third area which I think was recognized in the Taraska Report and it has been recognized I think by most people observing the City of Winnipeg, was an increasing lack of accountability and responsibility in making policy decisions in the City of Winnipeg. The structure itself, though, was in part to blame. I think that the beautifully articulated thesis of the Member for St. Johns when he was Minister of Urban Affairs and his advisors and consultants in the White Paper were torn asunder when they opted in the late stages of the old Unicity Act to go for the direct election of the Mayor. That was probably a reflection of political reality but once they did that, once that choice was made to have direct election of the Mayor, it should have been recognized that all the rest of it was going to fragment as well and that once that theory of parliamentary government had been disrupted, it was wrong to try to put a hybrid back in its place. What they should really have done is, that they if there was going to be direct election of the Mayor, then the logic of that position should have followed through to a strong Mayor system. If you are going to do that, as we are continuing to do under this bill, then the only other logical consequence is not to try to marry sort of two parts or two different systems of government into one, which is what we have tried to do. What we really should have tried to do was to simply opt for one or the other and it would have worked. I would have thought that in this case, as the members opposite know and some members on this side will recognize, the inability of the City of Winnipeg to adjust itself in a continuous comprehensive way to matters of policy and program that the citizens could recognize and hold someone accountable. It is primarily based because there is no one centre in the City structure that says that's where the buck stops. You know, it's not going to stop with the Mayor because the Mayor says, "It's not my fault; it's the committee's fault, or the commissioner's fault," — because if it's not our fault, it's the mayor's fault and, in other words, it's the old shell game — every time you turn around, the pea is in another pod.

Now, the question is, Mr. Speaker, that the obvious conclusions that have been drawn from that was not to become preoccupied or obsessed with the personality of the Mayors much as one can become obsessed with that — as he is obsessed with it at times — what was really required was to establish the responsibility and requirement that the Mayor be the chief executive of the City of Winnipeg, have the powers of a chief executive and therefore be held accountable by the citizens of Winnipeg for instituting some kind of policies and programs. That was the only way that people would have been able to measure whether the present mayor or future mayors are doing their job or not. Because the only way that a citizen and a voter has a way of measuring is when he is able to say, who has the handles in their hand? If you don't give them the handles, if you keep passing them away — and in fact, Mr. Speaker, in the past I've recommended and I still think it's right, that you should have a strong Mayor system that says the Mayor has the responsibility of initiating budget, appointment and policy initiative where council then can consider, advise and veto and that there is an obvious interaction between them. But you can't get the Mayor off the hook that way.

Now, what I really think, Mr. Chairman, is happening in these amendments is that you are even further complicating the problem. Rather than simplifying it and putting down one focus of responsibility, you are complicating it double-fold because no way are you going to have the Mayor still elected directly with the popular mandate of the majority of people or of voters in the City of Winnipeg, you are also now going to have a chairman of Executive Policy Committee. It's the Executive Policy Committee which now has the powers to initiate and prescribe budgets, so in effect you are now setting up two very powerful figures in the City of Winnipeg, drawing their responsibility and power from two very different sources, one from council, one directly from the people, and if there happens to be — as there is likely to be — two individuals in those two positions who have strong personalities, then the clash and confrontation I would suspect will simply end in total stalemate.

A MEMBER: It hasn't happened yet.

MR. AXWORTHY: Well, it hasn't happened yet because the bill hasn't been passed yet, I suggest. Once the bill is passed, then we will be able to make the test.

But that is really, I think, if you are looking at a structure of government, one of the real problems — now there is obviously a way of correcting it, and that is to make the Mayor the chairman of the Executive Policy Committees with those powers. But at the same time, and, yes, I recognize the difficulties of it. What I am saying is that I really would like to see a strong Mayor system in this city, not because of the present incumbent's particular abilities, or lack of them, but simply because as an office, if you're going to have direct election of the Mayor, then I think you have to follow through by saying the Mayor is the chief executive and should be given the powers to make those initiatives, and become not only the chief administrator of the city responsible for whether it works or it doesn't work, but also the chief initiator of policy and program at which Council responds, pass, and tests.

Now I know there is a great dislike for the so-called "congressional system," but the fact of the

matter is, Mr. Speaker, that if you look at the history of local government across Canada, most of it is based upon that system, that unlike our provincial and federal institutions of government, local government in Canada is largely a product of American institutions. It is not borrowed from British institutions. And if you look at major cities across Canada, you will find that that is the genesis of most local government institutions.

Now I have no argument with the government trying to change that back into a so-called "parliamentary system," but it is obvious that the people of Winnipeg didn't want one, and if they are not prepared to go ahead and fight that battle, that I still think they are wrong in perpetrating a hybrid form of government, because I think the same problems will result: a lack of executive accountability and administration. And that, Mr. Speaker, I think is a serious flaw, as it was under Unicity, as it was under the present bill, and it is not corrected in this bill.

So I would suggest this, Mr. Speaker, . . . Did the member have a question? I am sorry.

MR. SPEAKER: The Member for St. Johns.

MR. CHERNIACK: Mr. Speaker, I thank the honourable member again. In describing the concept of the strong Mayor with executive powers, which I believe existed under the old City of Winnipeg Act, did it, under the old City, have the Mayor — all the Mayors of that city — presenting budgets and taking responsibility for all the acts of Council? Was there not the conflict that existed in that old city and still exists today?

MR. AXWORTHY: Mr. Speaker, as the Member for St. Johns well knows, mind you, there were a number of variations and changes in the old City of Winnipeg Act, but they really worked under a commission system, where there was a finance committee with a chairman of the finance committee working on those. And that was not much more of an improvement. The difference was of course that the City of Winnipeg Act, going back to its original conception in 1969, was in many ways dealing with simpler tasks.

The question I raise again, perhaps when the member was out or wasn't available for listening, was that my concern is to what degree do we have a system of government that is able to cope with the kind of issues that a modern-day government has to deal with? And I don't think that you can go back to a day when the responsibilities of a city were simply, almost like a board of directors and the Mayor was chairman of the board and you had boards of controls and all the rest of those kinds of things. I am simply saying that if you want a modern, up-to-date city capable of dealing with many of the entrepreneurial development policy requirements of a modern-day city, then you have to give executive accountability and direction to it. So I don't think you can use the old standards to measure what is really required now.

If we are talking about changes, that's what we are talking about; the fact of the matter is, though — and I am not saying that that in itself is going to solve all the problems — but it would solve one problem, and that is the people would know who is responsible, and they would be able therefore to hang, crucify or applaud whomever happens to hold that office in a much more clear and cohesive way. Now, Mr. Speaker, that's one problem which I don't think these amendments necessarily solve.

Another one, which goes back to the propositions which were issued under the Unicity White Paper, was that the government of that time very legitimately, and I think very honestly, recognized that there was an increasing demand for a higher degree of accessibility and involvement of citizens in their government, that there had been an increasing demand that government was becoming closed, becoming somewhat distant and removed from the concerns of ordinary citizens. And under Unicity they made certain recommendations to try to counteract that: small ward systems, community committees, resident advisory groups. All these were designed to provide for that access. And I think that that was a very genuine and important step forward, a much better improvement than many other cities have provided. I think that The City of Winnipeg Act was applauded very universally for those innovations.

Mr. Speaker, this Act takes major steps back from that position, and I regret this very much, not necessarily as intended, but certainly as the results will prove. To begin with, the resident advisory groups — I was reading a manuscript about a month ago that was being put out by the original consultants who developed a White Paper on Unicity. They are printing a book on it. It is an interesting book because one of the things that they said was that the very day that the Act passed — (Interjection) — Yes, I saw the dedication — the Provincial Government abandoned the resident advisory groups. I think it had something to do with the fact that the Minister of Urban Affairs happened to change hands from one individual to another, and that the degree of enthusiasm that the original Minister of Urban Affairs had was not shared by his successor. But the fact of the matter is that the resident advisory group was basically abandoned by the province in terms of any sort of support or concern, and certainly was never taken up by the City of Winnipeg.

So let's look at the question of the size of wards and the community committees for a minute. One thing that is very obvious in this, Mr. Speaker, is that this probably, if nothing else, hammers the last nail into the coffin of the resident advisory groups. That to try to operate a RAG group on the basis of 80,000 basis of population, I think, will simply mean that it would become a small, almost ineffectual

Thursday, May 19, 1977

sort of area of lobbying and not provide the kind of growth into the widespread community involvement that it's potential originally might have groups had, that the RAG almost have had it. (There are some mutterings over to my friend to the right, which pleases me to no end.) The fact of the matter is that the RAG groups, if that was to be the way in which citizens had access, will simply no longer be able to work.

