

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 1, 1978

Time: 8:00 p.m.

SUPPLY — CONSUMER, CORPORATE AND INTERNAL SERVICES

MR. CHAIRMAN: Gentlemen, we have a quorum. Prior to the Private Members' Hour, Mr. Green was speaking. The Member for Inkster.

MR. GREEN: Mr. Chairman, I really don't know at what point I was in my remarks so I'll just pick it up at random hoping that I'm not going to be repeating too much. I was dealing with the question as to the necessity of Information Services grinding out propaganda releases which convey essentially political information to the public and, Mr. Chairman, I think I was dealing with the situation that this is something that members can accuse previous governments of doing and I suppose that when the New Democratic Party was in government, it was relatively immune from criticism because the Conservatives were sensitive in that they had operated Information Services possibly on a bigger scale, but I don't want to quibble as to who is the greater offender in this connection.

Now, Mr. Chairman, I indicated at the time that insofar as Information Services were concerned, that the only apology that I can make is that I did not use it, that the Information Services Department was instructed, that is, insofar as my department was concerned, they were not to write press releases, they were not to try to paraphrase speeches that I had made and that the only function that they had is that if we did wish a release issued from the department, we called Information Services and used their clerical services to convey it.

Now, Mr. Chairman, I think that it would appear that some of the members here don't consider it a serious matter. I do consider it serious. I considered it serious between 1966 and 1969; I considered it serious, Mr. Speaker, when the Federal Government — I believe it was during the 1972 election, one of the elections, perhaps it was the 1972 election — that they bought full page advertisements in the newspapers for every week during the campaign purporting to talk about a new Federal Government program. I note that at that time even the Conservatives felt that this was not acceptable and I believe by the way the Federal Government paid for it because they did not succeed in that election. As a matter of fact, they went very badly. I want to indicate to the government party, whether they believe it or not, that what I am telling them is for their own good. That this service branch is not a political asset; it is a political detriment. Some of the more stupid things that they have done in trying to assist the government and just last week we had the Minister before a committee ready to talk to the committee about what was happening in the Department of Housing and Information Services grinds out and sends a release that one of the departments has been abandoned. I'm not sure as to what the relationship is between Information Services and the Minister without Portfolio in charge of Housing, but I know that their previous practice was as a matter of routine to get, Mr. Chairman, the O.C.'s that are passed in Council and then to write nice little stories about them. Some of these stories were cleared with the Minister's involved and that's all right even if Mr. Johnston did clear his story, I don't think that he expected that he would be finessed at a committee meeting just prior to the committee meeting having the announcement made by Information Services while he was before committee. And that is the type of thing that can happen.

Furthermore, Mr. Chairman, their releases are not very politically self-serving. What did they say about the Department of Highways? That there was an increase in expenditures in the Department of Highways of 30 percent. And, why did they say that? Because they thought that the Conservative Party would like to spread the fact that they were spending 30 percent more on highways. And then you had the Minister trying to avoid this largess by indicating that only 10 percent was being spent . . . —(Interjection)— 7 percent. Well, Mr. Chairman, the point that I'm trying to make to my honourable friend is that I did not train them at all. The only thing that I would have trained them to do was to walk out the door and I'm suggesting that that should be the function of this government because I say when is it going to stop? Each government will say that the other government did it. If you stopped it, then the next government would never be able to say that the other government did it. So, somebody's going to have to stop it and I regret that we did not succeed in stopping it, I can say that I succeeded in stopping it.

So, what did I do, Mr. Chairman, to show how. . . —(Interjection)— Well, I did, and I said it in the House that I do not use them and I would not use them, mostly for the purpose of survival I would not use them. This is what I'm trying to urge upon you because, Mr. Chairman, —(Interjection)— Yes, well, Mr. Chairman, my only salvation is that the Conservatives never take my advice anyway so they will lose the benefit of what I'm advising them to do.

I tried to bring this out in many forms, Mr. Chairman, and finally in a desperate attempt I wrote a letter to Information Services which I thought anybody with any sense of humour would have understood what I was doing. I sent them a blatantly partisan release and I told them that because they are sending out such releases would they send out mine and that I wouldn't even have them work to create it, I did it myself as I did when I was in government. That if they wanted to add a little headline to it such as, Government Legislation Passed to Serfdom, that I wouldn't be upset. It's the same kind of headline they use for the Ministers speeches, that my own preference would be "Green Demolishes Government Legislation" but that would appear to be somewhat self-serving and they probably wouldn't use it. But I expected that the Minister and his department would see the ridiculousness of what they are doing and, unfortunately, Mr. Chairman, nobody had a sense of humour, or appeared to because I missed the mark.

I reread Upton Sinclair wrote a very great book, it was called The Jungle and it dealt with the abuses in the meat packing industry with regard to the employers and the employees, and in one of the chapters of the book he describes the fact that one man fell into the vat and came out as Grade A beef, or something.

And after he wrote this book, which was based on true information, the government decided to pass food and drug laws regulating the quality of beef. So Upton Sinclair said, "I aimed at the public's heart and I hit it right in the belly."

Mr. Chairman, when I wrote this story, and requested Information Services to publish my release, which I thought everybody would take with a grain of salt, I think the Free Press had a headline, "Green Demands Coverage".

So I aimed at the public's funny bone and it appears I hit them right in the nerve because they apparently did not see the humour of what was being done and I guess, therefore, Mr. Chairman, that it wasn't humorous.

Nevertheless, what will the public lose? It is stated Information Services, the rationale is that it makes people aware of government programs. I believe that that is done in many, many fashions. I don't believe that people have to be made aware of Medicare; I don't believe that they have to be made aware of hospitalization. I think that when they go to the druggist . . . My druggist made me aware of Pharmacare. He said, "Here is a receipt. If you get over \$50 of these you are entitled to something." When the tax credit comes, it's on the income tax form. There are many ways of making it aware and I would also agree that Ministers and departments can publish whatever subjective information that they want and it's perfectly legitimate, and see to it that it's distributed.

But that's not what happens in Information Services. The release that I enclosed with my letter had to do with Mr. Downey saying how easy the opt-out provisions would be in the legislation. The legislation doesn't contain any opt-out provisions.

This is what the public is going to miss, Mr. Chairman, if the Minister cuts out these stories. "Improper use of land resources is costing Manitoba tens of millions of dollars and, accordingly, the Provincial Government will soon be announcing a set of comprehensive policy guidelines to deal with the problem, says Government House Leader Warner Jorgenson.

"Addressing the semi-annual meeting of the Manitoba Association of Urban Municipalities in Pinawa, Mr. Jorgenson noted that Winnipeg's growth between," etc., etc.

Now, what kind of government policy is this? —(Interjection)— Do you agree with this, the Member for Roblin? Do you agree that my government should have published this type of thing?

MR. MCKENZIE: Well, we can use the cable.

MR. GREEN: Mr. Chairman, I said that nobody has a sense of humour earlier. I suppose I have to retract that. The Member for Roblin has more than a sense of humour. He is a humorous thing all by himself.

"Pensioner's school tax aid forms available." All right, school tax aid forms available; that's legitimate. "Mr. Craik said the new program increases the number of pension homeowners who will have their full school taxes covered by provincial assistance. Now some 25,542 or 57 percent of pensioner-owned residences are fully covered."

It has gone from people under 5,000 it's gone to 60 — from one percentage to another percentage and I don't want to read them all but what is done here in terms of government services, government policies or government benefits? I don't deny my friend the right to put his best foot forward. What I do deny is that there should be a department of government spending public moneys to help him

to do this and —(Interjection)— Mr. Chairman, if the Information Services wants to send out a release that the Minister of Finance is a nice guy, that's okay with the Member for Roblin. Then all I can say to him with a touch of sadness is that it's not okay with me, and I don't think it's okay with the public.

I think that when you say that you are engaged in a restraint program and you are starting — if there was ever a place for zero growth budgeting, if you could ever really take the concept and say that it was useful, here is a place where you start from zero and you would end at zero. Not you start from zero and end at \$1,600,000,000 which is what you've done with the rest of the budget. So here is a place where there could be cuts which you would be congratulated for from all sides and what is more, Mr. Chairman, the benefit that you think you are getting out of it which I say is a negative benefit, or if there are accountants here, a negative asset, liability, this negative benefit that you are getting is a liability the public will not lose anything by its discontinuance and if ever there was room for you to boldly pronounce that you have exercised a restraint in a manner which will not result in any reduction of services to the public, it's in the area of Information Services.

MR. CHAIRMAN: The Minister.

MR. MCGILL: Mr. Chairman, I think Mr. Green is being nothing if not consistent in his views in respect to the Information Services Branch. I'm advised that when he was a Minister of the Crown that he was one who wrote his own news releases and whether that was an improvement over what could have been done by the Information Services Branch on their own with his authority and permission, we are not able to judge, but I think most if not all of your colleagues, did use the Information Services Branch and probably much of the information that was produced about your administration reached other branches of the media and was picked up from there by people who thought they didn't have time to do stories of their own and perhaps relied upon others to put them together. What is being done by Information Services Branch is I'm advised the same as has been done essentially for 20 years, and the same function is being performed by similar branches in other provincial jurisdictions. The member says all of this is true, but he's not persuaded that results therefrom are to the benefit of the taxpaying public generally. The House and apologized for the fact that it may have reached the public before he had made the announcement in the committee. Nevertheless, I am informed by the staff that it was handled in exactly the same way, that it was authorized by the Minister and the error in timing was not because of any policy deviation in that respect.

The other question relating to the speech by the Government House Leader related to policies of the government and while the member feels that the tone of the Information Services release on that went above and beyond what he would consider to be the ordinary function, I do think that there was reference to policy and that it has been common for the last twenty years to report on Ministers statements in respect to government policy when they are making speeches in the areas beyond the Legislative Chamber.

As to the staffing and the size of the Information Bureau, I think it's true that the Bureau has been essentially the same size for the last ten or eleven years and that the policies essentially have been the same for more years than that and that great care is taken by the Bureau to have the releases approved by the Minister involved. If it were possible and if all Ministers had the individual approach to this matter that the former Minister of Mines had, we would have a great deal of time being spent by Ministers of the Crown in producing news service announcements.

So, Mr. Chairman, I feel that, again I say Mr. Green is being consistent. We've heard his views; he's speaking more loudly now than he did in government. He had an excellent opportunity to make some of the changes which he now proposes should be made immediately but perhaps the need for the government and the feelings of the rest of his colleagues indicated that that was not one of the areas in which they would be prepared to remove or reduce the service provided.

MR. GREEN: Well, Mr. Speaker, let me first of all acknowledge that the Minister is not going to do anything, that there is absolutely no need for what he is doing but he is relying on the fact that the New Democrats, when in power, were so right about this program that he is going to continue on that basis.

I want to make it quite clear that I did not write my own press releases. I wrote my own speeches and I issued the speeches to the press. If it was desired to have an information announcement released by the department, the department wrote the release. I didn't write the release. I checked it. But if we were saying that the hunting season was going to open on a certain day, I didn't sit down and write a press release about the hunting season. I want to dissuade the Minister from thinking that that's what I did. What I did was to say to the departmental staff, "We will want to make this announcement publicly and therefore get a release written and it will be sent over to

Information Services for distribution." I didn't set out and write the release ut I did write my own speeches and the speeches were sent unparaphrased and unchanged and those went to Information Services to be distributed unchanged without them trying to help me out or to make it appear better or worse than it was. I'm not suggesting that there should be no announcements publicly, I'm suggesting that that should be done by the department itself. The policy now is for Information Services to get the Cabinet agenda and to take the OC's and try to make nice little stories out of it. I'm suggesting that stories shouldn't be initiated by Information Services. They should be initiated by the department, that Information Services can still send out those stories but what you will save is all the writers, the so-called journalists, and the people who are trying to create propaganda messages.

Mr. Chairman, I said that you will not take my advice. Live with it; I am glad that you will live with it because it will be to your political detriment from the time that you enter and as a continuance. If you want to have that, that's your business.

MR. CHAIRMAN: The Minister.

MR. MCGILL: Mr. Chairman, Mr. Green now says that we accept it because everything they did was so right. As a matter of fact, we don't give you credit for starting the Information Services. This was done . . .

MR. GREEN: Oh, I'm glad you don't give us credit for it.

MR. MCGILL: . . . much prior to that. But now I'm not clear on what the Minister is proposing as an alternative to the Information Services Branch because he now says that every department should handle their own releases in respect to their policies and he suggests that there is no need to have writers in Information Services, that he would have one in each department doing that and that all Information Services do would be distribute them and make sure that they got to the proper branches of the media. Mr. Chairman, I'm not sure that Mr. Green's idea is going to be one of economy. I think he is going to end up with far more writers than we have at the present time.

MR. GREEN: Mr. Chairman, I give the Minister some more credit than he takes for himself. Every department now has people who have the capacity to write a press release and the time, and they have executive assistants and the executive assistants, that is a perfect kind of function because he is a man who is attached to the Minister for the purpose of helping that Minister in his political as well as his administrative role. But if the Minister is saying that each department does not have now, with Deputy Ministers and consultants and communications experts and everything else, somebody who could write the odd press release, and I suggest to you that the amount of press releases that came out of Mines and Resources would be a maximum one a month, that you'd have to hire extra writers to do that. Well, Mr. Chairman, I'm not sure that we have people in charge of the administration who know what their existing staffs are capable of because you don't need extra writers. The staffs of the existing departments have got people who are intelligent enough to write that kind of release, send it down to Information Services, Information Services will send it to the media and the reporters will do the things that are now being done by the Information Services people which is paraphrasing material and putting it into readable context insofar as newspapers, radio and television are concerned.

MR. CHAIRMAN: The Member for Roblin.

MR. J. WALLY MCKENZIE: Mr. Chairman, I could certainly understand some of the comments from the Honourable Member for Inkster and the Minister and the one that concerns me is that the public will not lose comments that are made by the Honourable Member for Inkster and I know from the time that Information Services were set up and weve now ha wide coverage of television and radio across the whole province, but at the same time the weekly newspapers especially out in the areas that I represent, they use the releases that come from Information Services at a pretty wide level and if the committee and the Minister in their judgment decide that we're going to phase that system out, then they certainly should be alerted.

The other thing, of course, is that a lot of people are concerned about the over-saturation in our news of government at all levels and even the international level and they're concerned that a lot of things that likely are more newsworthy than what governments are doing maybe should be in some of the releases that come out of Information Services, and don't appear there. I cite the incident of Judge Solomon who was honoured in the city last night and happens to come from north of Gilbert Plains and I doubt if that news will get out — it might get on the television or

the radio but that is a newsworthy item. So the debate is a very interesting one, and is very timely and I hope that whatever the committee does and the Minister and the department that we certainly alert the weeklies in rural Manitoba because they're using this vehicle at some length and have been for some years as their news in the rural papers. Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for St. Johns prior to the 4:30 p.m. period that we broke off Private Members' Hour had indicated he wished to speak. Does he still wish to speak?

MR. CHERNIACK: Yes, thank you, Mr. Chairman.

MR. CHAIRMAN: I might remind him that we are officially on Item 1.(b) (1) Salaries Under Communications.

MR. CHERNIACK: I'm aware of that. Since the salaries under Communications involve, I believe, and I'd like to be stopped and corrected: Paragraphs 2, 3, 5 and 7. I would like the Minister to indicate the extravagant waste that may have been found in these particular paragraphs, and the measures he's taken to salvage all that waste for the benefit of his department. I raise that question because I don't see any significant change in the request for moneys in these particular paragraphs.

MR. CHAIRMAN: The Honourable Minister.

MR. MCGILL: Mr. Chairman, the Member for St. Johns uses the term "extravagant waste." We show decreases in some of the items which he has covered and will, as we proceed along, indicate the reasons for those changes. The total reduction for the whole department is not a large one, but the department itself is not a large one in terms of total funding of \$3.5 million as compared to some of the larger departments, so the percentages of reduction are relatively small in most of the areas that the member mentions.

MR. CHERNIACK: Mr. Chairman, does the Minister accept the words that there was extravagant waste? He seemed to question my use of those words.

MR. MCGILL: Well, they were words that you applied and asked me if there were such extravagant wastes in there. I have not used the word extravagant in respect to the department. This is a department that responds and provides services, and those services are increased or decreased as the demand requires.

The staffing is very much related to the requests for service as we have noted in our discussions that we have had from time to time in the House, and questions in relation to the Rent Stabilization Program and the Consumer Bureau, so staffing — and that is a major part of the expense, is the people involved, and the number of people involved will be related directly to the requirements.

MR. CHERNIACK: Mr. Chairman, the Honourable Minister does not appear to accept the words "extravagant waste." Could he indicate what waste was found, wasted moneys, wasted efforts?

MR. MCGILL: We have made some changes in bringing together communications and telecommunications, we're finding that we can accomplish and provide that function with a reduced number of people, and whether the member wants to call that waste, or whether that is restraint and staffing reduced in relation to the services required from those departments.

MR. CHERNIACK: Mr. Chairman, I have to ask the Minister directly. Does he want to use the word waste as it applies to the operations of his department before he took hold of the reins?

MR. MCGILL: Well, if one can say that by reducing staff, and reducing total salaries that one has made a saving, whether you apply the word waste or reduction, I care not. It's a matter of semantics, and I think that you can have your word and I will use mine, and they may be different, and we will end up in describing the same differences in allocations of funds for a particular department.

MR. CHERNIACK: Mr. Chairman, I think that I am using his leader's words, and therefore I'd like to know whether he accepts his leader's words or whether he wants to use words other than waste and in the same context I would ask him if he has any horror stories to tell us about the department which he took over?

MR. MCGILL: Mr. Chairman, I'm sure that the Leader of our Party has horror stories to tell. He didn't specifically relate them to the Department of Consumer Affairs, which is a small department and is a service department, but there was no relationship so far as I recall with this particular department.

MR. CHERNIACK: Mr. Chairman, I want to remind the Honourable Minister, who is careful and I respect him for that, that his leader promised, time and again to all Manitobans and to the Legislature, that once we were dealing with Estimates we would hear horror stories, we would hear about waste, and it was during the Estimates we would hear them.

I don't know the extent to which the Minister has been attending the Estimates of other departments but I must tell him that I am not aware that — I think we have covered the majority of departments already, or at least half of them — there have been any horror stories or examples of great waste in any of the other departments, and I'm asking this Minister about his department because I'm still searching to find the extent of truth in the allegations made by his First Minister. I'm glad the Minister of Finance is here because he, too, seemed to be one who was supposed to indicate great horror stories to us.

So we are left in the position that we have to ask each Minister individually for the department which he is responsible for to indicate any evidence of that. And I, therefore, again, ask this Minister whether there is any evidence of horror stories of the administration and the financial management in this department with which, no doubt, he is very familiar at this time. And that's why I ask him that bluntly. If he says, "Not in the Department of Consumer Affairs," then that's the end of my question.

MR. MCGILL: Well, Mr. Chairman, the member is waiting impatiently for horror stories from the review of the Estimates. He is optimistically saying we're more than half through the Estimates; I hope that that is the case. I think he should reserve his final judgments as to whether or not those were terms properly applied until the total Estimates review has been completed. And as he specifically refers to this department, my responsibility, I must say that I've been through the figures as they're presented here and been through the Estimates process and so far I have not been horrified by anything that I have been confronted with. Perhaps I am not easily horrified. I think the Member for Inkster is more horrified than I am as we proceed through these Estimates. He's easily horrified and he finds great horror in the Information Services story which is the same story that has been presented to this Assembly all these many years and . . .

MR. CHERNIACK: Mr. Chairman, may I make the comment that I appreciate the candid way in which the Minister has answered. It took a little while but he has made it clear to me that he has not found anything in this department which horrifies him. The fact that he mentions the Member for Inkster's horror and his reaction to the Information Services, yet in the same breath has made it clear to us that he intends to continue the operations of the Information Services and therefore obviously he does not share the Member for Inkster's reaction to them.