I would also suspect, Mr. Speaker, that the community committees themselves are not really going to be able to perform the same function that it had before, that there is a certain logic in the question of size and scale of government and the people it represents. There was a certain degree of, if not intimacy, at least accountability in the present size, and I think by simply deciding that we are going to have six community committees representing anywhere from 50,000 to 80,000 people, will simply again turn them into a form of a second-tier government, really, in a way. And I think that any hope or ambition for that kind of continued citizen involvement we'll see slowly die on the vine. And that's saddening, again, because I think that that was one of the more noble aspects of the Unicity experiment which we are obviously now abandoning. — (Interjection)— Yes, Mr. Speaker. I hope, Mr. Speaker, you take into account these interruptions, that I may have somewhat of an allowance at the end.

MR. SPEAKER: The Honourable Minister for Public Works.

HONOURABLE RUSSELL DOERN (Elmwood): Mr. Speaker, I am not sure if the member is getting off this particular point. He was making the point that he regretted the reduction in the size of Council, and I wanted to ask him this point, that given the parliamentary system, it seem to me you could have 50 or 100 or 200 people and function, but given a directly-elected Mayor, does the member not concede or see that there is a difficulty with a larger number, and that perhaps a directly-elected Mayor necessitates a smaller Council?

MR. AXWORTHY: Mr. Speaker, I don't know if there is any necessary connection between that. I don't think anyone has ever said that the number of councillors is related to the direct election of the Mayor. I would say that a lot of people focused on the size of Council as being one of the areas of confusion, and there is no question that it was an area of confusion but I don't know if the number of councillors was the cause of it. I think that the cause of it was that there was no way of organizing those numbers into any kind of cogent group of people to make decisions. If it's a matter of cutting the size down, I am not too upset about the reduction in numbers of councillors, I think that that is something that will have minimal impact, but what you have to look at is what you are going to lose as a result of that.

Now, what you should also be examining, Mr. Speaker, is that if you are going to lose something by it, is there anything else you can bring in to make some gains by it? And I would say perhaps what the government should have looked at was the nature of the electoral system. If they were going to revert to a six-district system, then they should have perhaps looked at multiple-member wards. And I say that for one reason, that that is the only way that you can ensure that in those larger districts, minority interests would be represented. But the fact of the matter is now that you will find that because of the size of the wards, there will be less likelihood that many groups in the city, who were previously maybe able to mount a certain electoral plurality in a smaller ward, they will be swamped by a larger majority. And so that again, the potential for having minority interests represented in city government, is less now under these amendments than it was before, and perhaps the only way of having counteracted that trend, if you are going to large districts, would have been to look at a different electoral system based upon multiple-member wards or even a form of proportional representation, which again, by the way, is not so usual. That used to be the way we would elect councillors in the City of Winnipeg under previous schemes.

So the fact of the matter is, Mr. Speaker, when we have taken certain things away, but not brought anything back to counteract them, and again I would suggest that in the size of the community committees, if you are going to the six-district system, then you weren't able to simply say, "We will continue electing councillors on the same ward basis," because, as other members have pointed out, it means that the community committees now in some cases only have three councillors to them, which makes it more difficult to get any form of flexibility in those decisions, that three people sitting on it could very quickly get themselves into a stalemate. So it may mean that a different form of election should have been looked at and maybe it should have been an election on a six-district system through multiple member representation of some kind, and I am simply putting that out as a possibility. I haven't really analyzed that one through carefully enough to suggest it, but I do think that the electoral system should have been adjusted to ensure that there was more minority interest in it.

The same thing was true, I would say then, to continue with my recommendation, in terms of the way in which the community committees themselves were structured. Certainly, Mr. Speaker, I would like to have seen — and I think our own party has proposed — that in the older city areas there be two community committees that we would call Central City North and South, which would be

designed primarily to counteract some of the imbalances between the outer and inner city and that sort of north central and south central community committees would have taken really in the boundaries of the older city of Winnipeg. Because it's wrong, Mr. Speaker. I would like to point out just in terms of my own constituency which represents both this side of the river and the other side of the river that many of the conditions, for example, that we face in Fort Rouge, older housing, some areas of deterioration, very major changes going on in population, are not just exclusively shared in Fort Rouge. We're finding — horrors, if you can imagine, it's beginning to happen in River Heights; it even happened in the Crescentwood area, Riverview area, and yet now we are being severed from those areas which have a high degree of common interest. The Riverview area of the City will now go into Fort Garry which is primarily a suburban area; Fort Rouge will come into the Central City; there doesn't seem to be much sense in that incompatibility. Why take areas which have similar conditions, similar things affecting them, and all of a sudden split them apart and put one into the Fort Garry community committee and the other one into the Central City, even though they are almost identical in the kinds of things happening to them. I would have thought that it would have probably made more sense to have had two community committees that would divide north and south of the old city of Winnipeg so that it would have included areas on the south side like River Heights and Fort Rouge and Riverview and Crescentwood, and perhaps Wolseley on one side of it and then on the other side of it, those areas in the northern part of the City. So you would have achieved two objectives. One, you would have provided a better balance and leverage against the other fringe and you would also have provided some degree of compatibility with those areas that are being affected by similar kinds of problems.

Finally, Mr. Speaker, I have some very serious concerns about the whole planning and development proposals in the City of Winnipeg Act under the amendments. And that's perhaps one of the most difficult questions to answer because planning and development are the tools of the City that you really need to respond to many of those contemporary type problems I talked about. Again, I am not so sure that we have made many improvements. There has been a lot of talk in this House, for example, about the province exempting itself from City planning laws when they so decide. I see even a further danger in that. They are just not exempting themselves, Mr. Speaker, they are exempting their agents. Now, that's something that is not usual across Canada. People say it's usually the right of the Crown to exempt itself from local government but they don't exempt their agents. Now, who are their agents going to be? — (Interjection) — Well, it could be. It may mean a number of private agencies; presumably it could mean a private builder if they want. I suppose MBS could become an agent if it was so decided. Well, you know, 'the Minister would say, perhaps not, but if the government decided to designate it as such — (Interjection) — okay, but that certainly should be clarified because it would mean that there is a tremendous latitude for designating all kinds of people who are now exempted. In fact, what you are doing is you are setting up two classes of citizens in this area. There is the public developer who basically now has the freedom to do what he wants because he is not subject to the laws and that would create a tremendous amount of confusion. If the province decides it wants to put its major development here and the City says, "Yes, but we want to develop land over here," and they both go ahead, then that will be a tremendous cost and confusion because there is going to be duplication and overlap of a very serious nature.

Beyond that, Mr. Speaker, there are some other even more serious problems. It may be even more of a technical thing, but I would ask the Minister to think seriously about this. They've made a number of changes in the so-called requirements for Greater Winnipeg Development Plan, a new thing called a community plan and an action area plan. You can't have an action area plan to have a community plan and you can't have a community plan to get a development plan. The fact of the matter is it has taken us six years to get a development plan now and if we go by the same speed by which plans are made — by the way, I don't think development plans are much use anyway, frankly, if you want to know my honest opinion — it means that nothing can help it on a smaller scale. If we want to have a small conservation area on River and Stradbrook, we couldn't have that until the City of Winnipeg had a total community plan for the whole new district, central district, that Fort Rouge was a part of. And that community plan couldn't be developed until there is a whole big development plan.

In other words, you are freezing planning on the local level to the point until you get these big mackerel, aggregate, huge, metropolitan-like plans and that, frankly, Mr. Speaker, makes no sense whatsoever. You should be starting from the other end. Where planning really has its largest impact and can be most useful is not in the, what I call the sort of colour and paint job of the planners, you know, getting those big turning coloured maps and them over and saying, boy, we're going to have 80,000 people in the year 2000. Where planning really works is in the local level, in the neighborhood level, on a smaller scale, where you decide which houses can and should be built, whether there should be a balance between a highrise and a lowrise, what the street should look like. That's where planning really occurs. And there is going to be almost a total freeze on planning if this particular sequence and formula has to be followed. It will really strongly work against the ability of local organizations, groups, citizens and councillors to begin developing local plans suited to their own

needs. They are going to have to wait upon the mental stimulations and preambulation of those big planners doing the big job up there called the development plan or the community plan. They are not going to be able to really do the work on their own scale if they want to do it.