So I thank him for his straightforward response we now have and I have to tell him that it is difficult for me to disassociate him from his Leader, but to the extent that he has done so this evening I am happy to see that he has done so and I give him full credit for integrity. I say that just because it is quite a scene to sit in opposition and see two rows of Cabinet Ministers, all of whom listen to their Leader and to other people who speak in extravagant ways and who have been threatening to reveal all the great horror stories and "Don't you ask that question, wait and see how we embarrass you so completely", to know that while they sit there in silence the time comes when they are asked to respond, to support or fail to support these great statements made by his Leader. And again, I am pleased that the Minister has not been able to, and I'm not suggesting he even wanted to, participate in that kind of description that his Leader has done up to now. So I just end by commending him for integrity.

MR. MCGILL: Mr. Chairman, the Member for St. Johns suggests that this is a disassociation with the statements of my Leader — not at all. I suggest to the member that he await the full review of all the Estimates of the government, then make his judgments as to whether or not those statements were indeed appropriate or not, but I do not accept any disassociation with either the statements or the positions taken by the Leader of the Party, and while in a small department such as this the differences and the reductions are not great, we are pleased, as we said, that we have not detected any great and horrible difference from the positions taken and the Estimates that were presented one year ago.

MR. CHERNIACK: Mr. Chairman, I am prompted to add to the comments that have been made

the fact that we have completed the Department of Education and Colleges and Universities, and we have had enough discussion with the Minister of Health and Social Development to know that the two departments which spend by far more than half of all the moneys of government have confirmed to us that they, like this Minister, are not aware of any horror stories and waste. So I'm looking forward to the occasion when we complete the Estimates and the Minister and I will possibly be able together to view objectively what has come out of all the Estimates, and I have a strong suspicion that he and I will be in agreement as to what we have learned and that it will not differ from what I have learned from him in the last five minutes. So I'm looking forward to that occasion when the two of us can look objectively at the total review.

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: Mr. Chairman, it's probably hard to improve upon what my colleague has said in terms of going — we are not through half the Estimates which is the statement of the Minister — that we haven't been through half the Estimates yet. Let's take a very fast run through. Health is over \$600 million. What horror story did we hear about the Department of Health? This department was run efficiently. It was a well run department. Education is over \$350 million' and I don't know that I'm including Continuing Education. \$352 million for Education. That takes us to \$950 million. Highways is increased to \$70 million, and oh, not less to be spent on Highways — more to be spent on Highways. Mines, no complaint. As a matter of fact, Mines Department was singled out as one of the ones in which there was no problems — \$25 million. Agriculture?

MR. EINARSON: Mr. Chairman, on a point of order. Are we not dealing with Consumer and Corporate Affairs and not all other departments?

MR. CHAIRMAN: To the Member for Rock Lake and all members, yes we are on Communications. Perhaps the Member for Inkster is on Communications — it's a very broad word.

MR. GREEN: That's right, Mr. Chairman. I believe that I am able to speak here just as I'm able to speak in the House and from time to time I'm entitled to make a general and cumulative remark. Some of them are concentrated in some areas more than they are in the others. They aren't necessarily in the areas where the large amounts of money are located. They tend to be located in areas where some of the different and newer ventures of the former government were undertaken. In fact, I would think most of them that were reported at least by the auditor tend to be in those particular areas.

I want to mention on the Member for Inkster's comments also with regard to the Information Service that I know what he means and I know what would give rise to his concern about Information Service reports, but I'm not sure that his solution that he suggests of having someone in each department is the right answer. It may well be. Just as a matter of interest, but I know what he means. I sense that quite often when a news report comes out, it happens to be at a time when there is usually an awful lot of activity in a department, when you're either preparing a major government measure and one of the last things that happens or towards the end of the preparation of that, the Information Service becomes involved, and prepares a news release and often the Minister reviews it also with a degree of haste that he wouldn't do if he had to sit down and write it himself or do it in conjunction with his staff. So, whatever the government is, I think you'll find that quite often a news report comes out in the midst of a very active period when either a major move is being made by the government in a particular area, a new program is being mounted and you're co-ordinating either preparation for an Estimates statement or some other sort of an announcement, and it often comes out at a time when time is limited in preparation of it.

Now, this is in no way a defence of the Information Services, all it is is a statement of fact that these things often all happen at the same time, but on average, which is what you look at, not the blacks and the whites often of these things, on average, some form of communication is necessary. I got the impression from the member's earlier remarks that no form of communications have been formally set up although towards the end of his remarks he was suggesting that it should be done by an executive assistant or some other person on his staff. I'm not sure that that is really going to conserve manpower or dollar costs in the long run. I will give him credit, the one thing I did notice that the Member for Inkster used to do that I thought was more important is that he didn't stick his name on every piece of literature that came out indicating that he was the Minister of his particular department, which I'll give him credit for because I think that that's probably a good practice. I would think that sticking a Minister's name on every piece of literature that comes out may in fact turn off more voters than it turns on. I'm sure the intention of it is not to do that, but I'll agree with him to that extent that Information Services can if it comes out going the wrong way, and some of these other moves can in fact, about the time when an individual feels that someone

is going to be impressed by a statement may just as easily and well be turned off.

MR. CHAIRMAN: The Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, the reference to the Information Services by the Minister of Finance reminds me that I recall occasions when bulletins would be prepared by staff and submitted to the Information Services for development, on several occasions when Norm Donogh had occasion to point out that in his opinion the bulletin had gone beyond information into a political speech and he stopped it. I mention that in commenting that some of the more recent bulletins I have read do not seem to have the imprint of his caution as I knew it, and I would hope that this Minister would make very sure that the bulletins maintain a high standard of objectivity and that is a responsibility of this Minister and not of the various Ministers whose bulletins are reported. I should say that I have respect for Norm Donogh's judgment as it was. How it is now I don't know and I don't know how it may be influenced. But I do think that that is important for this Minister.

Mr. Chairman, I also was very interested and very happy that the Minister of Finance entered into the discussion on horror stories because as I recall it, his First Minister said wait until you hear from the Minister of Finance, you will hear horror stories. And so far he has referred to reports of the Provincial Auditor which this Minister said contained horror stories and "if they wish to so describe them", as if we, in opposition, are describing them as horror stories. Indeed I must remind him that it was his own leader that did, I think ably augmented by his own participation. But I'm glad that he brought to our attention that the Provincial Auditor's comments deal mostly with different and newer ventures and I would venture to say that when these programs were discussed in Estimates and in the House, before they really were developed to any great extent, it was made clear that they would be of a nature that involved high risk because there was an attempt being made to train people to do business things who were never accustomed to doing them and if those are the horror stories, then I think the Minister of Finance will agree that it was expected that some would not be that efficient an operation. But if he adds up all of those into a total of the horror stories that his First Minister may have talked about, then he will find that it is a very small drop in the bucket when you consider the total operations of government.

It has been drawn to my attention that we have already dealt with Estimates totalling \$1,302,000,000 out of \$1,648,000,000 and, Mr. Chairman, there is only \$300 million left and that already is a small amount of the total. So I urge the Honourable, the Minister, to watch what happens as we come to the conclusion of the other \$300 million to see whether or not he will not agree with me that one of the biggest problems that his government faces, and he as a Cabinet Minister faces, is the fact that they promised to save so much money out of elimination of waste, that they would continue all the existing programs out of a reduced budget and be able to give up a great deal of revenue, as they have already done. Their biggest mistake was giving up the revenue before they realized that they couldn't afford to do that without cutting programs. I mention that because in this Minister's department that we are entering into and what is yet to come, there will have to be an indication from him of either increased program to justify the high level of expenditure compared with last year, or else he will be accused of continuing to spend money in a profligate way at a time when indeed it is generally recognized and has been recognized we are entering into a difficult period as far as revenues are concerned. I mention that because it is the fault of reducing revenues that has created problems of deficit, in the main, and that is what we have yet to face.

So this Minister is actually, with the concurrence of his Cabinet, asking for more money than he should be asking for in the light of the promises made by the Conservative Party.

MR. CHAIRMAN: 1.(b)(1)—pass; 1.(b)(2)—pass; 1.(c) - Administrative Services and Companies Branch, (c)(1) Salaries—pass; (c)(2) Other Expenditures—pass.

Item 2 - Consumer Bureau, 2.(a)(1) Administration, Salaries — the Member for St. George.

MR. URUSKI: Mr. Chairman, in reviewing the Task Force Report and looking at the analysis that the Task Force has made on the Consumer Bureau, it has been indicated that the Consumer Branch be allowed to, in a definite move, take on a passive role rather than an active role in dealing with consumer complaints and problem areas. I would like to know from the Minister as to how he intends to view those recommendations and how he intends to operate, the direction that he wishes to give to that branch of his department in terms of dealing with consumer complaints and problems.

MR. MCGILL: Mr. Chairman, the recommendations of the Task Force are just that, recommendations. They have not been dealt with or considered by this government. It is not the intention at this time to deal with those recommendations until the government has had an opportunity to fully review them. In the meantime, the policy in respect to the operations of the Consumer Bureau

remains as it has been and we are using the full services of that department to respond to consumer complaints, to do research and analysis where this is desirable and to generally provide the kind of service that has been provided in the past.

MR. URUSKI: Is the Minister indicating that the level of activity will be continuing? As complaints come in, there will be no reduction in terms of further investigations or doing further research and analysis of problem areas as they come up.

MR. MCGILL: Mr. Chairman, there has been no change in the staffing in the office of the Consumer Bureau. There is one position in the Consumer Bureau which is to be delayed in filling for six months after the incumbent retires but the level of activity, it seems to me, is gradually increasing over the years. I am advised that it is about stable at the present time.

MR. URUSKI: There have been no positions, contract or other than permanent positions, eliminated during the process of the Estimates process?

MR. MCGILL: No, Mr. Chairman, there have not been. I should tell the Committee, and I have just been informed within the last two days, that the director of the Consumer Bureau, Mr. Therrien, is resigning to take employment with Caisse Populaire. He assures me that this is because he has received a very attractive offer and it is nothing to do with the present responsibilities which he has, but simply he received an offer which was one that he felt he couldn't refuse. So we are regretting that Mr. Therrien has chosen to accept another offer but that is the major change at the moment.

MR. URUSKI: Recently there were investigations conducted by the Consumer Bureau dealing with the auditing of financial institutions and the way the records were kept and the payments that were or were not received. There were omissions of interest rates that were being charged by the finance companies and improper default charges and instances of this sort, but only a small percentage of the companies were audited. Can the Minister indicate whether there will be further audits conducted on any of these companies or any spot checks carried on in the remaining companies that are doing business. What is the Minister proposing in this area?

MR. MCGILL: Mr. Chairman, I believe the member is referring to the investigations that were done with certain loan companies where there was some indication that there had been errors or wrong percentages charged in certain accounts. On the basis of that investigation, some of the co involved aniesundertook on their own to do an internal audit and found that some errors had crept in and these have been corrected. We think that that has had an excellent effect generally in the whole area of credit loans.

As to what our policy will be in the future, we would intend, where there is a pattern of complaints which seem to relate to a particular area, we would then proceed to investigate that matter to determine if in fact there were any wrong operational rates being charged, rates that were different from those which had been advertised. That is a response where we detect the possibility that there has been some infraction.

MR. URUSKI: Could the Minister indicate as to what percentage of loan companies were audited by the Consumer Bureau, I believe it was within the Winnipeg area? What percentage of companies were checked?

MR. MCGILL: Mr. Chairman, I don't have a percentage but in this particular activity three companies were involved in the Winnipeg area.

MR. URUSKI: Could the Minister venture a number as to how many other companies are operating in the same — not in the same way, but in the same type of business as those three that were checked.

MR. MCGILL: Mr. Chairman, I think that would be very difficult to do. I wouldn't like to offer to the committee any round figure that would indicate the number of loan companies operating in this area.

MR. URUSKI: Would the Minister agree that there would be at least an additional 17, to make it 20 companies operating in the Winnipeg area? Would I be wrong in saying that there are 20 companies?

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MR. MCGILL: It is very difficult to put limits on the kind of institutions that you would have to include in this general category of providing loans for retail credit. The banks and credit unions and all kinds of institutions would fall into that category so there would be a great number of them and I wouldn't care to speculate on total numbers.

MR. URUSKI: Is the Minister telling me that the department is not aware as to the type of loan companies that we are referring to, that they are not aware as to the numbers of offices located within the Winnipeg or Manitoba region, of the loan companies that he has referred to in their investigation?

MR. MCGILL: Mr. Chairman, I am advised that there is no requirement for loan companies to register with the Consumer Bureau so there is no way of maintaining an accurate list of the number of companies involved in the business.

MR. URUSKI: Would there not be a record within the Companies Branch in terms of the registration of those companies within the Province of Manitoba?

MR. MCGILL: I am advised, Mr. Chairman, that the companies are registered with the Corporations Branch alphabetically and not by type of business undertaking.

MR. URUSKI: I see. Mr. Chairman, could the Minister elaborate on the way this investigation began? Was it as a result of consumer complaints or was it as a result of actual checking done by the department of one or other such firms, that these types of infractions or mismanagement occurred in the operation of these companies which resulted in approximately \$100,000 of adjustments being made to the consumers who had loaned moneys from these companies.

MR. MCGILL: Mr. Chairman, the investigations were undertaken as a result of a series of complaints and when these complaints began to show a pattern, then the investigations were undertaken. These were not investigations that were initiated by the department just as a fishing expedition. They were to respond to what appeared to be a definite pattern of errors or illegal activities.

MR. URUSKI: Are there other areas of complaints in this general area that the department is looking at at the present time, dealing with other firms in addition to those that have now been checked?

MR. MCGILL: I am advised, Mr. Chairman, that there is no new pattern of complaints developing which would indicate that any further investigation or investigations were necessary at this time. However, as I said earlier, this is the kind of thing we are watching for and if this develops, certainly these will be undertaken.

MR. CHAIRMAN: The Member for St. George.

MR. URUSKI: Mr. Chairman, I thank the Minister. Recently in the City of Winnipeg or over the winter months with the move for vacations by purchasing tickets or reservations through travel bureaus, there have been occasions where would-be consumers who have purchased tickets and reservations and hotel fares through travel agents, there have been several cases within the City of Winnipeg whereby consumers have been left shall we say, "holding the bag" after a particular travel agency has gone bankrupt, or for one reason or other closed its doors, and the people having made payments for their reservations and tickets have not been able to satisfy or be able to have delivery of the services that they had paid for. Is there any move or any intent on behalf of the department or is there any thought to pursue this avenue of problem that has occurred, and there have been people who have lost several thousands of dollars in the course of those types of transactions.

MR. MCGILL: Well, Mr. Chairman, there has been only one case come to the attention of the department of a loss having been sustained by a customer who made a deposit and subsequently the deposit was not refunded and he could not recover. We do not know of any number of such cases. It's been suggested that the travel industry itself may be interested in examining this problem and to taking steps that will prevent a recurrence, but so far as we know there was the single instance of this having happened.

MR. URUSKI: Well, Mr. Chairman, there have also been cases where people have been stranded whilst on vacation for non-performance and supply of services that consumers had purchased, where

people have had to find and pay for, I believe, alternative means of transportation and accommodations and the like, as a result of travel agents and travel bureaus non-performing. We are well aware of the one case that was widely publicized within the Province of Manitoba, but I wonder whether the bureau has received any additional calls. I, as the Minister, have not been made aware of any, but I would venture to say that between the provincial agency and the federal agency, I am sure that there have been other complaints of a similar nature dealing with the areas of travel agents and the performance of their services.

MR. MCGILL: Well, Mr. Chairman, where there is a specific complaint, the bureau does respond and acts on behalf of the person complaining in order to attempt to obtain restitution if there has been some reluctance on the part of the travel agent to perform or to comply. I note here that in that general category in 1976, there were 13 actual complaints submitted and 16 in 1977, and of that 16, there was only 1 in which a substantial loss was suffered by the person lodging the complaint. So the number of such complaints is not large, and in most cases the bureau has been able to respond and to take corrective action or to assist in that correction being made.

MR. CHAIRMAN: The Member for St. George.

MR. URUSKI: That's fine.

MR. CHAIRMAN: The Member for Inkster.

MR. GREEN: Mr. Chairman, it's been a custom to interrupt sometimes the proceedings to tell the score of a hockey game, so I now have another score. It's closer to \$1 billion, 400 million than it is to \$1 billion, 300 million, by the latest figures that have been added up for me by a statistician, the Member for Brandon East. So we are talking about \$1.4 billion out of \$1.6 billion that departments that have at least introduced and been dealt with.

I wish to, Mr. Chairman, deal with the Consumers Bureau and the function which I think that the Minister should consider, and I did question him about it in the House, but I want to pursue it here in Estimates where we have an opportunity of dealing with it in a more substantive way. There have been some agencies, Mr. Chairman, including the Public Utilities Board, the Milk Control Board, other areas where there are regulated prices and where the . . .

MR. CHAIRMAN: Maybe I could get the members of the committee to listen to the recognized speaker and show some courtesy.

MR. GREEN: They are afraid I'm going to come up with another figure. Mr. Chairman, I would try to canvass this issue by question and I'll try and be brief. I believe that the Department of Consumer Affairs has a larger role to play than is now being played before the regulatory agencies. At the present time the department is relying on the Public Utilities Board and the Milk Producers Board to be the watchdog, whereas these Boards are behaving in rather quasi-judicial fashion. They are hearing submissions, and they are making a judgment on the basis of submissions, but there is no public submission or public research or public expertise which is given in a public way such as is done in the Clean Environment Commission. With the Clean Environment Commission, the Commission is quasi-judicial but experts from the department appear before the Commission and tell the Commission with substantive authority and with using the resources of the Crown what the dangers are, what could happen, and then the Commission makes a finding. With the regulatory agencies what has happened is that the agencies have relied on citizens submissions, and I don't underrate citizens submissions, but I do believe that the citizens groups do not have the resources, do not have the finances, do not have the expertise in a consultative capacity, individually they all may be very expert in their field, but to talk about the price of gas for instance and the profits of the gas companies and the economics of supply of gas, I would be of the opinion, Mr. Chairman, that the public should be formally represented and that the Consumer Bureau or the Department of Consumer Affairs should gear itself to the presentation of information before these Boards.

I do not regard, Mr. Chairman, despite the best intentions of the people involved, the citizens committee for, let us say, milk prices, as being the committee that should assume the responsibility for all of the public. They are sincere people and maybe do a good job, but it seems to me that the public is best represented by its collection of public representatives and ultimately its government, and that the government should be available to assess the information of the processors, to act as advocates for making sure that the regulatory agency has all of the information that is necessary before a finding is made.

Now, the Minister, when I dealt with this in the House, said that he has confidence in these people. Mr. Chairman, if you go that direction you will ultimately be financing the consumer groups. You

will be making them the agency and you will be financing . The consumer groups will probably like this if they get the financing, to this date they have not got the financing and some of them are disappointed that legal aid has not been advanced or has been curtailed to the extent that it doesn't finance groups. I am not concerned with that if the department assumes the responsibility, and when we are dealing with the advocates, the statisticians and the economists of the gas companies or the advocates, the statisticians, the economists, the the accountants of the milk companies, I think that the public should have a role to play and I urge the Minister not to merely dismiss this question by saying, oh, I'm satisfied that everything is right. Even if he is at this moment, I would at least ask him to consider this as a role for his department and I hope you'll not come back and say, well, you didn't do it. As a matter of fact, Mr. Chairman, there were areas where the previous government discussed this, and in one particular case with regard to the price of gas, we did initiate some proceedings.

I would ask the Minister to consider whether there isn't a proper role for the government before the regulatory agency without merely saying that the regulatory agency protects the public, because the regulatory agency is listening to submissions and is basing its position on submissions, and if there isn't the same sophistication in the submission on behalf of the people who are going to pay the price as against the people who are asking the price, then there will be an imbalance and an unfair advantage. So I would urge the Minister to consider the use of his department before regulatory agencies.