So, Mr. Speaker, the thing should be turned on its head. The planning arrangements should really be turned around and we should start on a small scale first and then work up, not on a large scale and work back. That doesn't mean to say that you don't have to make some large scale decisions on transportation and so on, but the fact of the matter is, if my reading of the Act is right and the responsibilities as put down here that you are going to have almost a total freeze on the ability to have local planning and developments done in any effective way. I think, Mr. Speaker, that the Minister should very, very carefully at those sections to see if, in fact, that's the result.

I also ask him to take a look at this whole question of the way in which zoning hearings are being developed. I think there is a double jeopardy system being put in by the requirement to have two hearings. The Minister said that we want to give more responsibility back to the City of Winnipeg, therefore, I will take away the right of the objection of the Minister. That's designed according to the prescription of the Taraska Report, to get more efficiency in the development process. Mr. Speaker, I think it is going to end up in more time this way than in the old way. Now, I think there is a third way that would save a lot of time on both sides. But really what you are doing here is that if an individual wants a zoning variation, he has to go to the community meeting and then they hold a hearing. The hearing takes time; people show up; they make their representations; it then goes to Committee of Environment Council, then they can order another hearing. Why? What's the point? Well, frankly Mr. Speaker, if he wants my suggestion, I would simply say, let's make the community committees the place where the decision is made and use committee and council as a court of appeal. That's the way it should be done. Because that really comes back to the question that if you are trying to encourage a high degree of local autonomy and local planning and local responsibility, then they should be given the right to make 5 decisions. Under this, what you are really saying is, that first hearing and those first decisions are really charades; they are not really going to accomplish very much because there is already another court; and that not only do you double the time involved but you are also really saying that we don't place responsibility in the hands of the community committee at the local level.

Well, I think, Mr. Speaker, that the fact of the matter is that you have a two-step system and that's all you need. That's what we're prescribing, that the major decisions on those local variations are made at the local level with the right of appeal to council, then they dispense with it as they see fit and set up their procedure.

Now, Mr. Speaker — and I know that my time is getting short — there's a couple of other areas of regret. How much time? One minute. One is I think the abandoning of the environmental impact assessment procedures. It's been obvious that the City of Winnipeg has not been interested in doing it; for that matter, neither is the Province of Manitoba. I suppose if nothing else, there is a degree of consistency that the Province of Manitoba is now expecting the same level of performance that it has itself, which is almost zero. At the same time, I thought that that was a good piece of legislation in the original Act; it is too bad it is being taken away and I think that we will again suffer for it.

I would simply close, Mr. Speaker, in saying there are a number of other suggestions that could be made — I may have the opportunity in Municipal Affairs Committee. But I would simply come back to the conclusion that for all the complaints and criticisms we have to make, I think we should also recognize the limitations of structural reform and that perhaps if you really want to make impact upon the City of Winnipeg from a provincial level, the place you do it is in the kind of policies that the province has and in the fields of transportation — and in housing and in neighbourhood development and in the supply of services. As we have pointed out time and again, Mr. Speaker, there is no urban policy of this government in terms of the supply of water and the supply of services, and MHRC is not prepared to supply those kinds of things. There is not capital available for them. The public transit prescriptions still are very sadly lacking in the alternatives that are available. The housing program still has to be worked out and there is simply not really any kind of incentives for major neighbourhood development. Those are the areas where we could really make changes in the City, and I think maybe once we get this whole question of changing the clothes of the City of Winnipeg, we feel we can get down to the real serious business at hand.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Thank you, Mr. Speaker. I beg to move, seconded by the Honourable Member for Pembina, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 50 students from Riverside Elementary School, under the direction of Mr. Johnson. This school is from the constituency of the Honourable Member for Thompson.

And we have 20 students from the Earl Oxford School, under the direction of Mrs. McPhail, from

the constituency of the Honourable Member for Brandon West.

On behalf on the honourable members, we welcome you here this morning.

The Honourable House Leader.

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and that the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply, with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY

ESTIMATES — ATTORNEY-GENERAL

MR. CHAIRMAN, Mr. William Jenkins (Logan): I would refer honourable members to Page 10 of their Estimates Book, Resolution 20, General Administration, (a) Minister's Compensation, Salary and Representation Allowance. The Honourable Attorney-General.

HONOURABLE HOWARD PAWLEY (Selkirk): Mr. Chairman, before I deal with the Liquor Control Commission remarks, I would like to report on two items that did not involve the Liquor Control Commission which were raised yesterday during the debate.

One pertains to the Auditor's Report in connection with a salary paid in excess of what was allowed for and this occurred through a misunderstanding on the part of the Board of Legal Aid Services. An employee was paid an additional sum directly by Legal Aid, Manitoba, over and above his regular Civil Service salary. The total amount was in the sum of some . . . Well, the salary was \$23,852.00. The matter has been dealt with by Management Committee; the problem has now been corrected. The Legal Aid Services Board, the misunderstanding is that they felt that they were an independent board and did not feel they came under the same Management Committee controls in this instance, as did other departments and agencies. That has now been resolved.

The Honourable Member for Assiniboia raised a question in connection with changes in the Criminal Code pertaining to rape. Those changes are now operational. The time space with which we can judge the effects of those changes, of course, is quite limited. The advice which I receive byway of information from our Director of Prosecutions is that the experience with them to date has been satisfactory but it is too early really to give a conclusive report, except that it is our department's view, certainly, that to date those changes have been worthy changes and they have certainly eliminated much of the unnecessary dealing in irrelevant trivia which often tends to intimidate witnesses rather than arrive at the real issues that should be joined in such a case as that. So that the amendments attempt to do that and our impression to date is that they have been a progressive improvement. It is too early yet to give a conclusive report.

Now I would like to comment, if I could, on some of the remarks made pertaining to the Liquor Control Commission. I must say that I was somewhat surprised to hear the attack, or the assault yesterday on the advertising program of the Liquor Control Commission. I had thought that this was a program that was generally well accepted throughout the province. I know, for example, from *hôtellers* I receive many compliments pertaining to this program as they have indicated to me that it makes their task much easier; that they find that they have less misunderstanding, less hassle with customers in hotels because there has been a certain amount of educational work going on on a constant basis to inform Manitobans of the laws pertaining to liquor.

Now, in case honourable members feel that expenditures in Manitoba are out of line or we've embarked — and I say "we" because government must assume responsibility and I don't think it is fair here that Mr. Syms be attached for this program, because it is a government program, we associate with it and we certainly take responsibility for the program. It is not a new embarkment by the Manitoba Government because our total — and this gives way to a question that was posed yesterday — the total amount of money spent last year on this program was about \$200,000.00. Now that compares with an expenditure of \$750,000 in Ontario on a program which they have embarked upon, and \$1 million in Saskatchewan on their program called "Aware." So that I don't think we are out of line and I think that the results have been of a positive nature. The attempt is not only to inform as to the laws which is certainly provided for under the The Liquor Control Act, that this is a responsibility of the Commission, but also is a real effort to slowly — and I think that the problems pertaining to liquor do probably, to some extent, fall under three headings. One is attitudinal changes; two is enforcement; and, I certainly agree, three, that, you know, there is a rehabilitative area in which additional moneys should be sought and found by society to deal with rehabilitation of those that have suffered from the effects of alcohol. But certainly, a program such as this deals with attitudinal and it has been repeatedly emphasized that the importance of advertising is to promote mature drinking habits within the laws of the Province of Manitoba.

I don't know, I guess it is very very difficult to know how successful a program such as this has

Thursday, May 19, 1977

been to promote mature drinking habits, more responsible drinking habits, and drinking which does not reach beyond the confines of the law. I think it has had some impact and I think that this view is shared by many in Manitoba that this program has had some small impact in improving the attitudinal relationship to the consumption and use of liquor.