MR. MCGILL: Mr. Chairman, I recall the series of questions the member put in the House with respect, and I think it related particularly to the Milk Board and submissions that were being made to that body, and after we got by the original problem of agreeing that the Milk Board really doesn't come under the area of responsibility of the Minister of Consumer Affairs, we went on to deal with the idea in principle. I have the feeling that if the government is orchestrating both sides of the hearing that there is a danger that the hearing will become a pretty well organized and sequenced series of presentations that will be more of a pattern-established than that which is now happening where individual groups and individuals are able to present their views.

It seems to me that if we play on both sides in these hearings that there is a danger of it becoming stereotyped and becoming largely an exercise for legal people to exchange their views and to take it away from the actual man on the street input and group input that is now being received, in larger numbers I might say, than has been the case in the past, and not without some government support through the legal assistance that they may be able to obtain from legal aid. But to really establish a team to arrange and present submissions it seems to me might detract from the character and the broadness of the scope of the present arrangement.

MR. GREEN: Mr. Chairman, I am having difficulty understanding how we would be on both sides. When the Public Utility Board is considering a request by the Greater Winnipeg Gas Company for an increase in rates it is one side, the Utility Board is the tribunal, who is the other side? The other side is anybody who happens to think that they might have something to add, so I say that there should be a public input and that public input should come from the representatives of the public, and the nature of the information that is being dealt with cannot be properly dealt with by people who are doing it on an ad hoc basis. I ask the Minister again to look at what happens in the Clean Environment Commission and in that Commission no citizen's groups are prevented from coming, but you have generally the applicant, which is the organization — let's say it's Hudson's Bay Mining and Smelting Corporation — which is making an application. You have any citizens who want to appear to give their input, and you have the representatives of the Department of Environmental Management appearing, giving to that Board such information as they have, not only on the submission that has been made by the Hudson Bay Mining and Smelting Corporation, but such expertise as was within their department which would assist the Environment Commission in coming to a conclusion. It's not orchestrated. The Clean Environment Commission and the proceedings before it are one of the most unorchestrated things that one can imagine. If you go to the hearings on mosquito abatement or go to the hearings on the West St. Paul Lagoon, or go to the hearings at Hudson's Bay Mining or at Inco, they are not in any way orchestrated. There is the applicant, there is anybody who wishes to appear in opposition, and there is the information that is provided by the department.

I can do no more than to request that the Minister consider it. Again I'm not very optimistic in view of his answers, but I still indicate to him that it's not the government on both sides; it's the government on one side.

MR. CHAIRMAN: The Minister.

MR. MCGILL: Mr. Chairman, we'll certainly consider seriously any views that are expressed at this

Committee and by the member. I am advised that this matter has come up in the past and the problems relating to it and the expansion of the bureau in order to accommodate this and the extra budgeting that would be required is something that has been considered as well. But certainly this matter is one that has been considered and I have no doubt will be in future.

MR. CHAIRMAN: The Member for Brandon East.

MR. EVANS: Mr. Chairman, the Member for Inkster has brought up a very important question dealing with a basic commodity that affects just about everybody in the province that consumes dairy products, and perhaps this change in the price of milk is so fundamental that perhaps its effect on consumers' spending is as great as perhaps any other item that may have come before the Consumer's Bureau as a matter of complaint in the last year or two.

I look at the list of the various complaints and I know they amount to money, the expenditures that have been involved and the complaints made by the consumers but I'm sure that the amount spent on milk is probably equal, if not greater, to all of these other complaints. While I appreciate the Minister is not the Minister responsible for the Milk Control Board Act — I think that's what it's called, at least it's the Milk Control Board — nevertheless it seems that there is some, as the Minister, who is presumably the protector in effect of the consumers' rights, the consumers in Manitoba, that it would seem to me there is some responsibility on his part and on his department's part to ensure that the case of the consumers is as strong as it possibly could be.

Now the Member for Inkster made a suggestion that it be along the lines of the Clean Environment Commission where the government does make submissions, or does help provide data on one side as opposed to the other side which may be in industry, or whatever. If the Minister says he is not prepared to spend money in that respect, that this would require certain staffing and so on, would he not agree that there might be a role for the bureau to play to get data to the consumers' groups, because the consumers of Manitoba in this particular hearing, it would seem to me, had their hands tied behind their backs. They simply did not have access to information on the processing companies to enable them categorically to make their case. They could just assume that there was something wrong with the amount of money being asked. There's something wrong with the price increase being requested because they noted, for instance, that the Lucerne Company, which is connected with Safeway, didn't ask for an increase and my understanding is Lucerne is about the biggest of any of the processors that we have in Manitoba — that that company didn't even bother to ask for an increase. So presumably the increase now in milk is going to be to the advantage of that company accumulating more profits presumably — when it gets back into production, I guess.

But you have Lucerne, then you have Modern — I believe they asked for an increase, but here too is a large company that is I'm sure very well run, and it's very efficient. Unfortunately we have two or three smaller companies such as Silverwoods, Manco, and I believe Peoples Cooperatives, because they have very high distribution costs they do not enjoy the same profit position as Lucerne or Modern, and they probably do have problems. But it would seem to me therefore that we're looking at a rather inefficient industry where you have one or two very large companies that are doing very well, thank you, and three, and maybe four, I'm not sure, are doing not too well. And it seems to me that it's a big price for the consumers of Manitoba to pay to keep three or four small companies who are not profitable in business while adding to the excess profits of one or two very efficient processing companies, namely, Lucerne and Modern. If the data were available to the consumer groups by whatever means, whether it be with the assistance of the Consumers' Bureau, or however it be provided, it would seem to me that the people of Manitoba, the consumers of Manitoba, would really understand far better than they do now exactly what is happening in the dairy processing industry where you have a lot of inefficiency but one or two companies that are very efficient and are making good profits, one making so many profits that they're not even bothering to request an increase in price this year, that the consumers are paying a heavy price collectively for that inefficient situation.

The fact is there is an argument that that data shouldn't be made available because these companies have to compete, and so on. I would submit, Mr. Chairman, if his staff in the Consumers' Bureau look into the industry they would see that it is not a competitive industry in the economic sense of the word, but that they are in a controlled industry because the price is set — the basic price is set. And I daresay they are pretty familiar one with the other of the production costs. They know what the wages are and they know what machinery costs and so on, and I'm pretty sure one another has a fair idea of the production costs that they each face.

So it's really not a question of putting any company into an unfair position because they're not in a purely competitive industry, they are in a controlled industry. And because they're in a controlled industry it would seem to me that there is a case for the Milk Control Board to ensure that the data is made available to consumer groups.

Alternatively it could be made available to the Consumers' Bureau which we're discussing now

and it could perhaps make certain submissions. Well, I'm really searching here, there are many many ways to improve the existing situation. I think that, as I recall, some years back when this legislation was before us we were talked into, I would say, curtailing this information, curtailing the free flow of this information to the consumers' group by the now Minister without Portfolio, the then Member for River Heights, who argued successfully before the Committee that that data should not be made available. I think the Legislature, and the Committee of the Legislature at that time made a mistake. If we had sat with the legislation as it was that information would be going to the consumers' groups and I think the companies involved would have to put up a stronger case than they have in order to realize a price increase. I'm not suggesting that at no time a price increase in milk is not justified, obviously with inflation and rising costs and so on companies may have to charge more for milk. That's understood, and it's also understood that the farmers, the producers may have to pay more for feed and what not in running of the dairy. So it's not a matter of being unreasonable.

What our plea is is that some change be made so that consumers' groups, or whoever represents the consumers, whether it be the bureau here or however it be done, that information be made available so that all of us in Manitoba will have greater knowledge of what's going on and the industry would have to be more prepared to make a case. The industry would be put on the defensive more than it is now I would submit, and they would have to justify more thoroughly to the public, as well as to the board, I would submit, the reason for a given price increase request.

So there are many ways to improve the situation. I simply say, Mr. Chairman, that I think it's a serious problem because of it being a very important commodity and that it would be a very good thing for the Minister and his department, his Consumer Bureau in particular to investigate, to see, you know, is there some way that we can improve the system that we have now. Again I appreciate that we're not talking about an Act that's under his jurisdiction. I would submit maybe this Act should be under his jurisdiction. I think it might be a wise move to move that Act over to the Minister of Consumer Affairs.

Well, I offer those comments by way of a plea to do something to help the consumers of Manitoba strengthen their position before the board and in the competition, I suppose, in the struggle that goes on with regard to price changes, if any, year by year. So I make that plea on behalf of the consumers. I throw out some suggestions to the Minister and I would hope that he would consider them.

MR. CHAIRMAN: The Minister of Highways.

HON. HARRY J. ENNS (Lakeside): Thank you, Mr. Chairman. I feel compelled to put on the record one or two comments with respect to the Member for Brandon East's comments in regard to the price of milk and his directing that at the Minister of Corporate and Consumer Affairs.\$

Milk is perhaps the one product that has been under supply management for a longer period of time than any other commodity that is important to consumers. There's no question about the concern about the price of milk, and whether or not the program should be entertained as to make that very valuable, essential food product available to people is another question, but I cannot help but put on the record that for members opposite to suggest to a Minister of Corporate and Consumer Affairs that he has a particular concern in this area is simply too ludicrous to consider.

The processing, the production, the retail selling of milk has been under supply and management, entered into by a Liberal Government of the 50's, added to by a Conservative Government of the 60's, and massively added to in terms of the supply and management process by the previous administration. The suggestion, the suggestion that there is something inordinate about the arriving of a host of people beginning with the Manitoba Marketing Board, the Milk Producers Marketing Board, the Milk Control Board, not to speak of the Department of Agriculture as such, that there is anything inordinate about the price of milk that is being currently charged simply belies any confidence or any faith in what my members opposite so totally believe in; that is, supply and management and total control of the commodity in question, I would have to say that this is one area that the Minister of Consumer Affairs need hardly address himself to at all because it is already totally under control. It is already totally under control by government or by its agents and by its boards. And I would simply ask the Minister to ask his officials whether or not he can supply the Committee with the information of the price rises during the last eight years of this important commodity. And I ask that information to point out the somewhat hypocritical nonsense that we're hearing from members opposite on this question now.

My rough information is that the price increases in milk during the period of, say, 1970 to 1975-77, was substantial and dwarfs any increase that we are talking about now. All this occurred during the jurisdiction of the Honourable former Minister of Agriculture and under the structure that he imposed and I use the word imposed to the extent that the milk producers were never asked to have a Dairy Board, that was imposed on them. But the main point being is that milk is a highly regulated, totally-managed commodity and I really have to talk about speaking out of both sides

of your mouth, when I look at members opposite who now choose that issue to raise in front of the Minister of Consumer and Corporate Affairs. That is the last issue that they should be talking about. Talk about television sets, talk about shoes, talk about gasoline if you will, but not about milk which is a totally supply-managed commodity.

What it does, of course, is it points out what some of us are quite prepared to accept, a fundamental weakness in that total reliance on supply management in agriculture because it does take away the innovator in agriculture; it does build in a protection for the processor, as the Member for Brandon East indicated, those very efficient ones who weren't even asking for a rise in the price of milk. But everybody enjoys the umbrella of that exclusive closed union shop that marketing boards tend to create. That person who can produce milk and sell milk for thirty cents a quart and make money at it, can't do it, is prohibited by law from doing it. That person who finds that cow with five teats instead of four and gets that much more milk, can't do it because he is prohibited by law from doing it because we build and we maintain the status quo. You take the innovator out of agriculture; you penalize the efficient operator and whether it is Modern Dairies or somebody else who is quite happy with the money that they are making right now, but certainly they are not going to object to the price rise granted to them by a government-sanctioned board.

I suggest to members of the committee that it is not the commodity to choose and to pick on, to lay before the Minister of Corporate and Consumer Affairs. We can talk about loan sharks, we can talk about a lot of other commodities. We can talk about his concern in unregulated areas, but not about milk.

My question to the Honourable Minister would be of interest to the committee, is to indicate to us what were the percentage rises in milk, say, during the periods of 1970 to 1976 or 1977 as, say, compared to similar rises of a previous year?

MR. CHAIRMAN: The Member for Lac du Bonnet, to be followed by Fort Rouge and Inkster.

MR. USKIW: Mr. Chairman, I am not sure that I am correct, but as I recall, it seems to me that an amendment was made to the Act which removed the restriction on pricing, that is, that there was no longer a floor price. So that I think it is possible for people to market milk at below a certain price. What I think that the Member for Brandon is trying to convey to the government is the problem that we have had in the dairy industry and indeed in many others for many many years and it has nothing to do with, as the Member for Lakeside suggests, supply management or policies emanating out of the Department of Agriculture. It has to do with the operations of the Milk Control Board. The Member for Brandon suggests that there ought to be a way through which people, consumer groups, have access to the books of the companies involved, namely the processors, so that they have a means of preparing their submissions challenging the requests of these same companies when they ask for a price increase.

I think, Mr. Chairman, that is quite reasonable and legitimate in order to protect the public interest. The reason I say that, Mr. Chairman, is that over the years we have developed a dairy processing industry that is a mixture of very efficient plants and very inefficient plants and to the extent, Mr. Chairman, that the Milk Control Board caters to the submissions of the least efficient plants, we end up with a decision that allows for huge windfalls to the most efficient plants. That is sort of the anomaly in the industry of the moment. So if you want to apply a utility concept to the pricing of milk or the pricing of natural gas or any other commodity where there are a number of companies involved, if your benchmark is to say the lowest person on the totem pole or the most inefficient operator, then that decision pretty well hands a windfall over to the people at the top who are indeed the most efficient in the industry.

I believe it is fair to say that in Manitoba there are two companies in the dairy industry that are very efficient and from there on, Mr. Chairman, there are huge question marks and there are some that are totally inefficient and it is a question of time as to whether they survive. To the extent that the Milk Control Board gives those weaker groups some extra consideration and ignores the public interest in so doing, they will continue to function. But they are not competitive, Mr. Chairman, and the Milk Control Board process then doesn't become a system for the protection of the public but ends up being a mechanism to protect the very inefficient in the system. This is the kind of thing that the Member for Brandon East is addressing himself to.

So, Mr. Chairman, it is very valid that consumer groups that are presenting views and wish to present briefs to the Milk Control Board in opposition or in favour of requests for increases or reductions or whatever, that they are in a position to do so with all of the facts available to them. I believe that is a reasonable request, Mr. Chairman.

Now, Mr. Chairman, I am saying that in the context of having had a lot of insight into the dairy industry, at the producer level and at the processing level. Our big dilemma in our discussions with the Milk Control Board whom we appoint — this government appoints them, we have appointed

them — the big dilemma was how do you deal with the problem of weak people in the industry and very strong people. If you are trying to save them all, you end up doing a disservice to the consuming public from the point of view of a public utility context in the pricing of milk or any commodity. That is an ongoing dilemma and it has to be addressed, Mr. Chairman. I don't think we should shove that under the table and say that there is no problem; there is a problem. The problem in the dairy industry in particular is a problem of a need to rationalize the industry. That is really what has to take place. It has to be rationalized, and I am talking about the processing end because it is not run in the public interest at the present time.

MR. CHAIRMAN: The Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I have been very interested in listening to the remarks of the Member for Inkster and Brandon East and now the Member for Lac du Bonnet. I just wish that they had been as eloquent in their support of consumer advocacy a year ago when, Mr. Chairman, I raised these issues with the then Minister of Consumer Affairs who told me it wasn't necessary because the consumer was fully protected at that time. I only wish the Member for Brandon East and the Member for Inkster had been as effective and as articulate and as wholesome in their support for consumer advocacy positions then. I say this perhaps with the advantage of having had, at least at this stage, the longest continuous run in opposition than most members around this table but that consistency does result in some insights and perhaps less of a selective memory than some of the other gentlemen who are now occupying the opposition benches. But I still think that whoever is sitting in the government benches seems to very quickly change their tune once they occupy that magic aura and mystery of ministerial responsibility. I am not sure what happens once they take on those magic robes but they all of a sudden seem to feel that there should be a status quo position occupied, that maybe it has —(Interjection)— Well, I can accuse, Mr. Chairman, because since 1974 I have been advocating that there be a form of consumer advocacy set up by the Province of Manitoba, since 1974. The answers that the present Minister was giving are identical almost to the word if not the demeanour of the previous members, the former Member for Osborne and the Member for Burrows who occupied that position at that time.

So I would say, Mr. Chairman, that perhaps that is a historical footnote but it comes as a slight reminder that one should look at history as well as the present to determine your stands and positions. In saying that, and it doesn't detract from the argument that the ability of the consumer to make representations before boards, I think is highly limited in this province, in fact highly limited everywhere, mainly, Mr. Chairman, because of the increasing technicalities and complexities of consumer issues. It is not sufficient any longer to assume it is simply an occupation of the layman to appear before a board and all of a sudden be able to compete with a highly expensive research and preparation that the larger companies can acquire on their behalf. It seems to me only to make sense in this area, Mr. Chairman, that the Minister begin to examine it. I know that he says there are budget constraints. It may be, though, that one should take a look at the budget of the Consumer Bureau, which has only increased marginally, and determine whether that isn't a legitimate role it should be playing, if not through its own advocacy, at least in the support of consumer groups to present selective cases.

In that respect, Mr. Chairman, I would be interested in knowing, first, if the Minister agrees or has any intention to follow the recommendations of the Task Force on Economy and Reorganization which, (a) suggested that the Legal Aid lawyers no longer be allowed to provide representation in front of boards and commissions; and (b) whether the Consumer Bureau itself be cut back from what is already a relatively passive position, but not to be allowed to do any investigation on the part of consumers whatsoever, but simply be an information-giving device. Now, those are two very specific recommendations that the Task Force made and I would hope that this Minister will very clearly reject those at this time so that we could dispense with that kind of nonsense and at least if he is prepared to defend the status quo, he should be at least prepared not to take those retrograde steps that are being recommended by the Task Force, whatever that Minister, who is supposed to be responsible for it, has recommended.

So I would ask the Minister in specific terms, does he reject the Task Force recommendations in relation to the Consumer Bureau in restricting and shrinking its role substantially, and does he also reject and would argue strenuously against the recommendation that Legal Aid lawyers not be allowed any longer to undertake any kind of advocacy role in front of the Public Utilities Board or other board and commissions?

MR. MCGILL: Mr. Chairman, there were a number of points brought up by several of the members and perhaps dealing with the latest speaker first and the last point he makes in respect to Task Force recommendations, I take this position again as I have done a number of times already in this debate, that those recommendations are just that, recommendations. They have not been dealt

with by this government nor by my department. They will be in due course and I am not prepared to take any position relative to the recommendations until we have examined them and made some determinations as to whether or not any of them or all of them will be implemented or simply remain as a document of recommendations. So I'm afraid I can't respond in precise terms to the member in that connection. It is something that is coming up in the future and will be dealt with in due course.

The question of consumer advocacy and the positions and comments on that, I regret that the member wasn't here when the Member for Inkster was here and had quite a lot to say about that and there were some responses made. The idea is not a new one, as the member suggested. It has been brought up in the past and I am advised by my officials that some consideration was given to that and some projections were made in terms of staffing and budgeting and so forth, but there has been no implementation of a policy of that type. It will remain one of the areas in which, in due course I suppose, there will be consideration given, but unlikely that any change in the present function of the department will be made, certainly not within the Estimates we now have placed before you.

The Member for Brandon East reviewed in detail what he felt was a role that should be undertaken by the Consumers Bureau, particularly in relation to the Milk Control Board and its findings, and the Member of Lac du Bonnet, as a former Minister of Agriculture also commented at length on the activities of the board. I gather from his remarks that he is not too pleased with the way in which the board now operates, although perhaps he had a great deal to do with the setting up of the board or perhaps it occurred prior to his tour as Minister of Agriculture.

The Member for Brandon suggested that the bureau should take an active role in providing financial information to consumer groups in order to more fully inform them and enable them to take a more active part in their presentations to the board on the financial ability of the producers involved to live with present milk prices or to determine what was a reasonable increase of prices. I have to remind the member that the bureau has no authority to demand that kind of information from businesses, either as milk processors or any other kind of business, and a regulatory board such as the Milk Control Board itself, does have the authority to obtain that information, but at this stage we do not have that authority. The role that will be undertaken by the department in the future will certainly not change this year. The function which the Milk Control Board is playing it seems to me has been one that would represent not only producers but consumers, and to receive what support the consumer groups and what guidance they have been able to obtain through the legal aid that has been available to them.

That reminds me that the Member for Fort Rouge also questioned whether we would be influenced by the recommendations of the Task Force as they related to legal aid. Again that remains one of the areas in which future consideration will be given when the total recommendations are reviewed.

Mr. Chairman, I haven't commented on all the points raised, but those are at least some of the matters.

MR. AXWORTHY: Mr. Chairman, taking from the Minister's answer then, perhaps we could take one step further in this question of the pricing of food including milk, which is of concern, let me put this question to him. Would he be prepared to initiate, perhaps under the auspices of the — I think it's called The Prices Inquiry Act or whatever the Legislation is, there has only been one initiative taken to my knowledge which was the investigation of sugar a few years back — an examination into food pricing and processing, particularly in its wholesaling and marketing, to determine whether the existence of monopoly conditions in the province, particularly by the larger supermarket chains, in fact is a major cause of the increase in food prices, as was done in the Province of Alberta, I think two and a half years ago, and use those investigations to determine whether the Federal Government should be asked to come in and undertake anti-combines action in relation to the food industry itself. And I would remind the Minister, as he probably well knows, that in the Province of Alberta, at that time governed by a Conservative government, action was taken in the City of Calgary by the Consumer Bureau of the Government of Alberta, to look into the food industry — particularly on the processing and marketing side of it. They were able to ascertain that the monopoly situation that pertained in that province did have an affect upon food prices and there was a combines investigation initiated as a result of that.

It would seem to me, Mr. Chairman, that considering the fact that food pricing is one of the high cost items, and one that most directly damages and hurts the consumer, particularly those with moderate means, that he already has the powers under his office to do exactly that and to initiate such an action to determine whether in fact that is one of the primary causes of the problem. I would ask him whether he would be prepared to initiate such a step.

MR. MCGILL: Mr. Chairman, the member is referring to some investigations that were done in

I am advised that those were done by the Federal Department of Consumer Affairs and it was under The Federal Combines Investigation Act, and that did not involve the provincial government, and that the investigation was undertaken federally and under federal statutes, so that we're not intending to duplicate those functions that have been performed by the Federal Government.

MR. AXWORTHY: Mr. Chairman, I believe the Minister is wrong, because the Federal Government Combines Investigation which did take place occurred after there had been already some preliminary investigations in the province itself, and it was by that invitation and investigation that the Federal Combines officers were then brought in. And so it was under that kind of situation that I would ask the Minister whether similar kinds of examination should be done in this province?

MR. MCGILL: Mr. Chairman, the member possibly is referring to action that was undertaken as a result of what I'm told was called the Batten Commission Report, and that covered three prairie provinces and I believe that this investigation was undertaken subsequent to that report. And my information is that it was federally undertaken, but the member may have other information that differs with that.

MR. AXWORTHY: Well, Mr. Chairman, the Batten Commission did undertake a study in the Prairies which commented on the situation in all three Prairie Provinces, did indicate that the condition in Manitoba was not much different from that in Alberta, that there was a high monopoly oligopoly or arrangement in the food industry, particularly in the City of Winnipeg, similar to Calgary and Edmonton, and the provincial authorities in the Province of Alberta, based upon that report took it a couple of steps further and it was on the basis of their invitation that the Federal Government did come in to look at the problem, only in the Province of Alberta. No action — as I said before, Mr. Chairman, and in this case the Minister is responsible — the previous government when asked this question also demurred in taking any action in the area as well which somewhat surprised me at the time, but it would strike me that it was something they could have easily as done and I am just wondering if this new government, which maybe is more committed to the idea of competitive enterprises as opposed to monopoly, would be prepared to initiate that kind of action. In light of the situation, where even in the milk industry, it's my understanding that one of the supermarket chains here sort of dominates about 55 percent of the milk processing in the City of Winnipeg and therefore has a very strong influence upon pricing.

MR. MCGILL: Well, Mr. Chairman, if there was an indication brought to us that there was activity that should properly be investigated under The Combines Act, in the food industry in Winnipeg or in Manitoba generally, I think our action would be to bring this to the attention of the Federal Department of Consumer Affairs and ask them to initiate an investigation and an action under the Federal Anti-Combines Act. It seems to me that that would be a logical way in which to proceed to make use of the machinery and the statute as it now exists federally to deal with combine arrangements that might be acting against the interests of the consumer in Manitoba.

MR. AXWORTHY: Well, Mr. Chairman, without going too much in a circle, the Minister is right; it is the Federal Combines Act which ultimately has to be brought in, but I think the key phrasing in his statement was: if there was some reason to invite them. Well, I am asking if he would be prepared, through the Consumer Bureau, to determine if there is reason to use the authority, either through The Public Enquiries Act, or by whatever means to investigate whether there is due and sufficient cause, both on the basis of the evidence that is there, to issue that kind of invitation or request to the federal authorities to initiate combines activities. In other words, someone has to get the ball rolling, someone has to take the first step, and I'm asking whether the Minister or his officials feel there is not yet sufficient evidence to undertake that, then they should examine to see if there is. If there isn't, then let's forget it. But certainly going back to the Batten Commission, and since that time I think the condition has become even more substantially monopolized — I think that there is less competition in the field now than there was when that report was made — whether there shouldn't be a review of the particular distribution and marketing of food in the City of Winnipeg and based upon that, then determine whether the federal authorities should be requested to undertake action under The Combines Act. So I think it's up to the province to get the thing started.

MR. MCGILL: Mr. Chairman, I think there's a difficulty here if the province were, as the member suggests, to initiate some action under perhaps The Trade Practices Inquiry Act. The fact of that having been initiated and an investigation being undertaken, it seems to me would preempt the ability and subsequent action of the Federal Department of Consumer Affairs under the proper act, The Combines Investigation Act. So there is a difficulty there in beginning an action on a provincial

level without preempting the ability of the Federal Government to respond to what would then be determined as a difficulty properly relating to The Anti-Combines Act.

MR. AXWORTHY: Well, Mr. Chairman, I would differ in the interpretation with the Minister as to the meaning of The Enquiry Act because as I have read it in the past, it doesn't have the power to initiate criminal action or to initiate court action; it simply is an investigatory tool, and an investigatory tool would not in any way preempt federal authorities. If there is sufficient evidence derived from that kind of inquiry to show that there was proper cause to undertake combines action, then it would seem to me it's a second step of a first step approach and I find it hard — I could be shown wrong — but it would seem to me that that's what The Trade Practices Inquiry Act was all about, was to use it as a tool for finding out problems; to determine where there are blockages in the system, and where there are situations where there is not proper or effective, either supply, competition or market forces at work to keep prices down. And it would seem to me that the Minister is fully in his rights to do that, so I find it hard somewhat to understand that kind of reluctance or hesitation on the part of the Minister, but perhaps we're not going to go much further than that.

I would like to ask, if I could, the Minister some questions pertaining to his statements this afternoon in the House in Question Period on what he sees as the role of The Landlord and Tenant Act, and Rentalsman's office, in relation to the implementation of the Decontrol Program. He indicated that there was to be some role to be provided by the Rentalsman's office in relation to monitoring and investigating under the Decontrol Program. I wonder, and I was advised by the Speaker that Estimates was the proper time to bring it up so therefore, Mr. Chairman, I would ask under this section where we're dealing with the rentalsman's department whether he would be prepared to elaborate upon those comments.

MR. CHAIRMAN: To the Member for Fort Rouge. The rentalsman, I think, would come under Rent Stabilization, Item 8, on the following page . . .

MR. AXWORTHY: Mr. Chairman, I'm asking about the rentalsman office not the Rent Review Board. Landlord and Tenant Act, that's under the Consumers' Bureau. It says so.

MR. CHAIRMAN: The Minister.

MR. MCGILL: Mr. Chairman, the reference to the rentalsman's office was more properly to the rentalsman himself. I intended to convey the idea that we were going to use, in this new phase of rent control, the experience and general knowledge of the rentalsman in landlord-tenant relationships because they may become a more important factor in the monitoring system that we're proposing in Phase IV, so it was intended that we use the rentalsman. There will be no melding of the two functions — the two offices will remain separate, but we're proposing to utilize his services in respect to the dealing with complaints and with matters that are brought to the Rent Stabilization Board.

MR. CHAIRMAN: The Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I understand the Minister's statement that he doesn't see the melding of the two. I'm wondering why not, frankly? If in fact there is to be a much closer alignment of functions between the two, and if the fact that the Rent Review Board has always been something of an ad hoc arrangement, whereas in the rentalsman's office they've got professionals who have been much more extensively trained in the Landlord and Tenant Act of the de and will control t, deal with tha why is there not some attempt to provide a closer merging of the two functions and therefore get the benefit of the experience of the rentalsman's office in a more direct way?

MR. MCGILL: Mr. Chairman, the office of the rentalsman is considered as a permanent service function. We consider the Rent Review Agency and the Rent Stabilization Board as a temporary function that has a foreseeable life span, and it's not intended that the two be brought together, but we see no difficulty, and in fact some benefits to be derived, by utilizing the services of the rentalsman to bring to the Rent Review Agency and the board that experience that he has gained over the years without attempting to bring the two offices into a single function.

MR. AXWORTHY: Mr. Chairman, I don't want to drag it out — I'm still not clear exactly how this is going to be done. Is the Minister simply talking about an informal sharing of advice and experience? Will there be a formal invitation? Let's take a case if there is a complaint or — and we're still not even clear on what kind of monitoring agency, and perhaps the Minister doesn't want to deal with

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that until we get to the Rent Review Board — but if the monitoring shows that there is an action on the part of a landlord to evict a tenant unjustly, or at least to use some pretext for eviction in order to vacate the apartment and therefore get into a decontrol application, to what extent will the rentalsman's office be brought into that activity? Will it be done on the invitation of the Rent Review Board? Will the tenant go to the rentalsman first? I think, Mr. Chairman, while I might be denser than most, that I would probably have a sufficiently — maybe express the state of confusion that the tenant is going to find with the somewhat vague answers that we're now receiving as to where does one receive relief or appeal or assistance in the combination of factors that are going to be involved in this decontrol period which will involve both the Rent Review Board and the rentalsman's office and again it would seem to me that it would be easier if they were co-ordinated or centralized rather than this kind of amorphous relationship that the Minister's discussing, and if he could be more explicit then maybe I could be clearer in my understanding of what he means.

MR. MCGILL: Mr. Chairman, in more specific terms the member asks how this transfer of experience and knowledge in the area of relationship between landlord and tenant will be made available. I can tell him that it's the intention to bring the rentalsman in as vice-chairman of the Rent Stabilization Board. He will replace Mr. Simpkin who is retiring for reasons of health and in that way Mr. Locke will then be available directly to assist in the training and imparting of his knowledge and experience to people in the Rent Review Agency and those who will be dealing with these particular problems during the monitoring period.

MR. AXWORTHY: Thanks, Mr. Chairman, that's roughly the kind of information I — is that the only formal linkage then that will be taking place between the two, or will there be any sharing of officers or professional staff between the two?

MR. MCGILL: Yes, the answer's yes. That is the only formal linkage that will be undertaken between the two agencies in this . . .

MR. AXWORTHY: Okay. Mr. Chairman, then I just have one other question for the Minister in this area. This morning he indicated that there may be some changes or amendments to the Landlord and Tenant Act in order to give effect to the problems that were — well, perhaps if the Minister indicates not, let me put it in a somewhat different tense. Has the Minister examined whether the Landlord and Tenant Act, as it's presently written, has sufficient powers or conditions within it to protect against some of the problems, mainly evasion problems that will be experienced as we go through this decontrol period particularly in the area of eviction?

MR. MCGILL: Mr. Chairman, the changes that will be made essentially will be to bring into the statutes that authority that's required under the new rent control Phase IV, and that will be done by amendment to the Rent Stabilization Act and to any changes to the regulations that may be necessary. It's not contemplated that the Landlord and Tenant Act will be looked at specifically in relation to Phase IV of the rent control period. I think that the necessary statutory authority will require amendments to the Rent Stabilization Act and/or the regulation.

MR. AXWORTHY: Mr. Chairman, I'll just leave it. I would only ask the Minister and perhaps it might be of some importance to take a look at certain features of the Landlord and Tenant Act because I think that they will be drawn into play as a result of the decontrol measures that have been outlined and that they will probably require some change and amendment particularly to protect against those actions by some landlords — and I would emphasize maybe some — who would use their rights under the Landlord and Tenant Act to provide eviction as a way simply of forcing tenants out so that they can get into a decontrol phase, and it would strike me that there would be necessity perhaps for some further changes to take account of that problem, and it may be that an amendment to the Landlord and Tenant Act will be required and I would ask the Minister to look into that.

MR. MCGILL: Yes, well certainly we'll be monitoring this monitoring process rather carefully and if on the basis of experience we determine that some amendments or changes are necessary, certainly they will be undertaken.

MR. CHAIRMAN: The Member for The Pas.

MR. MCBRYDE: Mr. Chairman, I wonder if I could just check with the Minister. When the rentalsman and the office was first established and the Act was brought in I know there were a large number of complaints filed and assistance requested from northern Manitoba and I wonder how the record

is holding up now. Are you getting a lot of requests from Thompson, The Pas, Grand Rapids up north, or have they dropped off quite substantially?

MR. CHAIRMAN: The Minister.

MR. McGILL: Mr. Chairman, let me first make sure that the member means complaints to the office of rentalsman or the Rent Review Agency?

MR. McBRYDE: No, to the rentalsman.

MR. McGILL: The rentalsman. I'm afraid we have a breakdown only for the City of Winnipeg and outside the City of Winnipeg so we don't have a separate figure for northern Manitoba. In 1976 complaints from outside the City of Winnipeg were 494 and in 1977, 458 so there wasn't really very much change in the . . .

MR. McBRYDE: Are the complaints handled basically by one person out of Winnipeg who travels into that area or is it just sort of who's available at the time? How does that work in terms of staff?

MR. McGILL: I'm advised, Mr. Chairman, that any member of the staff might be assigned to handling a complaint. It is not related to any one person.

MR. McBRYDE: What would be the response time that the agency can make at this time?

MR. McGILL: Mr. Chairman, I'm advised that it depends on the circumstances. If it's an emergency, something that requires immediate action, obviously then it's possible to enlist outside agencies such as RCMP to act in a certain action. If it's an ordinary kind of thing that doesn't require emergent action then the response time would be somewhat longer.

MR. McBRYDE: I wonder if the Minister, Mr. Chairman, could indicate if he gets much direct pressure; that is, people that are dissatisfied with the rentalsman's action, or the office of the rentalsman's action, and whether many concerns and requests for the Minister to look into it come directly to the Minister.

MR. McGILL: The volume is not large. There are, of course, people who prefer to contact the Minister directly either by telephone or by letter, and that also relates to the Rent Review Agency and perhaps there are more direct letters to the Minister relating to rent control than there are to landlord-tenant problems. I have relatively few landlord-tenant problems.

MR. McBRYDE: I'm interested in the ones where action has been taken by the rentalsman's office and whether the Minister sees himself as sort of a court of appeal or last appeal over the decisions of the rentalsman or how he sees that relationship.

MR. McGILL: Mr. Chairman, I don't attempt to act as a court of appeal in respect to tenants or landlords who may be dissatisfied with the rulings or directions of the rentalsman. In a case where there seems to be no way of reaching something that is satisfactory to one or other of the parties involved, it is normal to suggest then that they may wish to take the matter to the Ombudsman for his consideration and advice.

MR. McBRYDE: I asked the Minister that question, Mr. Chairman, because in a person's capacity as MLA and Minister they get these kinds of concerns and I know that I certainly had some as MLA when I was a Minister, that this rentalsman's office has really been unfair to me and they've certainly wrecked things up for me as a landlord and I want you to do something about it. I was curious — I've never been the Minister of Consumer Affairs — I assume that he gets a lot more of those than a normal MLA would get, and my basic response was to just find the information out from the rentalsman's office but to say that's all I can do, that the rentalsman has investigated the matter and made a decision and that there's nothing that I could do to change that basic decision.

MR. McGILL: Mr. Chairman, I don't know how many direct appeals the member has had so I'm unable to say whether it's more or less than I have received but as long as people are constituted the way they are, as long as we have individuals in society we will not please them all and there are bound to be some who, in spite of all our efforts, will be dissatisfied. There needs to be some

further appeal process available to them and I think the Ombudsman in that sense is a very appropriate . . .

MR. McBRYDE: Mr. Chairman, maybe I could follow that a little bit further by asking the Minister if he has had any direct requests for intervention from The Pas and Grand Rapids? The reason I ask that question is that the two cases I am aware of where the two individuals who were landlords were extremely dissatisfied with the Rentalsman office, I was not. When I got the information from them, I thought they had dealt fairly and that the tenants had a legitimate complaint and a legitimate concern and the Rentalsman dealt with it fairly. But the perception of the two landlords was that they had not been dealt with fairly. The two individuals that I have in mind both were active supporters of myself and the NDP who, after the Rentalsman ruling, changed their allegiance and actively campaigned for the Conservatives and I am concerned that they might be pressuring the present Minister since they are active supporters now because of the Rentalsman's decision, to get after the Rentalsman to change his decisions in those cases. I wonder if he has had any specific requests for changes coming from my area?

MR. MCGILL: I don't recognize, from the description the member gives me, any representations I have received from the north country or from any other part of the country for that matter. So I think I can say no, we haven't had any kind of approach like that. There may have been one from that area but that was under Rent Stabilization.

MR. McBRYDE: Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for Selkirk.

MR. PAWLEY: Mr. Chairman, I was desirous of enquiring from the Minister, in connection with the Rentalsman's office, pertaining to the decontrol period in the areas outside Brandon and Winnipeg, the Minister indicated in the House that the decontrol program would commence September 30 in Manitoba, outside of Winnipeg and Brandon. There are pressures, certainly, in some points outside the City of Winnipeg and I am wondering if I could ascertain from the Minister if, gearing up for the September 30th decontrol period, if any particular mechanism is being developed within the rentalsman's office to undertake the monitoring to assure ourselves that the monitoring will be effective and comprehensive after September 30 so that we do not face a pattern of unjustified rent increases after the September 30th period?

MR. CHAIRMAN: I would say to the Member for Selkirk that I think his question was a rent stabilization question which is on the next page.

MR. PAWLEY: Well, Mr. Chairman, I understand that the monitoring is to take place from the rentalsman's office, is it not?

MR. CHAIRMAN: Perhaps the Minister can . . .

MR. MCGILL: I'm sorry, Mr. Chairman, that the Member for Selkirk wasn't here when the Member for Fort Rouge went through this in some detail and we responded in detail. I tried to correct the impression, if it was given in the House, it was not the office of the rentalsman, but the Rentalsman himself, whose experience and knowledge in this field we were intending to bring into play in the rent review process in Phase 4 and we gave him some specifics as to how we would undertake this. We intended that Mr. Locke would become Vice-Chairman of the Rent Stabilization Board and in that way bring his knowledge and his experience in landlord-tenant relationships into play during the period of monitoring and so forth and . . . that Mr. Locke would then be able to impart that knowledge to the employees in the rent stabilization and rent review area, but not to bring the two offices together. The Office of the Rentalsman will remain separate and distinct from the Rent Stabilization and Rent Review Agency.

MR. PAWLEY: Mr. Chairman, if the matter has been covered more fully then I can read Hansard and I won't take up the time of committee on that aspect. I would like to just quickly, if the Member for The Pas doesn't mind — and I believe that the Task Force recommendations have been dealt with under this section — to indicate to the Minister that I am concerned to see the recommendation that the Consumer Bureau be placed within the Attorney-General Department. Certainly my experience would be, during the term that I was Attorney-General, that that would certainly be the wrong place for the Consumer Bureau to be placed. I think the Consumer Bureau emphasis has to be on mediation of disputes and should not have the stigma of enforcement or policing attached

to it. I would like the Minister to, if he would, comment as to whether there are any intentions to transfer the Consumer Bureau to the Department of the Attorney-General?