Also, if I could deal with the question of sports. I think that there has been some misunderstanding in connection with the Chairman's position pertaining to the Sports Federation and the comments that were made publicly in this regard. I think the Chairman's concern and one which I think we ought to all and I would hope that most of us would identify with is that — and certainly this has not been the case in the historical perspective in Manitoba — that sports, athletic events, should proceed with as little identification with liquor and liquor interests as is possible, particularly when we are dealing with children in elementary school and high school; that to identify their activity, their sports activity with liquor interests, promotion of liquor, even in an indirect way, is not wise or is not good. I think we have to start from that premise. I think, however, at the same time, we recognize that we are not going to be able to prohibit or to prevent the assistance which is given by certain interests to these projects. I think there could be a problem. On the other hand, I respect their involvement because society and I say this government and other governments have not seen fit to provide the type of assistance by way of grants and help to local groups, athletic groups, recreational groups, young people's groups, so that they can develop the necessary thrust. We have allowed other groups to enter into the picture with their own identification with certain interests and the danger that is inherent within that industry or that vested interest, to sometimes, in some ways, to provide an identification with liquor, which is something that I think most of us would not want to see with school children who are in their formable years as far as developing their attitudes to liquor or drugs, or all things pertaining to the law. I think we have to be careful and I think that's the concern that was expressed by the Chairman of the Liquor Control Commission.

I feel that the reaction to his statements, particularly by Mr. Horton, I believe it was, of the Sports Federation; I think that there was an over-reaction there, probably based upon a misunderstanding as to what the Liquor Control Commission Chairman was saying. I think that his desire would be that in the long term, society would pick up more and more of this responsibility and there would be less dependence upon liquor interests to further athletic and sporting activity, particularly with our young.

A lot of reference was made in connection with inspection controls. I checked, after the comments that were made yesterday, with the Chief Liquor Inspector, Mr. Singleton, pertaining to some of the remarks because I want to say that I would immediately wish to concur with criticism if the Liquor Commission was meddling or concerning itself about the color of paint in a bedroom, or the color of a toilet seat. And I am assured by the Liquor Control Inspector that they are not. I am told that carpets . . . — (Interjection) — Yes, they have been because they have found that, in fact, and they indicate that they are receiving much positive response from hotel owners that the carpets have, in fact, been a beneficial addition rather than tile in bedrooms, and that there has been involvement insofar as carpets but not in some of the other areas. You know, I have heard it said from some sources, not from the opposition, but from different sources, that the Commission even is insisting upon colored T.V. or certain paintings in hotel rooms and whatnot. There are all sorts of stories and rumours that float through the province and most of them aren't properly based. I checked out those rumours and certainly the Commission is anxious to ensure there is a reasonable standard in hotels, to improve those standards, and I asked again after the debate last night that it be confirmed that not at a standard that would push up the price of a room to the extent that lower income people and others who need hotel rooms, would not find themselves being jeopardized because some government agency or department has too much expectation or wants too much whipping on shortcake sort of thing.

I am assured that is not the case but that the practice has been to improve the standard. And if we compare hotels, for instance, in Manitoba with the average hotel in Saskatchewan, that we can be justly proud of our hotel industry and our individual hotels in Manitoba, much as a result of the standard encouraged and insisted upon by the Commission in some respects, as compared to the average hotel and the hotel industry in Saskatchewan. And certainly this doesn't deflect or reduce the impact that Manitoba has insofar as its appeal to the overall tourist industry, if our hotels reach a reasonable standard.

The Honourable Member from Morris issued some very very strong remarks yesterday and referred to the Chairman as launching — and I don't know whether he had given careful thought to his remarks — but had issued a statement referring to a reign of terror. I don't think there is any reign of terror except for those that really set out by way of a pattern to deliberately breach the laws of the province pertaining to liquor, liquor consumption, service to underage and whatnot. Then, I think that strict measures have to be taken and I would hope they are being taken because liquor is not something that we can just play around with. The spirit of The Liquor Control Act was well

enunciated by way of the Bracken Commission Report and the Commission is fully aware of its responsibilities to carry out the spirit of that Bracken Commission Report.

I think that in the Liquor Control Inspector's report, that there are about 50 hotels mentioned last year. I don't think that's a real extreme situation that 50 hotels . . . I don't just have the Inspector's report in front of me, but I gather it is about 50 hotels, which is not, certainly, an extreme situation and wouldn't imply to me a reign of terror on the part of the Commission.

And let me say very clearly that I don't think members opposite would want, and certainly this government does not want, a chairman of the Liquor Control Commission to be running a popularity contest. It is not an area that you can possibly increase your popularity because, as the Honourable Member for Fort Garry knows from some personal situations in Fort Garry, the Liquor Control Commission has to make some pretty tough decisions, has to stand by them, and it certainly doesn't enhance popularity, nor do I think it is possible that an individual can be immensely popular and hold that type of responsibility, in which he has, by law, a complete monopoly, a total monopoly which existed well before 1969; a great concentration of power because of the very essence of the Commission. A commission which is geared towards ensuring that there is control, control of a product which, certainly if there is abuse of, can create a great deal of social and economic suffering and harm. So that there's need for control and that control to be applied, yes, strictly, also of course, fairly. And I would hope that it is being applied fairly and firmly throughout the province.

But again, I don't think that it's possible for the Chairman of the Liquor Control Commission to ride on any crest of popularity in attempting to deal with the many many problems day by day that develop. Because he has to so often deal firmly with situations that I'm sure that there are many many people that have been affected by the decisions that will complain and will be terribly upset. I think each and every one of us has that type of situation occur, but certainly more so with a person that is a Chairman of a Commission that is entrusted with as much responsibility as the Chairman of the Liquor Control Commission is entrusted with.

I want to just indicate that in some questions that were raised by the Honourable Member for Roblin, there are no washrooms apparently installed in the Liquor Control Commission stores. The reason for that is that it is felt that customers don't spend long in those stores. They come in; usually they don't spend too long in the store and it hasn't been felt necessary to install washrooms.

I want to say that I think that we can be justifiably proud of the improvements, again, initiated by the Chairman of the Liquor Control Commission, Mr. Syms, in bringing about a trend towards the self-serve liquor store. Certainly, the store facilities that we have now in the main in the province are a great improvement over the stores of a few years back. So though they may not have public washrooms in them, it certainly is a major step forward insofar as the facilities that are provided and I think that residents . . . In fact, maybe the stores are too inviting to the public to enter and to spend money on. I'm not so sure whether I would have embarked in that area.

The Honourable Member for blin also asked for the names of firms of wines, spirits, etc. from which the Liquor Control Commission purchases. I think members should have this information and I have instructed the Commission to provide as much information as they have at the present time, and to examine whether or not we could not include this in future reports of the Liquor Control Commission. I think we should have this information and they are to report back to me on that.

The ID cards are creating problems. ID cards are abused so much — the Commission has many instances where ID cards are abused, where the particulars on the ID card are at variance with the photograph that's on the ID card; where the ID cards are deliberately tampered with, so that an ID card can only be trusted to a certain extent. First, of course, there is a problem of control of the issuance of the ID card; then there is a problem with the use of the ID card. Individuals borrow a card from somebody else and use somebody else's card. So that there are a lot of problems involved in respect to the ID card.

A question was raised by the Honourable Member for Morris, too, in connection with, why not fine rather than take away the licence for a day or two, or three days — lose a fine. The concern the Commission has in this respect, and I have asked them to give me a more thorough report on it, is that — (Interjection)— Yes.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. WAER H. JORGENSON: I wasn't at all making that suggestion. I believe it was the Member for Assiniboia that made that suggestion.

MR. PAWLEY: They are concerned that would not be severe enough and would not have sufficient effect by way of penalty on the store.

Now, whether or not they should insist that the wages of the employees be covered during the period of suspension, because certainly it is the owner that has to take ultimate responsibility for the infraction. That is something that also should be examined by the Commission.

I want to just, if I could, return for one moment in connection with the standards insisted upon in the hotel and just point out that the standards of hotel rooms, standards of hotels, and the background of the origin of the insistence upon requirements in rooms developed a long, long time

ago in the province when, in return for the province providing to the hotel industry a monopoly on the sale of liquor within the industry, part of the understanding because of their receiving that monopoly, was an acceptance on their part. They had certain obligations in return to ensure that their rooms and their facilities were kept up to a decent shape — an obligation which was accepted by the hotel industry in return for the fact that they did receive many, many years ago a monopoly insofar as the sale of liquor.