MR. MCGILL: Mr. Chairman, again, on that point, the matter of the recommendations of the Task Force as they relate to the Consumer Bureau, we dealt with that and I was asked questions similar to the ones you now place. I will repeat what I said, that these recommendations have not been considered, either by this government as yet or by me as Minister in this area and so I don't wish to make any comments relative to those recommendations until the actual exercise has been undertaken of reviewing the Task Force recommendations in detail.

MR. PAWLEY: Well, all that I can say, Mr. Chairman, since the Minister has indicated he has not given that particular recommendation any consideration yet, I do want to suggest to the Minister that I see very little advantage in such a transfer of the Consumer Bureau to the Department of the Attorney-General. I think that that recommendation, like so many other of the recommendations in the Task Force Report, are ill-founded and ill-conceived. I would hope that the Minister, when he has given this some consideration, would resist any effort in that direction.

MR. CHAIRMAN: The Member for The Pas.

MR. MCBRYDE: Mr. Chairman, on the Consumer Bureau, I would hope that there is nothing done either in the area of the Consumer Bureau or the Rentalsman Office to limit or to restrict their ability to respond. I would like to say that as an MLA, when complaints have been referred to me, I have found them very helpful and very effective in assisting citizens of Manitoba who did have problems with companies, did have problems with products they had purchased. I would like to thank the staff for their efforts and their assistance.

I wonder if the Minister could indicate if there is any continuing effort still to monitor food prices in the northern part of our province? There was some effort and I complained to the previous government that not enough effort was being made to monitor the prices, especially in remote communities where often transportation costs are given as the excuse but they are not the main cause of high prices. I know that when the Northern Task Force went around, we went to some communities with only one store and we asked them about their prices and of course they complained that the prices were very high and we went into the store and the prices were high. Some members of the Task Force said, well, if there was competition or if there were two stores, then the prices would be lower. So we arrived at the next community and there was the Hudson's Bay Company there and the people complained that the prices were higher and there was a private trader there. So we said to him, I guess the prices must be lower in this community because there is competition here, is that correct? He said, "No, I go over to the Bay and find out what they are charging and I charge the same thing at my store." So there is a necessity to monitor that and the former Minister of Industry just commented and he is the one I used to get after on getting some northern prices from the Statistics Bureau at that time. I wonder if there is being any effort made to monitor those prices? I know the prices in the north are used, in fact, to help determine civil servant northern allowances and the areas for northern allowances. Is there any ongoing process to keep some track of that?

MR. MCGILL: Mr. Chairman, I am advised that the Consumer Bureau has not been directly involved in this monitoring process of northern food prices for some time, that that was turned over to another agency.

MR. MCBRYDE: Maybe I could convince the Minister, as I was unable to convince previous Ministers, that this is necessary and that he might look at that possibility. I think the mere publication of the information which was done initially did have an effect on prices, that when the stores in The Pas came out higher than Flin Flon and The Pas is closer to the suppliers, that the stores in The Pas had to drop their prices a bit to adjust to that public information. I wonder if there is any inclination on his part to re-establish that or to proceed in that direction?

MR. MCGILL: Mr. Chairman, we would certainly look into that and take it under advisement.

MR. MCBRYDE: The other question I have, Mr. Chairman, to the Minister, relates partially, I think, to the Combines investigation of the Federal Government but as the Member for Fort Rouge has said, I think that to get them moving sometimes, it is necessary for the provinces to take some action and then they are sort of embarrassed into, or they decide well, there's some action there, we had better move in there because there is a problem. In this case, through you Mr. Chairman to the Minister, I refer to the gasoline pricing as it exists in northern Manitoba. A year or a year

and a half ago, one of the labour unions in the The Pas area looked into the feasibility of establishing a service station of their own, as a union, or at the possibility of establishing some sort of co-op station. When they contacted the major oil companies, and they contacted a number of the major oil companies, they were told that the price difference — and they asked about the price difference between Swan River and The pas and the price difference at that time was ten cents on a gallon which could no way be justified by the transportation costs between the two communities — that they priced on a regional basis, that all the prices given to this interested group were identical and they said that that was the region and the price would be ten cents higher in The Pas than it would be in Swan River. I wonder if the Minister would be willing to initiate, to try to get the Federal agency to examine that situation which seems a lack of competition or a grossly unfair situation between communities that are probably 100 miles apart or so.

MR. MCGILL: Mr. Chairman, I can tell the member that we have done some investigating in that area and the information obtained was turned over to the Federal Department of Consumer Affairs. We can only assume that they are perhaps evaluating that and they may well be involved in investigations but that would be done without any public . . .

MR. MCBRYDE: Was that a recent action or was that the action when I raised this item a year and a half ago or so? Have they been sitting on it for quite a long time?

MR. MCGILL: It was information submitted some time ago but they are not in the habit of reporting progress or notice of their intent to us because of the confidential way in which they proceed with their activity. So we have no way of knowing whether this is under way or not.

MR. MCBRYDE: Would it be worthwhile just to remind them again that this situation exists, even though they are not going to tell you what they are doing about it?

MR. MCGILL: I am advised that we have already done that.

MR. MCBRYDE: Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for St. George.

MR. URUSKI: Mr. Chairman, I would like to pursue with the Minister, in the Consumer Bureau. We have a reduction in the budget in Other Expenditures, small however, approximately \$3,500 reduction from last year to this year in Other Expenditures. Could the Minister indicate what primarily this reduction is?

MR. MCGILL: Yes, that decrease was in paid advertising with respect to the services of the Rentalsman and the Consumer Bureau. That's just a reduction in the amount.

MR. URUSKI: Is the department intending to continue advertising or in a way the information or the advice and services available under the Consumer Bureau to the public, or is this reduction of this amount substantial in terms of the advertising budget of that branch?

MR. MCGILL: Well, I am advised that in the Consumers' Bureau we are curtailing the production of material, that is advertising material, but not the activities in any way of the bureau itself.

MR. URUSKI: Well, Mr. Chairman, could the Minister indicate as to what kind of material is being discontinued within the Consumers' Bureau, and what type of alternatives are going to be employed in terms of informing people as to their rights and services available. What I'd like to suggest is that . . . the report of course, that has been put out by your department is very clear and concise and brings forward a good deal of information dealing with the workings of the Consumer Bureau. I would hope in some way that certain areas could be highlighted through the media without paying for the information, by bringing forward examples of cases that the Consumers' Bureau investigates, to highlight certain aspects that are going on that may be able to take the place of some of the paid advertising. But I would hope that informational advertising, in terms of pamphlets and the like, would continue so that people would be able to be made aware of what the role of the Consumer Bureau is, because unless people know that the bureau is around, and they know what services are available, there will tend to be I believe, maybe . . . although the Minister does not speak of a reduction in activities, I believe that by not doing anything, will in itself result in a reduction in activities by the Consumer Bureau just by hiding itself in effect.

MR. MCGILL: Well, some of the reduction was in the visual aid material in schools, in those materials that were made available there, but the department is continuing to do things in the advertising field such as these caution corner ads that are being written and disseminated to the various newspapers and are getting quite a good response I understand from rural areas of Manitoba particularly. I don't know whether the member has seen any of those ads or not, but they seem to be quite effective, particularly outside of Winnipeg.

MR. URUSKI: Is the education program through the schools being continued and is there written information available to students or is that also being curtailed within the Consumer Bureau?

MR. MCGILL: I understand that there is sufficient amount of material available to the schools. We introduced some very comprehensive material last year, but it takes time in which to feed this into the school system, so that is continuing to be done this year.

MR. URUSKI: So that public affairs activities within the schools would be able to take advantage of continuing information from the Consumer Bureau, which there is no doubt in my mind, will assist young people in being able to know what the role of the Department of Consumer Affairs is and be able to take advantage in cases which require investigation by the Consumer Bureau.

MR. CHAIRMAN: 2.(a)(1)—pass; — the Member for Brandon East.

MR. EVANS: Mr. Chairman, don't know whether the Minister is going to answer that last question. I had some other questions I thought . . . was there an answer forthcoming?

MR. MCGILL: Mr. Chairman, I think the member made more of a comment than a question on that which we accepted.

MR. CHAIRMAN: The Member for St. George.

MR. URUSKI: The Minister did not comment in respect to using alternatives to cover off the advertising cut that the department has made in terms of bringing forward examples of cases through the media rather than paid advertising in terms of making known their investigative role and findings in different cases which are well documented within their annual report, and might be able to be highlighted through news coverage without having any direct cost on the department itself in terms of the various cases that they have investigated and handled.

MR. MCGILL: I am advised, Mr. Chairman, that the Consumer Bureau does use specific cases. They have talks at schools and disseminate information in that way and use specific cases to demonstrate particular points, so that area is being used.

MR. URUSKI: Thank you, Mr. Chairman.

MR. CHAIRMAN: The Member for Brandon East.

MR. EVANS: Mr. Chairman, just wanted to pick up something that we were discussing about half an hour ago on the Milk Control Board and the protection of the consumers, and I wonder if the Minister would undertake to look into the possibility of implementing some of the various suggestions that were made. Whether it be a matter of legislative changes, I know he has indicated that he doesn't see any change this year, but what about some investigation, some research, some review, that might have an effect or impact the following year, that is in regard to some legislative changes possibly and even the question of whether the Milk Control Board — if it stays in existence — whether that would be changed over from the Minister of Agriculture to the Minister of Consumer Affairs.

MR. MCGILL: Well certainly we accept those suggestions. We'd be prepared to look at that; I don't at this stage see a particular advantage to having the responsibility for the Milk Control Board transferred to the Department of Consumer Affairs. I still think it belongs more properly with the Department of Agriculture, but certainly it's worth looking at.

MR. EVANS: I wonder if the Minister could indicate what is the size of the staff of the Consumers Bureau now, and how do they break down, because they have various functions, The Consumers Protection Act; The Landlord and Tenant Act; The Personnel Investigation Act, how many staff man years are now in the department and how does it break down between the various

MR. MCGILL: There are 41.26 staff man years for 1978-79; that's exactly the same as in 1977-78.

MR. EVANS: I'm sorry, I can't hear you.

MR. MCGILL: . . . 41.26 staff man years, the same as last year.

MR. EVANS: Well I don't think the Minister answered the other part of the question and that is how does that break down by functions — I mean, what do the 41 people do; they all don't do the same job, there is some division of labour I believe?

MR. MCGILL: Would you like me to go through the total list of titles?

MR. EVANS: Well no, I really meant like a divisional breakdown, or a sectional breakdown, I don't mean the titles. How many people for example, are concerned with the Landlord and Tenant Act questions as opposed to Personnel Investigation, for example? I mean, there must be a breakdown of the bureau into divisions or sections, and that's what I'm talking about. How does that 41.26 break down?

MR. MCGILL: We have in the Consumers Bureau a total of 21, and in the Office of Rentalsman 15 are listed here. Under Consumers, one director, deputy-director, consumer services officers, there are 0 clerical support. Under the Office of Rentalsman; Rentalsman, deputy-rentalsman, consumer services officers 6, and 3, a total of 9 clerical support, for 5.

MR. EVANS: Are these all bulletin positions, or are some of these contract positions?

MR. MCGILL: All bulletined, I'm told.

MR. EVANS: Is the Minister planning to take with the given resources and staff funds which he has available, if there is any possibility of any new thrusts by the Consumers Bureau, is there any trends in abuse of say retail sales, or credit arrangements or what have you; is there any trends requiring the Consumers Bureau to change its thrust? Do you foresee any new problem areas — are there new problem areas arising?

MR. MCGILL: Well, I think, Mr. Chairman, there is that possibility at all times of new problem areas arising, and the ability of the bureau to respond will be as always, that when these matters are brought to their attention, they will investigate and take action.

MR. EVANS: So it's more or less a status quo situation, a response situation, there's no new thrusts, if I can use that expression.

MR. MCGILL: Well, the bureau is essentially one which responds to complaints.

MR. EVANS: Okay. I notice in your Annual Report on Page 14, that is the , an Annual Report for the year ending December 31st, 1977 Analysis of Complaints. I gather these are the complaints to the Consumers Bureau per se of all types. I'm not sure if it includes rental or not; I don't think it includes rental.

MR. MCGILL: No.

MR. EVANS: It's everything but rental. And of the 18 — I notice a slight decrease in complaints minus 13 percent change in total from 1976, that's 1977 compared to 1976 — I don't know whether this is related to what my colleague, the Member for St. George was referring to. The knowledge on the part of the consumer, remembering a lot of these are young consumers, maybe 2 or 3 years ago not being aware of the services of the Consumers Bureau, whether the decrease in complaints is due to the lack of knowledge on the part of the public of the existence of the Consumers Bureau, or whether there has been some changes in retailing arrangements, or credit arrangements, or what have you, to cause a decrease in complaints. If you'll look at the table, you'll see there is a minus 27 percent change in appliances, you know, there is quite a decrease in appliances, there is a 30 percent reduction in banks, finance companies, retail credit, there is a 65 percent reduction in trailers. I can see that because we brought in some new regulations on the manufacturing of trailers to ensure that the imported trailers met Manitoba construction standards, or Manitoba safety standards,

so I can see the reason for that. But, without going down the list here, the Minister can see for himself, there's quite a drop in complaints against movers, complaints on housewares. Why would there be this drop? There is a drop of 13 percent in total, our population hasn't dropped, it's gone up slightly — unless there's been some changes or some pattern here at work to cause less complaints, or is it simply a matter of people not being as aware of the bureau I wondered. As I said, I can understand the question of trailers and mobile homes because I know of a legislative change that would cause that, so that's a good improvement, but what about the others?

MR. MCGILL: Well, does the member rule out the possibility that the Consumers Bureau might be having some corrective effect in the marketplace and that the responding and investigating of complaints may have the effect of improving the relationships between various retailers and customers. I think too, there is more of a federal media approach to these matters than there has been. I don't know whether you've noticed it, but I certainly have, that many federal programs now relate to Consumer Affairs, and this I think is having a disciplinary effect on the retail marketplace which may be reflected in the amount of complaints that are coming in.

MR. EVANS: Yes, well, those may be two good reasons, the presence of the Federal Government and its advertising activities and the CBC programs, The Ombudsman program, that type of thing, plus the effectiveness of the Bureau. On the latter, and I don't rule that out, maybe that is a legitimate reason, and I'm not disputing that, but I'm wondering how do these figures compare with 1975, 1974. Without going into the detail is there a continued — because the Bureau has been around for a few years now, I mean, it wasn't born two years ago, it has been around for some years. Now, is there a gradual decrease, or is there ups and downs, because it seems to me if it was the effectiveness of the Bureau there would be a steady downward decrease, all other factors remaining the same, but that isn't a realistic assumption.

MR. MCGILL: I am advised that there was a fairly rapid rise some few years ago until last year. There was a rise and now it seems to have plateaued, so we're perhaps for the first time in a number of years indicating that there is a levelling off or some decline in the number of complaints.

MR. EVANS: Well, I want to zero in on one particular area and that's the area of automotive sales and service. I notice that's the biggest block, it's right at the very top of your list, not for alphabetical reasons because I see there other items under the letter A that are further down. The listing here is by the quantity of complaints received and by far the biggest number is relating to the automotive business, whatever that encompasses.

This is a report from the Winnipeg Tribune, and I'm sorry I don't have the dateline with me, but it's a report that came over the Canadian Press and it's about three weeks old I guess, but apparently there is quite a bit of concern across Canada with respect to abuses particularly in the area of automotive servicing. The story is called, "The Incompetent Car Repairs Provoke Government Protest", and it states, I'll just read the beginning here, "Provincial Governments and Consumer Groups are turning to the courts for a remedy to mounting complaints about incompetent and dishonest car repairs". And it goes on to say, "Some critics have estimated that as much as 40 cents of every dollar spent on car repairs may be the result of incompetency or dishonesty at auto repair outlets".

The article refers to a Montreal-based automobile protection association and how they're getting together to try to do something about protecting the car owners. They refer to the Ontario Government. The Director of Investigation and Enforcement for the Ontario Ministry of Consumer and Commercial Relations, a Mr. David Mitchell, says it's something of a jungle out there, the whole auto repair business. The potential for ripoffs is tremendous. In British Columbia the Consumer Affairs Department has begun a regular undercover monitoring of the car repair industry, an undercover monitoring of the car repair industry because of widespread dishonesty and incompetency revealed in recent spot checks. The Director of Enforcement in British Columbia said 13 transmission and 33 brake repair firms were tested, and more than one-quarter of the repairs were dishonest or incompetent.

At any rate, it goes on to give you a few examples and I'll just take one or two of these for the example. Some of the schemes used to coax extra few dollars from unsuspecting owners are: When a muffler repair shop has a car on the hoist to change the muffler, the owner is told that the car's shocks need replacing, but mechanics say the only way to test if shocks are needed, is to put the car on the ground, push down on it over the wheels and watch how fast it springs back.

Another example, the transmission shop offers a deal on a transmission adjustment at say \$19.95. The job is to include adjustment of the transmission bands and installing new fluid, but when the owner returns he is told major costly repairs are needed.

Well, then it goes on giving other examples on alignments and spring tune-ups where the owner finds himself the recipient of new parts that he didn't necessarily need. So this seems to be prevalent in many provinces, and it is the most important of all the complaints that are received here. It is the biggest number of all the complaints received here, and I'm just wondering whether the department, whether the Bureau of Consumer Affairs in Manitoba, the Consumers Bureau, is doing anything new or special in this area? —(Interjection)— Mr. Chairman, I can't hear myself talk to the Minister.

MR. CHAIRMAN: Would the Member for Roblin please let the Member for Brandon East continue?

MR. EVANS: The point I'm making, Mr. Chairman, is that this is a problem that appears to be prevalent across the country. I've referred to three provinces, British Columbia, Ontario and Quebec, and I indicated that B.C. is engaging in an undercover monitoring. I'm not suggesting that that should be done. I am just observing that they are doing it, and I'm observing that there are problems prevalent in this industry and my question is whether the Bureau has, or is about to, or would consider undertaking some special review of this particular area?

MR. MCGILL: Mr. Chairman, the report that the member is reading from may have emanated from the United States, where I believe in recent weeks there has been a similar kind of report issued by the Federal Trade Commission and it may be that that has been picked up because of the detail which is presented in that report.

The Bureau responds to complaints in this area, and certainly again if there are patterns of complaints developing, they would conduct investigations in the automotive areas, but so far as I know there have been no particular patterns of complaints in this area. I am advised that all the provinces are presently engaged in the study of warranties as they relate to the automotive industry.

MR. EVANS: The Minister was referring to an American report and that this may have emanated from it, well, I don't know what sparked it, but it's a report in the Canadian Press, and as I said it refers to Quebec, Ontario and British Columbia, what's going on there. It seems that there is a mounting number of complaints and I wondered if there was a pattern here. It seems to be perhaps not the case, but I can say that maybe everyone of us in this room, may have had some personal experience or other.

Just a few weeks ago, I had an experience — I don't think I got taken, but as a matter of interest, I'd gone to this one supposedly very large and reputable company to have some tires changed, two new tires put on the car and to have the front brakes and the back brakes checked, and as it turned out they didn't have the tires that I needed so I said, well, check the brakes, I'll leave it here anyway. I went back at 5:00 o'clock and I had a note saying that they had checked the brakes and everything was satisfactory and there was no need to put on brake shoes or discs or whatever, \$12.00, and that was fine. I would rather pay \$12.00 and not have all that additional expense. At any rate, the next day I went to a garage in the same chain to get the tires that I wanted because I wasn't able to get them the previous day and I happened to be able to wait there while the tires were being put on and a mechanic came up, a senior mechanic, and insisted that I needed new front disc brakes and he was pointing out this to me and showing me where and so on, and I don't know anything about front disc brakes, but he insisted that I needed them. And I said, well, you know, I had just taken the car yesterday and I paid \$12.00 to have the check done and I was told categorically that the brakes were fine and satisfactory. Well, he insisted that they needed repair, so I said, well, what I'm going to do is take it back to the first place because I'd paid them \$12.00 already, so I did. I took it back to the first place, and they obliged me, they said well, we are sure that we wouldn't make a report such as that if it wasn't necessary. At any rate, they took the wheels off, and they checked it again and I was there, and the manager and the serviceman who'd worked on it were there, and they said they were satisfied that the brakes did not need replacing.

So, the point I'm making is that the second garage in question, the senior mechanic was trying to tell me that I needed new front disc brakes. So here was a case of dishonesty as far as I'm concerned. You could say, well, it was a question of one judgment over the other, but the first place they looked at it twice and indeed more than one person looked at it, and they said we'll be glad to sell you the brakes if you want them, but we tell you, you do not need new front brakes.

So, I'm just saying, here's one instance, but I think if this is a common practice, I wonder how many other unsuspecting car owners, automobile owners are being taken in for unnecessary expenditures.

The suggestion has been made by the Montreal-based Automobile Protection Association, the President, Mr. Edmonston, thinks that provincial monitoring boards should be established to deal with complaints about car repairs. They should include representatives from the industry, from government and consumers, and dishonest shops should be put out of business, according to the head of this Montreal-based Automobile Protection Association. So, my question is, would the Minister consider setting up some type of special monitoring board in the case of automotive trades, in the case of automobile repair shops, because it takes up the largest percentage of your complaints, about 20-25 percent of the total complaints and I suspect for every complaint you have here, there are many many people out there who have been rooked, who have been taken, who may not even know about it, or who do know about it but don't complain. It may be worthwhile to set up some kind of monitoring board. I think the representatives of the industry themselves would probably welcome this, to try to clean up that industry, and try to eliminate any dishonesty that does exist and to try to help protect the consumer.

MR. CHAIRMAN: The Minister. Maybe, Mr. Evans, you should go to Bill Wilson for your car problems.

MR. EVANS: No comment.

MR. MCGILL: In respect to the suggestions of the member that the Consumers Bureau should add another agency to monitor this situation, I think there are a number of agencies that are dealing with just this kind of a problem — the Better Business Bureau, for one, is responding and has this very much in their area of concern. The Automobile Dealers Association is another that does a considerable amount, I imagine, of policing within their own organization. The Automotive Trades Association is another. So there are some agencies already doing work in this field. Whether it's necessary to add another one is problematic.

MR. EVANS: Mr. Chairman, I appreciate the comments the Minister has made. I know that there are these organizations — and I do really hesitate to say there should be another agency, God forbid, in a sense, but what I was thinking of was something that was not necessarily a government agency but it could be promoted by the province and, as I said, would include representatives from the industry and from consumers, perhaps from the the Manitoba Motor League, and so on. But at any rate I leave that for your consideration. I think because of the seriousness of it, because it is the major item — and there seems to be some trend of dishonesty occurring. There seems to be widespread dishonesty, or incompetency at least and, as I said, in British Columbia they found this. They did a special study and found that more than a quarter of 13 transmission firms and 33 brake repair firms, more than 25 percent engaged in repairs were dishonest or incompetent, and I don't know whether B.C. is that different from Manitoba. I hope we're better here but I don't know that we are. So I leave that for your consideration. Maybe you and your staff might like to look into that and maybe there's something that could be done to somehow or other enhance protection for the consumer. I don't think it's the only way of doing it but maybe there's some better way. Maybe there should be a special study done, a special check done by the Consumers' Bureau, or does the Consumers' Bureau do this kind of monitoring that the B.C. Consumers' Affairs Department has done, where they've gone out and they've actually monitored this? They had their staff go out and had repairs done apparently. Have we attempted to do that here?

MR. MCGILL: No, Mr. Chairman.

MR. EVANS: Well, I'm just wondering whether it would be worth the exercise. I don't know how much time it would take or how widespread it should be but it might be worth the exercise and it may cause dishonesty to be reduced. You indicated a while ago that the presence of the Consumers' Bureau may have been responsible for the reduction of the complaints over the years. Perhaps an exercise such as this, an industry-wide monitoring similar to the B.C. experience might cause / the delinquent firms to straighten cease and desist their dishonest practices. —(Interjection)— Well, Mr. Chairman, I just ask the Minister, would consider having a special study done perhaps similar to the B.C. approach of the automobile repair business?

MR. MCGILL: Mr. Chairman, I think it's unlikely that in the next 30 year we would undertake such a study but we'll be interested in what develops on the approach taken in B.C. and maybe we can

MR. EVANS: Well, at least your staff will ; look into that I'd appreciate it.

MR. CHAIRMAN: 2.(a)(1)—pass; 2.(a)(2)—pass; 2.(b)(1)—pass; 2.(b)(2) - - the Member for St. George. 2.(b)(2)?

MR. URUSKI: I would hope that after completing 2.(a) — I have some questions on the Research and Planning that relates to the . . .

MR. CHAIRMAN: All right. We will move that Committee rise and we will say that we have completed 2.(a), 1. and 2. and come back to 2.(b), Research and Planning. Committee Rise.

SUPPLY — HEALTH AND SOCIAL DEVELOPMENT

MR. CHAIRMAN, Mr. Abe Kovnats: I would direct the honourable members to Page 40, Department of Health and Social Development, Resolution No. 60. We are on clause (e)(3) External Agencies. (3)—pass; (e)—pass; (f)(1) Salaries—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Yes, Mr. Chairman, I wonder if we can have the Minister give us the staff again, a breakdown between institution and the population for the last two years, up to the latest that he has, please.

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Yes, Mr. Chairman. The total complement at the Manitoba School in Portage is 715 staff man years. At the present time, as of late May, a couple of days ago, there were nine vacancies. So 706 of those positions were full. There were nine vacancies, which apparently is the lowest vacancy rate in the school's history. —(Interjection)— No, not at all. Medical: 7; Nursing: 406; Nursing Education: 6; Social Service: 9; Education: 15;. —(Interjection)— Nursing Education was 6. Social Services: 9; Education: 15; Psychology: 10; Physiotherapy and Motivational Therapy: 28; Resource Services (Laundry, dietary, housekeeping, etc.): 199; and Term: 35, for a total of 715.

The honourable member wanted the population. December 31st, 1977, the total population at the school was 892 — 500 male, 392 female. The comparable figures for December 31st, 1976, were 934, 537 male and 397 female. Today's figures, May 10th, the total is 869, Mr. Chairman, that is combined male and female — 869.

MR. CHAIRMAN: (1)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, I have a concern here that apparently the Minister of Public Works has stated to the Association on Mentally Retarded that, I think at their request, that he would look very carefully on any money spent there and in co-operation, of course, with the Minister of Health, and that they agreed. And in fact, that he was agreeable himself, very sympathetic, to see money transferred through the Department to help in these group homes.

Now there was a letter that he wrote them and maybe I should quote. This was on March 30th.

"I should like to acknowledge your letter dated March 10th, 1978, expressing your Association's concern about the facilities at the Manitoba School for the Retarded.

"You will appreciate that as Minister of Public Works I am not directly charged with the formulation of policy in this matter, but I do wish to indicate my very full support to the position that your Association has expressed on numerous occasions, namely, that the real solution to the situation at Portage is the population.

"I have and will continue to discuss with my colleague, the Minister of Health, the best possible ways that scarce public funds can best be used to meet our obligation in this matter. I have indicated to Mr. Sherman that I would be only too willing to redirect moneys currently projected to be used for the renovation of . . . facilities, to the kind of program you suggest in your letter."

Mr. Chairman, then the Minister of Public Works announced that there would be \$750,000 spent to improve the fire protection in Portage la Prairie, and I think that was the . . . —(Interjection)— Yes, East Grove, the one that had the fire.

Now a year or so ago we had approved some money for construction for recreation facilities. Now that was opposed in certain quarters, but I still think that, sure, although we are interested in reducing the population of the institution, it is not going to be done in a day or a year or a couple of years. In fact, it will never be closed. I don't think that place will be completely closed. I understand that they might be, this is something that came in not that long ago by the Director.

I guess this was after the fire that they had in Portage, and that seemed to have changed a lot of things, but anyway then this was the first time I had heard that, but the Director had said that there would be quite a few people that could go into group homes.

I wonder, did the government look, or is it looking at the possibility instead of fixing East Grove to have more beds there, if that money could be spent for group homes or some of that money could be spent for group homes, and maybe — I don't know this at all, it is just a suggestion — maybe that East Grove could be kind of a recreational area. Because there was money to fix East Grove and there was also some money last year anyway for recreational facilities, and I think it is a shame if they don't go ahead with some recreational facilities, because as the Minister said it is going down, but as of today there are still 869 patients and that is a lot of people, and it might be, I don't know, right now the maximum that they could take out of there might be another 200. I am guessing, but I don't think it is that many more than that at this time.

So I wonder if the Minister could comment on some of these. . . Excuse me, I think that there was also a — I know that I received a copy of a letter sent to the Minister. I think that the Association for Mentally Retarded were suggesting certain homes, not necessarily, some of them were new construction. I know they were in Dauphin, Flin Flon, Arborg, Thompson, Steinbach, Brandon, Boissevain, Winkler, and there were some though that — it is not new construction, it is apartment living. Apparently it wouldn't be that costly. I think they were talking of a staff of maybe three or four supervisors and I think they were taking care of quite a few.

So I wonder if the Minister would comment on that and why the change of heart of the Minister. It might be that he can't answer for the Minister of Public Works, but I imagine that they have discussed this, so I wonder why was there a change.

MR. SHERMAN: Well, it's certainly still our hope and intention to proceed with the de-institutionalization of patients in institutions and residents in institutions like the Manitoba School, and as I indited the other day I am thinking in terms of a target figure of 200 over the next reasonable brief period of time.

But the dilemma at the moment, Mr. Chairman, is that the thing that keeps us awake at nights is the question of safety and we have determined that safety has to be the top priority at the moment.

The Department of Public Works has budgeted to the extent of \$5 million for fire safety upgrading, fire safety requirements in our institutions, including in the current fiscal year, in their capital budget this year, including the three mental hospitals. But the question of sort of de-institutionalization and introduction and establishment of community residences is really a separate question. Although I know the same subject area gets at the same objective, but it is really a separate question for the Department of Health and Social Development at the moment. We are meeting very regularly, and very conscientiously with representatives of the Association for the Mentally Retarded, the Manitoba Division Executive, and we are fully familiar with their proposals for de-institutionalization and the launching of up to 25 new community residences. That, I set as an objective for this administration to work towards during the administration's life. At the moment we've got to guarantee the safety of those residents at Portage, and as a consequence the Minister of Public Works and I had agreed on the expenditure of \$700,000, approximately, of that money to which I just referred, on the renovation of East Grove to turn it into a dormitory kind of facility so that we could get patients off upper floors in other buildings —(Interjection)— so that we could close some of the upper evacuation is a much more practical kind of exercise.

So, that's the direction we're moving in, and in fact the recommendations, the proposed drawings and redesign for East Grove are right on the very threshold of going to tender; I don't think they've gone out to tender yet, but they will be doing so any day.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, the Minister mentioned \$700,000, or \$750,000; that would be for more than just the Manitoba Home, or was he just talking Manitoba Home? Or now, is there any other capital expenditure within the department, because the Minister of Finance distributed the carry-over and the capital that was going to be spent, as he saw it? There is \$398,000 shown in this year's Estimates, and using the authority voted by the previous government of \$405,800 — that's about \$800,000.00. If \$750,000 is being spent here, is that the only capital that is going to be utilized at all in the entire department?

MR. SHERMAN: Not in our Capital Funds, Mr. Chairman. There are a number of things being done in terms of capital expenditure at Selkirk, Brandon, and Portage, for upgrading of electrical distribution systems, etc., and repairs, necessary repairs. But these are all in the Public Works Capital budget, and are part of that \$5 million that I referred to earlier. We're doing things like installation

of smoke detectors and sprinkler systems, but that's all a part of this commitment under Public Works. —(Interjection)— No, no, under Public Works; it's all a part of the Public Works Committee.

MR. MILLER: So that the Capital shown in these Estimates, the Health and Social Development, don't include any of the work on these institutions; they would be in the Public Works budget, and the only capital that you're involved in is what you show in the book here, plus \$405,000 for voted authority that was carried over from the previous year? —(Interjection)— That's it.

Well then, what about the money that was allocated, or estimated to be for recreation purposes, at Portage? Is that now also to be taken over by Public Works, or is that still something that you would have in your Estimates? Or has it been frozen?

MR. SHERMAN: It's deferred or frozen, Mr. Chairman. —(Interjection)— No, no. There is no carry-over.

MR. CHAIRMAN: (1)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, what I want to know is, how many group homes are there under construction now, or how many will be approved this year?

MR. SHERMAN: We have 22 in place, and three coming on this year. 25 in place — I'm sorry, Mr. Chairman — 25 in place and three coming on this year; 24 new spaces; three of eight each, and there's a possibility that we can add a fourth to that, add an additional group home.

MR. DESJARDINS: Mr. Chairman, those were those that were approved last year? There's no new ones approved at this time?.

MR. SHERMAN: Those three were the ones that were approved last year, and I'm hopeful that we can add one more to that list.

MR. CHAIRMAN: (1)—pass; (2)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: I don't know if I'm — I just want to make sure we don't go too fast. I'm looking for the — no, I guess what I'm looking for is under External Programs.

MR. CHAIRMAN: (2)—pass; (3)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Would the Minister give us a breakdown in the money voted on those, please?

MR. SHERMAN: External Programs, Mr. Chairman? The first one is the CAMR, the Canadian Association for the Mentally Retarded, this year's requested appropriation is \$101,700.00. St. Amant Centre, we are requesting, of the Legislature, \$5,012,400.00. Pelican Lake Training Centre, we are asking for \$1,076,800.00. The Steinbach Development Centre — that's an activity program delivered by the Steinbach branch of the CAMR — \$37,800.00. The North YMCA Summer Day Program, a summer day program for severely retarded and multiply-handicapped teenagers, \$5,800.00; \$5,800.00 we're asking for. And Winnipeg School Division No. 1, that's the program in Montcalm School, \$71,700.00. —(Interjection)— Right. For a total of \$6,306,200.00.

MR. DESJARDINS: The St. Amant Centre, could the Minister give us an idea of what the population is there, as well as Steinbach, Pelican, all of them, except the Canadian Association of Mentally Retarded, of course?

MR. SHERMAN: Yes, I think I can, Mr. Chairman. St. Amant, 275 children and adults. Actually, it's 225 children and 50 adults. Pelican Lake, 70 residents. The occupancy seldom varies from that figure. The Steinbach Development Centre operates five days a week for severely and profoundly retarded; some of them physically handicapped. I can't give the honourable member a total number of clients, that varies; approximately 20, my officials tell me, Mr. Chairman. North YMCA Summer Day Program — a ... — — — pproximately 40 Winnipeg School Division No. 1, children who are severely retarded and who have physical disabilities, that's approximately a dozen, approximately 12.

MR. CHAIRMAN: (3)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Is this a new program or is that something that's been transferred here, the Winnipeg School Division No. 1? That's my first question.

The second question: what is the difference? I would imagine that those are the profoundly retarded but it's quite a difference, \$5,800 for 40, but \$71,700 for 12. Can the Minister explain the . . .

MR. SHERMAN: The answer to the honourable member's question is that Montcalm School Program has been in existence for the last four years; it might have been under a different appropriation. Yes, that had been paid for on a continuing basis during the last four years but it was unbudgeted, it wasn't shown in the breakdown in previous estimates in previous years. The \$71,700 there, Mr. Chairman, represents the full cost of the program that has been negotiated as our share. We negotiate with the School Division and that has been determined to be our share of the full cost of dealing with serving, educating, those children. The north YMCA Summer Day Program is a program in which the parents of the teenagers being served, paid for that service unless they're on social allowances, unless their income doesn't permit it, in which case we pick it up under Social Allowances and that shows on another part of the Estimates. The \$5,800 that we're budgeting here is to cover transportation costs for the kids only.

MR. DESJARDINS: One more question, Mr. Chairman. Last year's Estimate, the Pelican Lake Training Centre, was that underspent? Because you're dealing with exactly the same number with 70, and last year voted was \$1.151 million. With the increase of everything, this has gone down to \$1.76 million. There is a reduction of practically \$75,000 for the same number.

MR. SHERMAN: It was underspent, Mr. Chairman, something slightly in excess of \$100,000 last year, and that was largely related to costs of maintenance and the budgeted figure exceeded what was necessary.

MR. CHAIRMAN: (3)—pass; (f)—pass. Resolution 60: Resolved that there be granted to Her Majesty a sum not exceeding \$45,352,700 for Health and Social Development. Medical and Rehabilitative Services, \$45,352,700—pass.

Resolution 61, Clause 5. Social Security Division, Item (a)(1) Salaries—pass — The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, first a short question. The drop in Salaries, does that reflect a decrease in actual staff, or is it simply that some of the vacancies that were there are simply not being filled, they are simply eliminated?

MR. SHERMAN: The permanent establishment of SMYs remains the same, Mr. Chairman, 21, but there were contract staff last year who were not being utilized this year.

MR. MILLER: All right, so the contract staff has been released. Is the Minister satisfied that in fact the 21 SMYs which I assume there are no vacancies since contracts have been released, that that's adequate to look after the functions of this particular branch?

MR. SHERMAN: Yes, Mr. Chairman, we looked at that during the preparation process. There are three vacancies in that complement; there were three vacancies last year, clerical and secretarial, and there still are three vacancies this year and I am confident that we have a sufficient complement there to perform the functions of that office properly.

MR. MILLER: I can appreciate that they're the same vacancies as last year, but since there was contract staff, I don't know how many, those contracts are not renewed, then in fact there will be less people involved in the operation of the office itself within the last year, because the same number, 21, less three vacancies as last year, but no contract staff. I don't know how many are involved but it does seem that there is a drop certainly, and the question is, will they be able to do it?

The other question: is there an ADM in charge of this branch at this time?

MR. SHERMAN: No, there isn't, Mr. Chairman. There was, but that position is vacant and the work load has been absorbed by the chief directors of the branch.

MR. MILLER: So is the Minister saying that rather than have an ADM in charge of the Social Securities Division, that the various directors within the respective branches of the division, will in

a sense take over and act as if they were their own ADMs, so there won't be any reporting to a central ADM?

MR. SHERMAN: Well, in fact what has happened is, that the Day Care Services Program is actually functioning, has absorbed the function and responsibility of the ADM in concert with Mr. Garry Harvey, that's Mrs. Roxy Freedman and in concert with Mr. Garry Harvey. They are functioning as the leaders and directors of that division.

MR. MILLER: All right. So two directors have now in a sense been promoted or been assigned the duties of acting as, not only directors but also taking the responsibility to direct and monitor and develop programs in the whole field of Social Security. That's what the Minister is actually saying. Well, that's a decision he has to make, and that's perfectly all right as far as I'm concerned if he feels he can live with it. I question whether that can be done, because I assume these people were very busy directing their particular areas and there would be nobody now whose responsibility it is to develop programs, to evaluate programs, to come up with new programs or changes in programs, except these two people who I assume, I know, were very busy directing the areas in which they were involved, that's the Day Care Services, and Mr. Harvey I know had a full plate in any case, which leads me to the next question, Mr. Chairman.

The City of Winnipeg, well all municipalities for that matter, operate their own welfare departments, and the City of Winnipeg has gone on record requesting that the province take over all welfare. The city perhaps could administer with some of their staff, but the approach has been that welfare, rather than be truncated as it is now with the offices in Winnipeg — the provincial offices in Winnipeg who look after the provincial social allowance cases, the City of Winnipeg looking after welfare cases — both having offices in the city, and there is bound to be a duplication and certainly they are requiring an interfacing. Is the Minister considering the proposal of the city and other municipalities that the province simply take over all welfare responsibilities, be they municipal, what's now considered municipal responsibilities, and simply combine it with the provincial operation?