The Member for Fort Rouge made a number of comments. They were comments that are difficult to dispute, except that we are certainly engaged in budgetary pressures and problems. I would certainly agree more money ought to be spent on the Alcohol Foundation, more should be spent on education and more should be done within the school system. I suppose that that develops as a result of, again, the development within society of an increasing attitude towards more effort in this respect. So we have to ensure that society is ready for that type of expenditure. I would certainly like to see more spent in that way, so I am certainly not going to debate with the Honourable Member for Fort Rouge. But it's a question of providing more and more moneys from the consolidated revenues of the province or from the Liquor Control Commission for that purpose.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. STEVE PATRICK: Mr. Chairman, I want a clarification because yesterday I raised a matter of the fines and the ID cards and the Attorney-General today said, "Well, it's difficult to control ID cards because they are tampered with." I simply can't accept that because I have one in my pocket. It's a YMCA card. It's sealed in plastic. You can have your picture in it, the dates and everything, and there is no way that card could be tampered with, just no way possible. I could send him this. It is sealed all the way around. There is no way you can touch what's on it and it costs 25 cents to get your card sealed like this in plastic. I'm sure there are all kinds of cards, if the Minister would just take a look at some of these cards.

MR. CHAIRMAN: The Honourable Attorney-General.

MR. PAWLEY: There is no reason why the Honourable Member for Assiniboia couldn't lend me his card so that I could use his card for my purposes, is there?

MR. PATRICK: . . . that he may not pass.

MR. PAWLEY: Yes, we don't look that much alike. The honourable member has a certain type of identification card, which may be an improvement over some of the other ID cards that have been used.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, it is not surprising that the Minister would come to the defense of the Chairman of the Liquor Control Commission. I certainly anticipated that but I think that the defense, in some respects, did not deal with the questions that are raised.

Let me say at the outset that I have — and that might have been implied in the Minister's statement — I certainly have no sympathy for law-breakers whether they be hotel-keepers or anyone else. I want to make that point very clear. If there are infractions of the Act, flagrant violations of the rules, they should be dealt with and dealt with severely and I think that is the only way you are going to maintain these establishments in such a way that the law is being respected. But the inclusion of regulations, arbitrary decisions on the part of the Chairman of the Liquor Control Commission, or the government, whoever wants — and I should refer to the government instead of the Chairman, because after all it is the government that has the responsibility — are such as to be impossible, first of all, of achievement and, secondly, ridiculous in the extreme in their implementation. I make one example; there are many but perhaps this one will be more clearly understood than any others I could possibly make. And that is an order that went out on October 16th, 1974, from the offices of the Liquor Control Commission purporting to tell the hotel-keepers how to make their management decisions. It is the interference in management decisions that has disturbed me and I think disturbs a good many hotel owners. It is the same kind of a decision that affects the operations of many beer gardens. I'm referring to the decision on the part of the Chairman of the Liquor Control Commission that every hotel owner or licensee in every beer garden had to have X number of quantities of every brand, without any regard whatsoever to what the demand was in that particular area.

Here in his instructions to the hotels, he goes on to point out: How to produce your balance schedule. I ask the Minister to pay attention to the points that are contained in this memo. "1. Estimate your sales for a 16-week period beginning October 28th, 1974. Thus, October 28th, 1974, is the beginning of Week One. 2. Divide your 16-week estimate amongst the breweries in the stipulated proportions, that is, 33 percent Labatts, 32.5 Carlings, etc. The resulting figures are your total period requirements from each brewery.

3. Decide what your full week draft sales needs are and insert these figures into your schedule where the FW abbreviation appears. Calculate your part-week sales needs by using PW total period requirements from the brewery, total full-week sales of that brewery, insert these figures in your schedule.

5. For the Kiewel-Pelissier orders .----- - break its total period requirement into two orders,

one containing two-thirds of the requirements and the other remaining one-third. Insert these figures into your schedule.

6. Place orders with Carlings or Labatts in any open week or to complete PW or PN orders. Remember your sales of each must be in the correct proportion at the end of 16-week periods.

7. Repeat the operation every 16 weeks."

What nonsense. What arrogant nonsense. Then for an explanation of these figures, he said, FW means the number of kegs needed by the licensee for one full week's sale. In sample assumed to be equal to the average weekly sales of 17 kegs, and PW means a quantity equal to the total period requirement for a brewery minus his total full week FW sales. My god, a guy running a hotel has to have a chartered accountant to figure out how he's going to order the beer when he knows what his customer wants. Wouldn't it have been a lot simpler if the Chairman of the Liquor Control Commission had said, "You've got to have beer on hand of every brand in quantities that the consumer may wish and we leave it to you to make that judgment as to what your requirements are. If we hear any complaints that you do not carry certain brands that are asked for, then you are going to be subject to some discipline." That's all that would be necessary — and breweries be made responsible for delivering that product there. If they can't deliver it, that's their fault. But to occupy space in warehouses of quantities of beer is creating a very serious storage problem in the hotels — brands that they cannot sell, brands that are not in demand. What right has the Chairman or the government to determine what brands should be in stock if the customers don't want them. Can't that decision be left up to the customers themselves and the hotel owner to determine what that demand will be and then order accordingly. That's a blatant interference as far as I'm concerned in the operations and the management decisions of the hotel. It's that kind of unnecessary interference.

A MEMBER: Over-government.

MR. JORGENSON: Over — as my honourable friend the Member for La Verendrye points out — over-government. It is not necessary. If the Chairman of the Liquor Control Commission wants to make sure that there are brands available of every kind of beer in this province, then he simply tells the hotel owner, "You will have sufficient quantities on hand to meet customer demands and if we get in a report that you don't have them, then you've got a problem." What's wrong with that. And the same with a Beer Garden license. What's wrong with telling the applicant for a Beer Garden license that they must have all brands on hand and they are going to be held responsible for determining what the quantities will be. Surely they are in a better position to assess what the demand will be for particular brands in any given area. Anybody that applies for these Beer Garden licenses know in advance approximately the ratio of orders that will be coming in. Let them make those decisions. Why does the Chairman of the Liquor Control Commission have to have that authority? That is one exale of what has been referred to as over-government and unnecessary over-government; unnecessary interference in management decisions, making it difficult for the operators to carry on what they consider to be their responsibility in providing beverages in an atmosphere that is conducive to getting people to come back to that establishment, and interference in the personal the decisions or management decisions of any operation is bound to create unnecessary problems for that operator and consequent bankruptcy which has happened in some cases.

I made some reference to the public information services that are carried out by the Liquor Control Commission and I think if the Minister reads my remarks over he'll find that I suggested not that the advertising was misplaced — it's been misplaced as far as I'm concerned because it's placed by the Liquor Control Commission — it seems to place the Commission in a kind of a hypocritical attitude where their job is to sell the booze and then they're carrying advertising to curb drinking or to educate the public into more moderate drinking habits. The very fact that the Liquor Control Commission carries that advertising is really an advertisement for drinking which I don't think the Liquor Control Commission should be doing.

I suggested that the amounts be doubled. Instead of \$234,000 why don't they give a million dollars to some educational organization to carry on that job, the Alcohol Foundation. Or, as was suggested by the Member for Fort Rouge, maybe there should be a program of education in our schools that the Liquor Control Commission could support in some way, by providing pamphlets or something of that nature. Certainly I am not critical of any effort to encourage more moderate drinking habits. But I don't think that I need the Chairman of the Liquor Control Commission to direct his advertising to me. I don't need to be told by him or anybody else how I should control myself as far as drinking is concerned. If there is a problem area then money should be directed in that problem area and there are areas in which it should be directed.

It was those criticisms that I levelled and I think they were justified. I appreciate the attitude of the Attorney-General who is so mild mannered that it's very difficult to work up a head of steam as I would like to do. His responses are so reasonable that one can only assume that the Attorney-General is doing his best to make sure that the dispensing of liquor by the government — and it is a monopoly in this province, I think it rightfully should be — be carried on in the best interests of everybody. I am pointing out to him some of the observations that have been made to me and some of

my own observations in the dispensing of alcoholic beverages. I do think that greater efforts should be made to ensure that we do come into the Twentieth Century, as far as drinking habits are concerned. I do think that a great deal more moderation can be encouraged and should be encouraged. I'm not opposed to those things at all, I just don't think that the Liquor Control Commission is the body that should be sponsoring them.

MR. CHAIRMAN: Resolution 20(a). The Honourable Member for Virden.