MR. SHERMAN: Well, I'm familiar with the concept that the honourable member refers to, Mr. Chairman, but I would have to say no, that we're not actively considering or pursuing it at the present time. It bears looking into and will be looked into, but it's not being pursued as a priority objective at the present time.

MR. MILLER: The other thing is the problem of various rates being paid throughout Manitoba, with Winnipeg having one rate, Dauphin another. Some municipalities or RMs having rates so low, because they are required by law to have them, that in fact they are forcing people to move to other areas where the welfare rate is at least one that they hope they can live on. They can't live on the rates which are established within the community in which they reside. Is the Minister addressing himself to that problem?

MR. SHERMAN: If the honourable member is asking whether I am worrying about that problem, the answer is yes, Mr. Chairman. The fact of the matter is that 85 percent of all municipal assistance occurs and takes place in Winnipeg, and their rates are the same as ours, but still there are problems outside the city in communities throughout the province and I've certainly had, and I am sure the previous Ministers, entreaties from municipalities outside of Winnipeg to have the province take over the whole program. There are obvious pitfalls, cost pitfalls and other problems associated with that. I can only say to the Honourable Member for Seven Oaks that I've certainly been briefed on it and it's a subject that I'm studying along with others, with my Deputy and with my officials, but I'm not recommending to my colleagues in the Executive Council that we move in that direction with any dispatch.

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

MR. DESJARDINS: Mr. Chairman, the Minister is right. This is something that doesn't date from October 14th, this was something that was requested, and the previous government was due to take a decision very soon, but I think it should be one of two. If the provincial government takes over the welfare, at least in the rural areas, I don't think that we were contemplating taking it in the city, but at least in the rural area it was felt by staff and so on, in fact I think there would have been money saved, because the provincial government ends paying most of it anyway and the administration would have been easier. But if that doesn't done, is the Minister contemplating bringing in legislation to have a uniform rate in all municipalities? That is a problem — this was something that the Minister could say why didn't you do it then — but it was either one or the other and this is why we hadn't arrived at a decision. You have a situation now where the City

of Winnipeg, in fact a lot of people are driven out of different municipalities to the City of Winnipeg because the rates are higher, and in fact some of the municipalities brag that they have nobody on welfare because they make it so difficult. They have an inquisition I think, and they have to go wait till the full council is there, they have to appear in front of the council, and the rates are so low that nobody can live, so I think it is a tough decision and as I said we didn't make any decision because we were looking very seriously of a possibility of taking over the welfare for the rural areas. But if not, there is doubt that we would have brought in legislation requesting uniform rates. So, I wonder if the Minister is of the same opinion; will there be one or the other, or will things be allowed to continue the way they are which is certainly not satisfactory at this time.

MR. SHERMAN: Well, I don't think the present situation can be or should be allowed to continue indefinitely, Mr. Chairman. I don't have any optimism that we will come up with a firm new direction on this subject this year. What the Honourable Member for St. Boniface says is perfectly true about welfare rates in many municipalities. The converse of that coin of course is making, at least in the minds of some persons, is the danger of making welfare attractive and therefore reducing the inclination for those who are unemployed to actively seek employment, and becomes a moral dilemma, and a moral challenge to try to strike a happy medium. I think that the one advantage to having the system continue in its current structure, although the rates admittedly are low in the areas to which the member refers, is that the municipalities themselves have the local touch, the local contact, the local communication with the recipients, and probably have a lot more immediate eye ball to eye ball knowledge of the individual cases than would be the case if that responsibility were shifted.

What I would see in establishing a uniform welfare rate is a de facto takeover of the Welfare Program by the province. I think that's really what it would come down to if we established a uniform rate, but it's not satisfactory the way it is at the moment, and this government will address itself to that issue. It's not going to be resolved this year though, Mr. Chairman.

MR. DESJARDINS: Mr. Chairman, now I have something, a question that I consider very important. For the past number of years, probably during all the previous administration, we've heard from many quarters that there was an awful lot of welfare abuse provincial welfare abuse. I know that during the last election the Conservative candidate in St. Boniface was sending literature saying that I was responsible for having all kinds of welfare bums. Now, what I want to know and I think I'm entitled to know at this time, I think this has to be straightened out once and for all, is it the opinion of the Minister that there is much welfare abuse? Has the policy of the government changed in this, and if there is abuse what is the Minister going to do about it? Now it is still my contention that there isn't abuse — I'm not saying that there isn't a single case, I think we found some and I think we tightened up to see if there was any abuse and we collected the funds, but you know we'll come to that fairly soon. But I think that of all the people on welfare we were looking at people who were over 65, the last record that I have is that we have 5,609, that had gone down from a few years before that from 9,000, and out of that 5,000 of these were receiving only non-insured health benefits. That would be the card, I guess.

And then there were the physically or mentally disabled, there were 9,296, and I don't know what we can do about those people, I can't see where there can be any abuse there of people who are mentally and physically disabled, I don't know what abuse they could have unless they are cheating and getting more money and hiding revenue. But I'm talking about people, actually what I'm looking at is there's been a statement made and repeated and repeated on radio and so on, and I think it is unfair. It's a blanket charge on everybody, and I think it's just like if you say all businessmen are crooked — because a few of them beat the income tax — so I don't think my friends of the government would like that very much.

Then there was the general assistance, short-term assistance, only 90 days in certain unorganized territories, and then there were the temporarily abandoned children. But, I'd like the Minister once and for all to tell us, this might be one area that certainly his government or his party has misrepresented as far as I'm concerned, I'm not saying he has. I don't know, poor administration on the part of the Provincial Government, and I think it is unfair for many of these people and I don't think that there was such abuse, so therefore I wonder if the Minister could comment on my question?

MR. SHERMAN: Well, Mr. Chairman, I'd be happy to try to respond intelligently to the question. I would like to put this challenge to the Honourable Member for St. Boniface, ask him to ask me that question every year in succeeding years as long as I'm Minister of Health and Social Development. In the seven months that I've been in office, I cannot say that I have detected any significant amount of welfare abuse. I think there's a general popular mythology, and it's not confined to the candidates who ran for opposing political parties against the Member for St. Boniface in

his constituency in the last provincial election, I think it's incorrect, but it's widely held by the media, by members of the community generally, certainly by some politicians of all persuasions, that there is a great deal of welfare abuse and that there are a lot of so-called welfare bums around. The Conservative Party no doubt has had its fair share to say about it; the New Democratic Party has had its fair share to say about corporate welfare bums. I think there is a broad, as I say, a broad and false and popular impression that there is a lot of welfare abuse. I have not found that, I don't think that in relative terms that it's fair to say that there is a great deal of welfare abuse, but I would invite the honourable member to ask me that question each year, because as I am exposed to the workings of the department on a longer term, I might be able to give him a more definitive answer. I might be able to say, "Yes, there is some welfare abuse," or I may well be able to say, "no there is none." But even if there were none, I guarantee him one thing; even if there were none, broad sections of the community and broad sections of the public communications industry would still say that there was.

MR. DESJARDINS: That's fair enough, Mr. Chairman. I respect the Minister for that answer. I think that he's right that's it not only the members of a party that have talked about the welfare abuse, in fact I was guilty of that myself when I ran in the bi-election in 1974, and I had been notified that if I was successful in the election that I would become the Minister of Health and Social Development. I even made a statement that I was going to clean it up, and to my dismay I realized that there wasn't that much to clean up. Now mind you, there will always be when you are dealing with these people and you are dealing with people, some of them have been in jail and so on, there will be a certain amount. And I'm talking about provincial.

I do realize that there is more of a danger of those being on Municipal Welfare, but that at least is not the — well it is indirectly the responsibility of the Minister, but he's not administering that, and he said that it's up to the different municipalities. Now, as I say, I thought there would be some abuse.

Now, we tried certain things but we couldn't get the co-operation of the Federal Government. I know that my First Minister, my leader who was the First Minister at the time, was very interested in that, and we repeatedly asked Mr. Lalonde, who was the Minister of Health and Social Development at the time, to let us get some programs going to get some of these people to work. That would have taken probably people on municipal welfare because I don't think there's much room in the provincial welfare, they are either people over 65 or they are disabled physically or mentally, or they are abandoned children, there's not that many more.

Mind you, I'm not talking about the fraud cases, because that is not something that is encouraged by the government and we've taken steps in the last few years to tighten this thing up as much as we could. We brought legislation and so on. But going back to Mr. Lalonde in the Federal Government, we felt well we'll have some of these programs, we'll start it, we want to do it. Now, we felt that he should — let's say that they were putting a dollar in welfare and we were putting a dollar, because it was cost share 50-50, we wanted to have a program, and I'm giving this just as an example, where we would make work programs at \$3.00, instead of \$2.00 on welfare we would pay the client or the person that was on welfare — I'm talking about unemployed employables — they would have been paid \$3.00. We would have put in the ordinary \$1.00, the first dollar that we put in and another dollar, we were ready to do that to try to change this and give a little bit more pride to these people, but we request the Federal Government to keep on putting in that \$1.00. They never wanted to. They encouraged that, then they backed down. They felt that it would be very difficult and politically they didn't want to take the risk, and we were very . . . In fact at the time, your staff, the staff might inform the Minister that we were setting up a program to challenge the Federal Government; we were going to go ahead anyway and send the bill to the Federal Government. I don't know how far this is at, and you know, to take the chance, knowing that if they were turned down, at least we wanted to bring it to a head, so that is the situation.

Now, okay, we'll ask the Minister every year if there is any improvement. If he tells me that he doesn't think there's much abuse, I don't think that I will catch him in future years with abuse, because I don't think he's going to let it deteriorate. I'm interested in knowing, but I want the Minister to remember if I ask him the same question next year, I am not necessarily talking about the cost, if you are spending so much money, I'm talking about abuse. If the Minister can come and say, well, I was new at the job, but after a year this is what I'm saying, and he does something like he announced before, cut off all the health cards, and I think that has been reinstated to a degree — I don't know exactly where it is — with some people, which is has not been very costly, it's giving some kind of security to these people.

I'm not saying that this will be the answer that I'm looking for. I'm not necessarily looking also where the Minister could point out and say we've saved money because we haven't indexed, we haven't passed on the money once it's been indexed by the Federal Government. We haven't increased the allowance for food although the food is going up. I hope there's no misunderstanding

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between us, certainly this is not what I'm encouraging. I'm saying that I'll out-socialize any socialist when it comes to helping people that can't help themselves, and I think it's a hell of a poor country that can't do that, a rich country like ourselves. I have no patience with unemployed employables that don't want to work and I think we should seek them out, but I certainly would not want us to give a hard time to senior citizens that can't get anything else, that need that, that have very little revenue, or to abandoned children of course, we're not going to have kids to work and even the single parents, because I do believe in the family, and I do believe that — I think this was brought up at one time, there was two children, and that brought it up. There were more cases because I think we said even with one child — if there is an increase in programs that would help that, fine, but I don't know. I think people at a certain age and so on — I'm talking about mostly female, the single parent, I don't classify this as an abuse if they are taking care of their children. I hope that we'll have a better system if their husbands are still living. I hope this new change that we're going to have in the family law and so on would help, and I hope that we will have for those that want to go to work and that want to get an education, because many of them are not fit and never worked a day in their life, and all of a sudden at 50 years old, 50-55, they are going to go out and work, it makes it tough, but I hope that we'll have the day care program that will do that. Fine, I'll go along with the Minister on that.

I'm pleased that he has found in the seven months, and it doesn't take that long to find out, I think exactly you'll always find out every day, because it changes, but with the different categories that we have that'll probably go in the next issue, I don't think there's too many, and I think that this should get publication because, you know, a blanket coverage coming in from Peter Warren or somebody like that, that there's a bunch of welfare bums, and in these days of welfare bums and people don't want to work, I think that's unfortunate. There are some; there always will be, you know, and these people, there are some that go to jail and you're stuck with the family, and you say, well, it's their fault, what are you going to do? Let kids starve, or their wives starve, it's not their fault.

So, I certainly agree with the Minister and I felt exactly the same and not that long ago, in 1974, in fact he didn't but I made a public statement that I was going to clean it up, and then I realized there wasn't that much to clean and I had to admit that things weren't as bad as I thought they were.

MR. MILLER: You had no confidence in me, that's all.

MR. DESJARDINS: Yes, I didn't have any confidence in the former Minister. I knew that he wasn't very capable, but this time he was on the job.

MR. CHAIRMAN: (1)—pass — the Honourable Leader of the Opposition.

MR. SCHREYER: Well, Mr. Chairman, I think it would be very appropriate after the rather general exchange between the Member for St. Boniface and the Minister of Health to get the Minister to put some statistical data before us with respect to income security and more precisely I mean by that the numbers on the rolls under each of the categories under Income Security. Just by way of example, I note that the supplement . . .

MR. CHAIRMAN: Order please. We are on item (a)(1), Income Security is under (b).

MR. SCHREYER: Office of Social Security?

MR. CHAIRMAN: You were discussing Income Security?

MR. SCHREYER: Social Security division. But the entire discussion, Sir, has been on the very same subject matter.\$

MR. CHAIRMAN: All right.

MR. SCHREYER: Now, I put it to the Minister, he can reply if he wishes under each of the sub-categories. It merely enables me to avoid, Mr. Chairman, asking the same question five times. So with your permission, I would like to ask the Minister to indicate the number on active roll, on the rolls, that is to say under each of the Income Security Programs, so that we can see what the dynamics are as between today and 12 months ago, and in that we also would be able to judge whether there has been any rates adjustment. I take it for granted that there must be a preparedness on the part of the Government of Canada to cost-share on reasonable rates adjustment — they always have been — and therefore it's important to note whether the province is making realistic

rates adjustments in line with the cost of living. But as important as that would be to find out specifically for example whether the numbers of persons on municipal assistance is up, down or the same, the number of persons in the category of unemployed employables within 90 days, which would mean that they are still on provincial, entirely provincial cost, that is to say federal-provincial cost, no municipal input, what are the numbers there and so on?

MR. SHERMAN: Well, I can certainly give it to the Honourable Leader of the Opposition for each one of the branch program and service areas that are listed under this resolution, Mr. Chairman, but I just would want to know in what manner you would want me to proceed, whether to do it all under (a) or to do it section by section.

MR. DESJARDINS: Mr. Chairman, if I may, I'd like to make a suggestion. I think that the Leader of the Opposition is certainly in order when we're talking about different policies and statements, but if we're going to come to figures and so on, the general policies or change in policy could be covered now, but when we come in actual figures under different programs I think we should wait till Income Security Programs (c) because that's where they are classified, all of them. Would that be all right?

MR. CHAIRMAN: We're on Item (a)(1)—pass; (2)—pass; (a)—pass; (b)(1)Salaries—pass; (2)—pass; (b)—pass; (c)(1)Social Allowances —pass — the Honourable Member for Seven Oaks.

MR. MILLER: All right, Mr. Chairman, now maybe perhaps we get to some of the categories, and I would give the Minister certain categories that I'm interested in and he perhaps could fill me in with some numbers.

Under Social Allowance, single mothers — these are deserted, divorced, etc. where the spouse is in prison and so on — can he give us the most recent figure that he has on single mothers. Those aged over 65, and that would include those that are getting non-insured health benefits; that is, they don't qualify for anything but that card which gets them drugs and eyeglasses and so on. That third category is the physically or mentally disabled, the special dependent care, which is a form of home care. There's the general assistance and those on the short term assistance, 90 days, where there is no municipality and the province acts as if it was the municipality, so that's the unorganized territories. And the special cases, a person who doesn't fit any of those categories. Then the temporarily abandoned children, that's a category in itself. I'm wondering if the Minister could give us the figures to date for those categories.

MR. SHERMAN: Mr. Chairman, this I trust will serve to function at least as a partial response too to the Honourable the Leader of the Opposition, although there might be some other aspects to his question that he would then like to take up at this point, but let me start by answering his as well as the Honourable Member for Seven Oaks.

The caseload in the social assistance field for the immediate past three months, February, March and April of 1978, I can give to the honourable members category by category. Mother's Allowance, that's the single mothers that the Honourable Member for Seven Oaks is referring to, February, 1978 was 6,531; March was 6,559 and April was 6,545. I think the Honourable Leader of the Opposition wanted some yearly comparisons here too, but just let me put this table on the record anyway

Aged Social Allowance, once again going February, March, April, 5,329, 5,293, 4,385.

Long term Disability, 8,746, 8,752, and 8,764.

Short term Disability, 163, 179, 187.

Special Dependent Care, 27, 29, 32.

Student Social Allowances, 456, 495, 518.

General Assistance — this is unemployed employables in unorganized territories — 734, 696, 726.

Special Cases, 30, 33, 34 for totals of 22,016, 22,036

and 21,191. Temporarily abandoned children — I don't have the in m an individual category, unless that would be special cases, or special dependent care — I don't have that category. I presume that that was included in what we were looking at under Child Welfare.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, the next question I have is the amount shown on the left-hand column, 1978, the \$51,926,000. How much of that was not spent — underspent in other words — in the Social Allowances?

MR. SHERMAN: \$2.4 million, Mr. Chairman.

MR. MILLER: Mr. Chairman, at the end of August there had been an under expenditure of \$2.4 million. Is the Minister saying that it's simply levelled off at that point and didn't drop any more? It was my understanding that at the end of August there was a \$2.4 million under expenditure to that point in time and there was no indication at that point that there would be any deviation, that in fact, there had been a dip — we knew there was a dip between April 1st and the end of August — but a drop in caseload, and therefore there was an under expenditure. Is the Minister saying that that under expenditure which occurred by August simply stayed there and there is no deviation, plus or minus, after that?

MR. SHERMAN: Well, I'm not sure of the honourable member's information, Mr. Chairman. The \$2.4 million underspent total was not evident or in existence in those dimensions at the end of August. This was an amount of money underspent that accumulated month by month throughout the year. I am not sure of his reference to the end of August. It certainly wasn't that at the end of August.

MR. CHAIRMAN: The Honourable Member for Seven Oaks.

MR. MILLER: The figure I have is 2.4 at the end of August but I am not going to quarrel with him on that. What I am wondering about though is that in the light of that underexpenditure, why is the government now increasing by 1.1 million or more, the request for the coming year? What do they expect to discover or what is going to happen to the economy that there should be an increase when there was a \$2.4 million underexpenditure, because it is 2.4 less than what the left-hand column indicates?

MR. SHERMAN: Mr. Chairman, let me put this in sort of block paragraph form to the honourable member. Total expenditures for 1977-78 will be approximately \$49.5 million. That is \$2.4 million, as we have noted, less than the sum originally voted. Expenditures in 1976-77 totalled \$48 million. Although the caseload declined during the year costs increased, particularly for fuel, hydro, water and shelter. The regulated rates for food, clothing, personal and household supplies were increased by Order-in-Council effective November 1, 1977. The Estimate for 1978-79 includes a price increase provision of 8 percent over 1977-78 expenditures, in other words, 8 percent over \$49.5 million and that provides the appropriation that we are requesting the approval of the Legislature on in the current Estimates.

MR. MILLER: I think the Minister indicated that in 1976-77 there was also an underexpenditure and that nonetheless we had taken into account that there would be an adjustment November 1, had levied for it or had asked for an appropriation for an amount based on what was known at the time and still had underspent because the caseload had dropped. Is the Minister now saying that he doesn't expect any further decrease in caseload than what he has read out to us in the last few minutes?

MR. SHERMAN: My advice from my department officials, Mr. Chairman, is that they are expecting and we are expecting to hold pretty well at the current level, pretty well at the current plateau. We are not expecting a decline necessarily but we are expecting that we have reached a levelling-off point.