MR. MORRIS MCGREGOR: Thank you, Mr. Chairman. Having other problems outside the House the last day I am not just sure who has spoken on this and in what area and I hope not to be repetitious.

In my area my problem or the one that I see as a problem is one that I've certainly used before and that's to do with the special permits, the beer garden licences, etc. For an example at the Brandon Exhibition this summer, they are not having the beer garden licence simply because they are forced to sell it so much cheaper than downtown. If I was a heavy drinker I would probably do the same, instead of sitting downtown sipping up the stuff you go where it's two-bits cheaper. I'm enough of a Scotsman, if , to I was drinking do that also. All that crowd does to the Exhibition and the people that want to use the privileges in the beer garden to relax over a coffee or over a beer is they interfere. They're not the slightest bit interested in that exhibition or any other one with the result Brandon is not having a beer garden.

The other point is in sports when they get a permit to put on a baseball dinner or a hockey dinner. Again the local hotel charges 75 or 95 a shot, they are forced to charge something in the order of 45 or 50 cents , and have to put up the mix , and again the imbalance. Those organizations, be it in my town or any other member's town, are done for one reason, to make a little bit of money and today they can barely make money if everybody works for nothing. I don't think maybe it should be exactly the same price as the hotel but it should be somewhere very close.

I'll always remember the community of Roblin some years ago having a "Roblin Day" here in Winnipeg. What was the building on Main Street they held it at? The Centennial Hall it was. I was there and indeed, if they had that thing in Roblin, they would charge 40 cents. But because it was in that centre, what did they charge? One dollar. And we say there is equality across this province. That is not equality and the point is taken from that, had they held that same . . . They made money, it was a wonderful evening but the unfairness was that had they held it at Roblin, 40 cents, because you held it here it was \$1.00 and that is certainly confirmed by the Honourable Member from Roblin.

And again, these clubs out in the rural areas, they are trying to do things, they are not making money to build an account, they are doing it to improve their hockey arena, they are doing it to help their ball clubs, their basketball clubs. And to me, it just does not seem like common sense, Mr. Chairman, to have those price spread the way they are. They can make money, it is going to a good cause, it is staying in that community and it is also separating the people who are there simply to get a cheap drink over those who are there to take in that evening or that day's fair and they will go with their friends and have a pint if that is their desire.

Thank you, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: Thank you, Mr. Chairman. I can follow along the lines of the statements that have been made by the Honourable Member for Virden and others who have spoke along the same theme. I don't particularly feel that these banquet permits as they are called, or occasional permits, with the price changes, are really issued now so much to try and make money for the curling clubs or whoever may take out an occasional permit as they are to maybe keep the crowd there. It seems to be a way of life now that if you have a dry party nobody comes to it. So they get the occasional permit and have it available in order to keep the people there. And I don't really feel that those people who have put it on are happy with the 50-cent charge either. And it certainly is unfair competition when they are paying 95 cents to \$1.00 in the other drinking establishments in town and have an abundance. I think the odd occasional permit is fine but when they become pretty common, such as they are now, to have that price at 50 cents, there is a tremendous difference and there is a tendency for those people to go there and the ones who are paying the taxes in the small towns are having unfair competition to some degree. But as I say, other of my colleagues have spoken on that and the Minister is well aware of the situation.

One or two comments that I'd like the Minister to . . . just on Page 9 of the Annual Report, it lists the employees, and it shows — I won't go into the other ones, because I'm not familiar with them — but it shows Minnedosa as having one employee. Earlier on in the statement it mentioned that they had shown a reduction in staff. Minnedosa has two employees; they have a manager and an assistant manager plus two ladies that are probably part-time and classed as temporary staff. I would like the Minister just to comment on that, there is only one employee listed in Minnedosa and I am well aware there are two full-time men working there plus two part-time girls. The girls may be part-time, may be full-time, I don't know because I've only been there about once or twice a year but they seem to be there every time I go in. I just wonder where the other employees were shown if they are not shown as

permanent employees.

Mr. Chairman, one of the other points that I wanted to mention was in the Report of the Chief Inspector, now listing the convictions I mentioned it last year and I didn't really get a real good explanation. It has to do with convictions and the fines imposed, total fines imposed of \$361,000.00. The RCMP were involved in 7,000-some-odd fines totalling \$315,000.00. The local municipal police forces were involved in 439 convictions netting \$26,970.00. The Winnipeg Police, 674 convictions, for \$26,970.00. It seems to me with half a million people living in Winnipeg and half a million people living in rural Manitoba, that there is an imbalance here, that there may be a logical explanation for it but I mentioned this last year and I didn't really have it explained logically when 7,000 or 8,000 people can be convicted in rural Manitoba for liquor offences and only 674 in the City of Winnipeg. It just doesn't seem logical because I spend, I guess, half of my time at each place and I haven't really seen too much difference in the habits of those consuming alcohol in Winnipeg versus the rural areas. So the Minister might want to comment on that.

Also, I wanted to bring up the matter that the Minister is well aware of, of the young man from Erickson who, with a group of friends, has a dance band and they are under-age. They have an entertainment band, it's not only a dance band, and an extremely good one. They are extremely popular in the Dauphin area and the Erickson area, but one or two of the members are under 18 years of age and they are not allowed to accept a booking in a pub, as they call it. They can play in a lounge or a Legion or anywhere else, but they are not allowed to go in a pub. Consequently, they are not allowed to have bookings there and this is where they make their spending money and their money to further their education and various other arguments that are in their favour. Now they have written to the Premier and the Minister last session and received some encouragement that some change might be made in the Act to facilitate their particular problem. It's not common to them; it's common to many other bands. He has written again to the Premier this year and also to me, and we've received the indication from the Minister that there is no change going to be made in the Act this year. It's most unfortunate, I just wanted to put that on the record, Mr. Chairman, because their request wasn't all that unreasonable and they pleaded their case very eloquently I felt, in their letters to the Premier, in their letters to the Honourable Attorney-General and myself. It wasn't too much they asked for but I am afraid that with no changes being made in the Act this year and I suppose next year it won't be necessary because they are getting a little older and they will probably be old enough next year to go in. So I just wanted to put that on the record. I know the Minister and I have spoken privately about it but I just wanted to place it on the record that I think it was a very very small change that they were asking for, and it's unfortunate that the Minister hasn't seen fit to have the people in the Commission act on it a little sooner.

MR. CHAIRMAN: The Honourable Member for Fort Garry.

MR. L. R. (Bud) SHERMAN: Mr. Chairman, I would like to enter a few comments at this stage in consideration of the Minister's salary on this particular subject. They are largely intended to suggest that my basic unhappiness with the Manitoba Liquor Control Commission and its operation stems from my experience that the Commission is itself colossally indifferent to the interest of the public, the cares or the concerns of the public. And I speak from the personal experience of the situation with respect to parking and traffic problems in Fort Garry, which I know the Attorney-General is familiar with. But, Sir, I can't let the opportunity go by at this stage in the consideration of Estimates without putting my dismay and my sense of frustration over that long simmering difficulty in Fort Garry, on the record, in a more formal manner than has been done through some of the questions that I have asked of the Attorney-General on the subject from time to time.

The fact of the matter, Mr. Chairman, is that the Manitoba Liquor Control Commission, through its Fort Garry store, does an excellent business, and a business that has increased in volume every year over the past ten years. And I say and I acknowledge quite readily that I am indebted to the quick response of the Honourable the Attorney-General to an Order for Return which I moved in the House for the figures bearing out that contention. Those figures reveal to me, through the Order for Return and the answer provided by the Attorney-General, demonstrates, Sir, that in that particular store which is located on Pembina Highway, just south of the Oakenwald — McGillivray Boulevard intersection that sales revenues in that store stood at \$1.1 million in 1968-1969 and increased steadily every year during the subsequent ten-year period to the point where, in 1976-1977, they were just off the \$2 million mark; they were \$1.9 million, and the projected revenues for the current year, 1977-1978, are \$2 million. So we are looking at a store that does a significant and an improving volume of business year by year.

And yet, Sir, during the dispute over parking facilities adjacent to that store, residents of the area and residents of the constituency, generally, and patrons, not only of the Manitoba Liquor Control outlet but of other commercial enterprises in that busy commercial area, were subjected to totally insupportable frustrations, totally indefensible inconveniences and totally unconscionable indifference on the part Chairmanship of the Liquor Control Commission itself. I want to say that, Sir, on behalf of my constituents in the area, and on behalf of all patrons and shoppers who use that

particular commercial area of the city.

I think it has to be said because this is the only conclusion that one could come to, had one been involved in the discussions and the ongoing controversy to the extent that I and some others were. I know that if the Attorney-General were to go to the city councillor for that particular area, Councillor Don Smith; to the other councillors in Fort Garry making up the Fort Garry Community Committee, and to residents of the area, he would receive precisely the same complaint. I am sure that he would not find that my allegation, that my charge here is exaggerated.

I want to say that I did have a sympathetic response and a reasonably ready response from the Honourable the Attorney-General every time I broached the question to him. But like so many other members of the Treasury Benches, when difficulties arise, the Attorney-General suggested that it was a problem that had to be settled by the Chairman of the Manitoba Liquor Control Commission, and that in effect — and I don't think I am taking his remarks out of context here, I am not certainly not intending to — that in effect he had to maintain something of an arm's length relationship and the settlement of the problem was up to the Chairman of the Liquor Control Commission himself. So that I was not able to extract from the Attorney-General a commitment to interfere directly and perhaps the Attorney-General was right in that decision. But I do want to say, to repeat for the record, that I did always have a courteous and sympathetic response from the Attorney-General and when I put in my Order for Return, I had a quick answer to the questions I asked.

But let us go beyond that point, Mr. Chairman, and recognize the fact that after that, there was nothing, there was nothing. There was never any kind of sympathetic response or intervention by the Chairman of the Liquor Control Commission himself, and I regret having to say that because he is a personal acquaintance of mine and I would like to suggest that at least up until this moment, he would consider that he and I were personal friends. Now I mean that sincerely, but I have to say for my that he turned his back on the problems in that neighbourhood and in the constituency generally and that his attitude reflected a posture of the type that I have suggested, a posture of colossal indifference to a problem.

He might have thought that it was just a little neighbourhood problem and that little neighbourhood problems don't matter, but the Attorney-General is a politician and he knows that little neighbourhood problems are the problems that matter most of all. They get to be big neighbourhood problems. And it might well be, Mr. Chairman, that the Chairman of the Liquor Commission has a different view today of the significance of little neighbourhood problems from that which he held approximately two or three weeks ago, prior to a particular political meeting in Fort Garry earlier this spring. I don't know. But the message came through loud and clear, I suggest, that the people in that neighbourhood were disturbed and unhappy and frustrated by a situation, and that there was no response, no sympathy, no co-operation forthcoming from one of the principals in that dispute. And if that had some kind of effect on the outcome of the particular meeting to which I have referred, then I suggest no one should be surprised, and least of all the Chairman of the Liquor Commission himself. I am sure the Attorney-General would not be surprised because he has been through enough political campaigns and battles to recognize what I am talking about.

So I have to say, Sir, that that has been a sore point with residents of Fort Garry, with the councillors of the community of Fort Garry, and with me as the representative of Fort Garry residents in this Legislature, and that we attribute most of our frustration and most of our unhappiness to bad attitudes to which I have referred. We recognize that there are two sides. There might even be more than two sides to the dispute, but we never got any kind of recognition from the Liquor Control Commission that there was any other side other than that it felt that it was perfectly within its rights to insist on maintaining the minimal level of rent for those parking facilities that it had been blessed with for many, many years, and to pretend that the commercial owner of the property on which the parking space was located was trying to hold them up to ransom, trying to hold the Liquor Commission up to ransom for exorbitant rent.

When the dispute began, Sir, and it goes back many, many months — when the dispute began, Sir, I think any fair-minded person would have to say that the first rental request by the owner of the property, which is Pier 7 Sports Marine Property, just immediately south of the liquor store itself, that the owner of that property did submit to the Liquor Commission an unreasonable rent proposal, and I don't mind saying that for the record. It was an unreasonable request. The commission had been paying something in the neighbourhood of \$60-\$65 a month for the use of those parking facilities for many years. The operator of that commercial property, because of increasing costs of business, increasing costs of maintenance, and increasing taxes, and perhaps too because of increasing volume of business, felt that he had an obligation to provide proper parking facilities for his own patrons, or else at least to extract a reasonable rental from the Liquor Control Commission which, through its outlet, had been utilizing that property for liquor store patrons to park on. And so the proposal came from the property owner for a rental figure which I have already admitted would be judged, I think, by any fair-minded person as being rather extreme. It was many, many times in

percentage the figure that the liquor store was used to paying.

But then, Sir, after that there were some preliminary negotiations and communications in which the figures were adjusted. The figure proposed by the Pier 7 Sports Marine owner was adjusted downward. The figure proposed by the Manitoba Liquor Commission was never, to my knowledge, never officially revised upward. I was told in conversation by officers of the Liquor Control Commission that proposals made by the Liquor Commission were revised upwards substantially. In fact I say, Sir, without fear of exaggeration — well, perhaps there may be contradiction, but without fear of legitimate challenge, that I was told in conversation by the chairmanship of the Liquor Control Commission that the Commission went as high as \$250 to \$300 a month in its offer on rent. I am advised by the Pier 7 Sports Marine Property owner that no such formal proposal was ever made, and in fact, Sir, the last offer made by the Liquor Commission in a formal way, and the one of which yesterday's settlement was in fact predicated, is in the area of \$100 a month. You can't convince me that the Liquor Commission made a formal offer of \$250 a month or \$300 a month and then found that all that the Pier 7 operator wanted was \$100 a month. That is totally absurd. If they had made an offer in that range, it would have been accepted, but the fact of the matter is what I was told by the Chairman of the Liquor Commission verbally never in fact took place in a formal, official way. And it was this kind of double-talk and this kind of sort of posturing, combined with the general indifference I have referred to, that produced a situation of frustration and difficulty and traffic hazard for six months in that area. And I can't do other than place my unhappiness and my strenuous displeasure with that situation on the record, formally, at this time.

The situation has been resolved now, but it has been a situation over a six-month period that has produced enormous inconvenience, not only for the residents of the neighbourhood, but enormous inconvenience for patrons shopping in that commercial area of Fort Garry generally. There are other commercial enterprises in the area, and as the Minister well knows, the location of that liquor outlet is an ill-chosen one by today's standards. That corner of Pembina Highway and McGillivray Boulevard is one of the busiest intersections in Greater Winnipeg. Even the Royal Bank has difficulty — not finding customers, but in finding ways in which to get them into the premises, and then engaging in their business practice. The intersection itself is surrounded, virtually on all sides and all corners by commercial enterprises of some dimension and some size, and that whole kind of complex and environment stretches southward to include the municipal offices, the police station, the library, Vincent Massey High School, a major community club playground area, a swimming pool — it happens to be, Sir, one of the busiest intersections and busiest neighbourhoods in the entire Greater Winnipeg area. And the use of the location of the limited size and the limited access of that liquor outlet is, by those current standards that I have just outlined, entirely illogical today. It is an ill-chosen site today. I have talked to the Attorney-General and his predecessor, who was responsible for the Liquor Control Commission before the honourable gentleman to whom I am now addressing myself, about the need for a new liquor outlet in the community of Fort Garry, much further south than that busy intersection, at a site that would have much more accessibility, availability of parking opportunities and just general conveniences for patrons.

It is my understanding that some years ago the Liquor Commission had a chance to get into the Fort Richmond shopping plaza and turned it down. At that time there was a petition circulated, initiated largely, I believe, by one of the city councillors in the area, Councillor Gerry Mercier, that had hundreds and hundreds of names on it from residents in the area asking for a liquor store to be put into the Fort Richmond shopping plaza. There was space available at that time. I don't know what kind of rents were being asked, what kind of leases were being sought, but it is my understanding that the Liquor Commission just arbitrarily turned that down and decided to stay in the location which they have always occupied, which has now become an outdated location.

If the Attorney-General takes a look at the demographics of the area, at the traffic patterns of the area, the density of residence in the area, at the commercial activity in the area, and then looks at the accessibility of that store and the kinds of inconveniences that patrons in that area have to put up with, he would agree with me. Any cursory examination, particularly on a Friday night or a Saturday, when most people do their shopping, any cursory examination would lead him to agree with me that that is an outdated location, and that the Liquor Control Commission, as servants of the public who derive a substantial annual revenue from the taxpayers of Manitoba, which goes to the taxpayers of Manitoba and to services for the taxpayers of Manitoba, has an obligation to serve people better than it is doing in Fort Garry at the present time; and certainly has an obligation to be more sensitive and more responsive to the problems and to the legitimate requests of citizens in any area of this province who are patrons of a Crown corporation, Crown agency outlet. So, Sir, let me just assure the Attorney-General that although the dispute I believe finally was settled yesterday, not through the largess of the Liquor Commission I might say, but was settled yesterday,

I'm not prepared to close the book without putting this specific objection and unhappiness and sense of frustration on the record for him to think about. And that settlement yesterday was one which was very carefully constructed by the Liquor Commission to make sure that it didn't have to

pay one more dime than it's been paying in the past. I understand the rental settlement is somewhere around the \$100 a month mark and that the Royal Bank is picking up one-third of that. — (Interjection)— The Minister of Mines and Natural Resources says that's good, and it may be good in one perspective; it may be good in one perspective that the Royal Bank uses that corner area premises for parking too, but the Royal Bank does not occupy the same position in terms of society that a Crown Corporation like the Manitoba Liquor Control Commission does. The Manitoba Liquor Control Commission is making a multi-million dollar profit going back to the people of Manitoba in its operations each year. It's making \$2 million in gross sales revenue out of this particular outlet in the current fiscal year on which the profit will be approximately \$650,000, because the records of the Liquor Commission show that the profit margin on sales volume consistently over the past ten years for that store and for the Liquor Commission generally has been approximately 34 percent. So that we can estimate a profit from that store of about \$650,000 this year, and the Liquor Commission as a Crown Agency has an obligation to the citizens of the areas in which it operates and the citizens of Manitoba generally to provide service.

Service doesn't just mean being able to wheel a bottle of booze out of the corner rack. It means also being responsible corporate citizens. And I say that they have no doubt done the right thing by involving the Royal Bank in that rental agreement but they're still getting off at a cheap chintzy rate which is far below what reason would dictate for that property, for the use they get out of that property, for the costs of maintaining that property that are borne by the property owner himself. It was the cheapest chintziest settlement and solution that one could conceive of, Mr. Chairman, and I want the Attorney-General to know that that's the way I feel and the way the councillors and the citizens of Fort Garry feel, and certainly the way that I think any citizen knowing the full details of this dispute would feel; and to have prolonged it as long as they did because of a stubbornness and a refusal to recognize the nature of the problem and an indifference to people, I think is absolutely beyond defense.

One other aspect of that same problem, Sir, is the damage that occurred to the properties of many residents in the immediate area. Once the parking was shut off because of the dispute, liquor trucks and the cars of patrons were parked all down the residential streets, all down the back lanes; liquor trucks making deliveries were backing into people's fences, damaging property. It's been just an enormous harrassment and mentally an exercise in mental assault against those residents that has been absolutely indefensible. I don't think that the Attorney-General or the Liquor Commission itself can hold its head up in the sense of being good corporate citizens and servants of the public in that part of Fort Garry for a long long time because of this particular event.

Sir, there is a question in my mind really as to whether the liquor store cares very much at all about conveniences for patrons generally at any of its outlets, leaving the Fort Garry event behind now. But looking around generally at MLCC outlets, I think that parking is inadequate, unless the Liquor Store is located in a major shopping centre like the Grant Park Plaza or Polo Park. If you look at the individual stores that are located just on single commercial site locations throughout the City of Winnipeg, parking is inadequate everywhere. But the Liquor Commission doesn't seem to care. They don't seem to care a whit about their obligations and about the general service that they're supposed to be giving to customers. I think that's a matter that the Attorney-General and the Chairman should be looking at without delay, to just what extent they meet the legitimate service needs of people beyond the fundamental function of dispensing them a bottle of liquor.

Sir, I want to ask the Attorney-General for comment on a situation in the Portage and Ainslie store having to do with a staff appointment. It has come to my attention that a new manager has been appointed in the Portage and Ainslie outlet who was a clerk and who had five years experience as a clerk, while 14 other persons in the Liquor Commission's employ, all of whom are currently assistant managers, and all of whom had longer seniority, were passed over for that appointment. I would appreciate the Minister's justification or rationalization of that kind of a decision, how a five-year clerk could be appointed manager of the Portage and Ainslie store over 14 assistant managers in the service with greater seniority. —(Interjection)— No, I have nothing against five-year clerks. I have nothing against five-year clerks but I suggest to you that those 14 assistant managers are wondering what it takes beyond mere merit, what it takes beyond mere ability, what it takes beyond mere dedication to a job to get promoted into an available management opening.

Mr. Chairman, in his remarks a few minutes ago, the Attorney-General said that the Liquor Commission often makes some enemies because the Chairman must deal firmly with situations. That is a direct quote from the Attorney-General's remarks. —(Interjection)— Well, "firmly and fairly" — I haven't got the fairly down here and I haven't seen too much evidence of it in practice. I say to the Attorney-General that's the problem with the leadership of the Liquor Control Commission in this province in the present chairmanship. —(Interjection)— Well, my colleague from Birtle-Russell says there is no fairness, but I go beyond that to say that there is no firmness. It is the fact that the Manitoba Liquor Control Commission Chairman does not deal firmly with situations that are problems — does not deal firmly. And, as my colleague suggests, does not in many cases deal fairly, but he ducks and

avoids questions and issues and problems that is at issue here as far as I am concerned. That's part of the problem, that he has problems but he doesn't face up to them. The situation in Fort Garry was a case in point.

There are one or two other aspects of the operation of the Commission that disturbs me, Mr. Chairman. One of them is the attitudinal position, the attitudinal position of the Commission Chairman. —(Interjection)— Yes, I made reference to that. The fact is, we still have him as Chairman of the Liquor Control Commission and in Fort Garry that means we still have to live with a major problem.

A MEMBER: Has he been reappointed?

MR. SHERMAN: I don't know whether he has been reappointed but I want to try to get the message through to the Attorney-General to think about these things. He may need some sympathy in Fort Garry sometime himself, and I don't want to confine this just to Fort Garry. I tell you, there are problems with liquor control outlets throughout the Greater Winnipeg area and the question of convenience to patrons is a major one.

I was distinctly unhappy with the position taken by the chairmanship with respect to sport and where sport derives most of its support in this country. Many of us have heard of institutions and individuals in this country riding on the gravy train, Mr. Chairman, but in the view of the Chairman of the Liquor Control Commission, sport in this country rides on the booze train and if it weren't for booze and the booze-train, there would be no sport. —(Interjection)— Well, it is not really a bit exaggerated. It is not really a bit exaggerated because the fact of the matter is that young people entering the athletic field and the sports field have particular ambitions and aspirations and heroes to whom they look, to whom they aspire. That's part of the incentive for participating in athletics.

MR. CHAIRMAN: Order please. The honourable member's time has expired. The honourable member have leave? The Honourable Member for Fort Garry.

MR. SHERMAN: I was just concluding my remarks anyway, Mr. Chairman, and I see that there are three minutes left on the clock so I appreciate the indulgence of the Committee.

The Minister of Health suggested that my charge was exaggerated but I don't think it is. I think the implication in the charge made by the Chairman of the Liquor Commission was that without the kind of support offered sport by distillers and brewers in this country, that we would not have the level of activity or the level of excellence in sport generally, professional and amateur, that we have today. Sport would, as a consequence, be in deep deep trouble and that for its existence and for its growth and its expansion it depends almost entirely on the support of the liquor industry and patrons of the liquor industry. I think that that is the exaggeration; not my remark. I think that that is the exaggeration. I say thank heaven that there is that kind of funding and support coming for sports in this country and for athletic development in this country from some industry. And when one talks about revenues and profits from the liquor industry being turned into the Alcohol Education Program, and the need for those revenues to be directed to fighting alcoholism, I suggest a very tangible effort is being made in that field of sport and athletics, that what the industry contributes to sport and athletics is part of the battle against alcoholism; it's part of the battle against alcohol abuse. So, Sir, I must register my opposition to that contention. I would hope that that kind of support will continue to be forthcoming.

Thank you, Mr. Chairman. Thank you to the Committee.

MR. CHAIRMAN: The hour of adjournment having arrived, Committee rise and report? 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 Logan.

MR. WILLIAM JENKINS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Emerson that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The hour being 12:30 the House is now adjourned and stands adjourned until 2:30 p.m. this afternoon.