MR. MILLER: Is it fair to say, then, that really what the Minister is telling us is that the caseload that he has and had when he took over is not something that he can do much about and that in fact — pretty well in response to what he said to my colleague from St. Boniface — that he hasn't been able to discover any method of cutting down the caseload, if I am to follow through with these calculations that he just gave us, that in fact the caseload is the legitimate caseload reflecting the true needs of these people in this category and he is simply recognizing that these people who are on social allowances are *bona fide* cases which merit the support of government.

MR. SHERMAN: Yes, I guess that is essentially what I am saying, Mr. Chairman. While I am on my feet, the Honourable the Leader of the Opposition did ask me about yearly comparisons on the provincial caseload and I can give him and other honourable members the comparisons for the end of the year, December 31, in total provincial caseload. I don't have the categorical breakdown provided on the three months a few minutes ago, but the total caseload for the end of 1974, 1975, 1976 and 1977, and what has happened there, Mr. Chairman, is that we have seen a decrease from

23,619 at the end of 1974 to 21,997 at the end of 1977. I think we were looking at the April 1978 total which we looked at a minutes ago, was 21,191. So there has been that recent decline but we are not anticipating anything dramatic in that vein in the future so my answer to the Honourable Member for Seven Oaks would be yes, they seem to be justified and justifiable. They all have to qualify and meet the criteria under the legislation.

MR. CHAIRMAN: The Member for St. St. Boniface.

MR. DESJARDINS: Would the Minister, in the breakdown on all these different categories that the Minister gave us, would he not agree that the only place where there could be unemployed employables would be under the general assistance for short-term assistance in the unorganized territories, and that of course is quite difficult? Would not the Minister also agree that the legislation that was brought in the last few years might make it more difficult for people. When we talk about abuse — I think that there has been quite a bit of abuse, unintentional abuse, people not realizing what they are doing. I think that the questionnaires that we were sending them were few and far between and the situation was changed. I think that now the department is catching people and letting them know a lot earlier. So these are the figures.

There was another one that I had and I suppose we will come back to that under the Health Services, the category of age over 65. That was a big drop. That's the only one that I saw. There were some that were increased a bit but there was a big drop of 1,000. Those are the cards, and we'll come back to the cards under the next item, all right.

MR. CHAIRMAN: The Honourable Member for Rossmere.

MR. SCHREYER: Mr. Chairman, the figures that the Minister has given us, I believe are more or less anticipateable. As has just been mentioned by the Member for St. Boniface, there is a decrease in one category, namely the aged, and that has to do with the cards, the withdrawal of health care cards, in effect.

Apart from that there is no surprise here with the one exception of the general assistance category. The Minister indicated a number of approximately 734 and that must be explained a little more because there is a category of general assistance which probably doesn't show up on his books so simply, which has to do with municipal caseload. —(Interjection)— All right, fine. I think I will pose the question to the Minister now so that he can deal with it when we come to it. What we are really getting at here is to try to get some appreciation of the dynamics, not to just look at data for one month or even over a three-month period, but rather I believe, to give us more insight into what is happening, to draw a comparison between now and the same season of the year, the same month last year. It is in that context that I would like to ask the Minister to bring my question to a close at least, is that with respect to general assistance, direct provincial 734, and ask him to attempt to tell us what it was 12 months ago and then when we come to municipal assistance, the largest part of which is also in the category of general assistance — it is the same type of circumstance people are in, in other words in many cases unemployed employables — and to ask what the numbers are this year and 12 months ago.

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Mr. Chairman, in that category, I can give the Honourable the Leader of the Opposition the comparisons for January 1977 and January 1978, and the figures were the same, 713 in January 1977 and 713 in January 1978. As I indicated, it was 726 in April of 1978.

The category of persons we are looking at here is unemployed employables in unorganized territories and if these territories were organized, if they were municipalities, those persons would be on the municipal rolls. I know that the Honourable the Leader of the Opposition recognizes that. What we are dealing with here are persons who are in unorganized territories and cannot be maintained through municipal assistance.

MR. CHAIRMAN: (c)(1)—pass; (c)(2)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: This is where we are dealing with the health cards, Mr. Chairman? There have been all kinds of rumours and instead of adding fuel to these rumours, I wonder if the Minister could tell us what the latest government policy is on this? These, I think, were going down every year anyway. Now the Minister is asking \$200,000 less now. Have these cards been issued to the people? Has there been any change in policy that they have to request them? To a question from the Minister for St. Johns, the Minister said that he would give us the criteria or the terms of reference for these cards, if any. It seems to me that we are going through an awful lot of difficulty for that

amount of money which might have been underspent anyway, to give the security to these people. Now, many of these people had those cards and never used them; I think that is the case. So, I wonder, is there a radical change in this? Should the people really be concerned, or finally, is it pretty well the same thing with the Minister saying that they are going to monitor it a bit more closely than was done in the past?

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: I can give the honourable member the complete picture on this, Mr. Chairman. First of all, let us acknowledge for the record that the average monthly number of recipients has gone down over the past three years, as the honourable member suggested, from something in the neighbourhood of 43,300 recipients in 1975 to 41,500 recipients in 1977. Now, just looking at the requested appropriation for the moment, the 1977-78 appropriation will be \$300,000 underspent. In looking at the whole procedure in connection with the social allowances health services cards, the picture is this, Mr. Chairman: There are approximately 2,700 of those cases that have been reviewed or are being reviewed. The review to date, ranging over all the district offices, totals 2,140 that have been reviewed; 335 of them have been confirmed as eligible for their cards; 41 of them have been found eligible for cash, which they weren't getting before; 1,764 of them have had their cards withdrawn, 1,764. Of those 1,764, 1,053 were withdrawn due to excess income; they were beyond . . .

A MEMBER: They didn't qualify.

MR. SHERMAN: They didn't qualify. 400 were withdrawn due to excess assets; they didn't qualify on the basis of assets. There were 311 others that were withdrawn. In some cases they were cancelled due to death, loss of contact, and situations of that kind. Of the 1,764 cancelled, and every one of them was written a letter which indicated that the decision of the government was to review their cards, review them for eligibility and explained to them why that review was being undertaken, and they were advised that if they weren't satisfied with the results of the review or with the verdict, that they had every right to appeal. Of those 1,764, only 32 appealed. Of those 32 that appealed, 12 didn't follow through with their appeals, they dropped it. The Appeal Board dismissed 7 of the appeals on the grounds that they did not qualify under the criteria and they allowed 2. That leaves 11 cases still not entirely disposed of. One did not appear, 9 of them are pending, and one is in another category. So what we're looking at, Mr. Chairman, is a total of 32 out of 1,764 who felt that they had a case to make, a reasonable appeal that they needed their cards, they used their cards, they wanted them, and they asked to have the decision reviewed. The others, although notified of the appeal procedure, did not indicate any dissatisfaction.

MR. DESJARDINS: Mr. Chairman, am I right then in assuming that there hasn't been any more stringent conditions, and it's just that the department is monitoring more closely and those that did not qualify under the same conditions and the same terms as they had before, those are the ones that we are talking about now. I wonder if the Minister could put that on the record, the answer to the question.

MR. SHERMAN: That's right, Mr. Chairman, there has been no change in the legislation; there has been no change in the regulations or the criteria established; there has been no change in the standards; it's simply that the criteria have been applied, and in the cases of these individual people, they had moved through OAS, GIS, etc., etc., they had moved beyond eligibility.

MR. DESJARDINS: I would hope that there is no time limit on the appeal. I would imagine that many of them — because in many of the cases these people had their cards and they felt secure with these cards, but they weren't using them. So it might be that some find that there is no need for it now and didn't bother, but something might happen and I hope that there won't be any time limit, that they could re-apply, you know if the card is cancelled, they could re-apply.

MR. SHERMAN: They can re-apply at any time, Mr. Chairman, whether they have a case or not. Obviously if their financial conditions change, they've got a case. But even if they don't have a case, they can re-apply again tomorrow if they want to.

MR. CHAIRMAN: (2)—pass; (3)—pass — the Honourable Leader of the Opposition.

MR. SCHREYER: The Minister was asked to give some indication of the dynamics of municipal assistance from one year to the next. I would appreciate a longer term comparison, but two years

would suffice, the most recent two-year period.

MR. SHERMAN: Yes, Mr. Chairman. Municipal Assistance, looking at and September 1977. The total for September 1975 — this is Financial Assistance, the assistance to municipalities, cost sharing their municipal assistance and welfare services expenditures — the total caseload in September 1975 was 4,313. The Winnipeg caseload was 3,274. Going to September 1976, the total caseload was 4,020; the Winnipeg caseload 3,349. And going to September 1977, the total caseload 3,861; Winnipeg caseload 3,060. So there has been a reduction, but the Winnipeg percentage of the total has remained approximately the same.

MR. SCHREYER: Yes, well, just a couple more questions, Mr. Chairman. Those are useful figures. Can the Minister supply the same kind, exactly the same kind of data with respect to the spring of this year, either May or April?

MR. SHERMAN: I'm not sure that I can, Mr. Chairman, as much as I would like to. These are the latest figures that have been culled from the reporting procedure and it's all I have in front of me, but I can certainly check into it.

MR. SCHREYER: Now that the Minister has put this data on the record, it certainly I think is an important enough aspect of public policy and public issue to say a few words. The greater part of what is involved here in terms of getting at the heart of public perception and public policy has already been done by the Honourable Member for St. Boniface. But certainly there is a very clear and stark picture here, Mr. Chairman.

Over the course of the past decade, the numbers of people on social assistance in this province, in 1978, are almost exactly the same in number as in 1969, a difference I believe of something in the order of 1,000 over a period of eight years in a province of one million people. Now that's saying something. It certainly does put the lie, and there is no other word for it, to the contention of those who argue or shall I say try to argue, that there is some kind of manifest abuse of social assistance system in our province, or for that matter, in our country.

The inclusion of the figures with respect to municipal assistance which the Minister has kindly provided, certainly go to round out the picture, because I've always felt that it is somewhat incomplete to speak in terms of direct provincial caseload or provincial social allowance assistance, because although it's clear that 75 or 80 percent of the municipal assistance relates to the City of Winnipeg, nevertheless when one adds both categories — direct provincial social allowances and municipal assistance — it comes to a figure of somewhere in the order of 27,000; 26,000 or 27,000, of which number, if we are to take the Minister's figures, and I do, for assistance for the employable, the able-bodied, it's a case of adding in the order of 730 and the municipal assistance, which is in the order of 3,800 or 4,000. So that gives a grand total in the order of 4,500 which is as I was very much trying to explain in months and years gone by, something less than one-half of one percent of the population of our province. And relating it to the labour force, indeed comes close to one percent. We have a labour force, according to Statistics Canada, of something in the order of 430,000 to 440,000 men and women, and the number of able-bodied on welfare would be in the order of 4,400 or almost exactly one percent of the labour force.

What is also significant, is that I believe that this figure has not changed much over the course of a decade, of 10 years or more, nor have the other categories changed much in terms of where they were at in 1975, 1976, 1977, and where they are at today.

But it raises this point, and I put it really as a question to the Minister. It's the only question I have flowing further from his replies, and that is if the data shows — and it does, and as he suggests as well that there is a plateauing phenomenon here over the course of the past 3 or 4 years — then how does one explain the relative constancy of the appropriation being requested. Because if the number of people in receipt of help of this kind is about the same, then given the cost of living change which on an annualized basis would be in the order let us say of 7 percent so as not to exaggerate, say approximately 7 percent, the number of people the same, then how does one account for a one million over 65 million, or roughly a one and one-third percent increase here in the appropriation?

MR. SHERMAN: Mr. Chairman, I'll try to answer that question in one minute. Let me just say to the Honourable Leader of the Opposition, I now can give him a later comparable statistic. I gave him caseloads for September; I can now give him caseloads for December for two years, 1976 and 1977. We're still talking municipal. The total caseload for December 1976, was 4,364, and Winnipeg's share of that was 3,624; and the total caseload for December 1977 in this same category, was 4,531, and Winnipeg's share of that was 3,539. That doesn't alter the relative percentages that the Honourable Leader of the Opposition and I are talking about, but I had given him the latest figures

I had up until we had a few minutes to accumulate some others and I just want to give him those for the record. They indicate a slight increase in the rolls but considering we're looking at the months of December, right after Christmas and right in the heart of winter, as compared to a time in the calendar when we were looking at summer weather, there is probably reasonable explanation and reasonable justification for that kind of difference. It does go up and down somewhat as the honourable gentleman would know, as between winter and summer.

Coming to his question, there has been an increase on a progressive basis, Mr. Chairman, to cope with the additional costs and price increases and I think that concern of the Leader of the Opposition has been met even though there's a relative constancy in totals as he says, the expenditure has gone up.

First of all, the total expenditures for 1977-78 are estimated at \$6,754,000, which represents an underspending amount of \$286.8 thousand from the amount that was originally voted. Going back a year to 1976-77, the expenditures totalled \$6,162,300.00. The estimate for 1978-79, the amount that we are requesting from the Legislature provides for an 8 percent increase in Assistance Costs, a 10 percent increase in Municipal Welfare Services and Administration Costs, and a nominal 2 percent increase in Case Load, so the situation in respect to the last three years is one in which the total amount on Municipal Assistance has actually gone up, Sir.

Now if you want to go right back to the beginning of the decade, the honourable gentleman is correct. Municipal Assistance in 1971-72 was \$10.6 millions, and in 1977-78, as I've suggested, the total expenditures are estimated at \$6.754 millions. The reduction over that decade or near decade span, is attributable primarily to a change in the Unemployment Insurance Program operated federally, but in the last three years, if we look at 1975-76, 1976-77 and 1977-78, which are the years when, as the Leader of the Opposition points out, where we have got a relatively constancy of total clients, the Municipality Assistance expenditures have gone up from \$5.9 millions to \$6.2 millions to a vote of 6.9 and an actual expenditure 6.7 for 1977-78, and we're asking \$7.220 for 1978-79. So I think that we are keeping pace with the increased cost of the service.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Chairman, I want to commend the Minister for being all too willing to belabour statistics. I feel that we can't avoid it, but I want to bring him back to a very concise single point of statistical data here, and that is with respect to (c)(3) — Municipal Assistance. If one assumes, as I believe he is assuming and as I do, a relative constancy of numbers of persons anticipated on the municipal case load, then taking that assumption and assuming a 7 percent cost of living increase in our country, which I believe is a reasonable assumption, then there should be something in the order of .07 times 7 million, which was last year's appropriation. Now the fact that it's actually what the Minister's asking for, and this appropriation is something in the order of \$220,000 which turns out to be not a 7 percent adjustment but a 3 percent, and I'm wondering. There must be a ready explanation, but I haven't heard it yet.

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Well, the Honourable Leader of the Opposition is correct when he looks at it in terms of the \$220,000 that confronts us in the printed Estimates, but I think that gives a distorted or incorrect picture of what's actually happening, Mr. Chairman, because as I pointed out, last year's vote was underspent by almost \$300,000 and we worked our 1978-79 appropriation on that base, the base that was left after the underspending, so we're looking at something in excess of a half a million dollars in increase and then we're only looking at our portion of the Assistance. It's a cost shared program, as the honourable gentleman knows, and there is the municipalities plural side of the assistance that has to be reckoned in there in terms of the total benefits to the clients or recipients, so I don't think that you can just take our provincial share in isolation and project the improvement in quotation marks in that limited a sphere.

MR. SCHREYER: Well, Mr. Chairman, I don't belabour the point, although the last few comments by the Minister I don't believe are statistically valid. However, there's no point in pursuing it. I think the earlier part of his explanation is the real one, and that is that it has to do with an underspending last year. But I pose the same question globally now. If we are looking at \$66,700,000 this year as the request, compared to \$65 million last year, just nominally and on the surface, that's an increase of 1.5 percent, and I should like to know if that too appears understated because there was appropriation left over last year, speaking globally now, at the end of Income Security?

MR. SHERMAN: No, they're not. There's no understatement there, Mr. Chairman. We have done the same thing, we've calculated in the necessary increase based on cost and price increases and

nominal case load increases, and based it on the actual expenditure last year.

Just in response to the first point of the Leader of the Opposition, I would like to point out that there are really a great many variables involved here, when we're trying to identify a specific level or rate or percentage of increase, because of the complicated method of cost sharing in this program. In some cases we cost share on a 100 percent basis, in some cases we cost share on a 60-40 basis, so it's a little difficult really to pinpoint the improvement, the increase, specifically to the satisfaction of anyone simply looking at the figures. If a number of our recipients are moving into the 60-40 cost sharing category or into the 100 percent cost sharing category, it naturally affects the apparent percentage increase that the province is undertaking.

MR. SCHREYER: Well, Mr. Chairman, I appreciate what the Honourable Minister is saying, however, unless there is a change in formula of a given program from one year to the next, unless there's a change in the formula his last few explanatory comments really don't apply. Because, regardless whether a given program is cost shared 50-50, 60-40 or whatever, if it has been the same formula from one year to the next, then to compare the provincial appropriation I suggest is statistically valid.

However, my main purpose is not to pursue that now. I believe that the really major public policy issue that is inherent in this entire Income Security Program has been well ventilated, and what's equally important is that the Minister has been, I think, quite candid in acknowledging: (a) That there is a constancy of case load. The case load — well there's some oscillation — but the total case load in this province is not substantially different from 12 or 24 or 36 months ago, or for that matter 10 years ago.

I rise now to ask him this, sort of at the end of my questions with respect to Income Security Programs. It would seem as though the pattern from year to year has been that the department has been in receipt of somewhere in the order of 200 or 300 complaints, be it citizen complaints or laying of information, annually, and the department through its existing staff has been in the practice of following up on these informations laid by citizens or I presume by citizens, and that the pattern has been that out of 200 or 300 complaints or informations of alleged abuse, that investigations have led to prosecutions in approximately 50 out of 200 to 300 cases, and convictions in the order of 10 out of 50. Can the Minister advise if there is any change, any significant worthwhile reporting type of change in that pattern?

MR. SHERMAN: One moment please, Mr. Chairman. I could advise the Honourable the Leader of the Opposition that from June 1977 to December 1977 there were 15 successful prosecutions under the Social Allowances Act, and 55 cases currently under consideration by the Attorney-General's office, approximately a total of 150 cases in all currently under investigation, so it would appear that there is no significant change in the numbers of cases of this type, and I certainly have not had information brought to me as Minister that would indicate anything other than that. I know that there is, obviously in a program of this sort, there is going to be a minimal amount of complaint from certain people who think other people are taking advantage of situations, and that will always be there, but I think the total is remaining pretty constant.

Our reporting efforts and our monitoring efforts are as intensive as they were when I inherited them, and I don't anticipate any change of any significant amount. It certainly hasn't been brought to my attention by my department officials as a major cause of worry or concern. I get a few individual letters like that myself — I'm sure that the Honourable Leader of the Opposition does — but they're minimal, you can count them on the fingers of one hand, Mr. Chairman.

MR. SCHREYER: Well, Mr. Chairman, I can't speak with quite the same sense of direct knowledge as the Honourable Minister, or for that matter either of my two colleagues, but from what I did know and from what I have been briefed on this matter, I concur heartily with the Honourable Minister of Health that there would seem to be almost something mystical, mythical for sure, almost mystical about the extent to which there is this persistent and rather pervasive assumption that there are significant levels of abuse in our social security system. The Minister having put it in general words, I would attempt to quantify it even in the sense that it would seem as though, despite the best of follow-up efforts by the department and investigation, prosecution, etc., that the pattern is not changing very much. The Minister gave the actual data and I ventured some recollections just in advance of that and there doesn't seem to be any significant difference between my recollection and his information.

That being so, I pose this to the Minister, not so much expecting him to reply tonight or even next month, but rather to give him something to muse about and that is, what, if anything, can or should or need be done in order to set straight this rather unfortunate and pervasive misimpression about the true nature and extent of our social security system and alleged abuse therein? It certainly, I think, deserves something more than philosophic acknowledgement once a year that this is so.

I would certainly suggest to the Minister at this time — I'm not suggesting any expensive public relations publicity campaign — but it deserves something more than silence because it has gone to poison the minds of some people and it has been used as fodder over one or another media program, hot line or red line show or whatever.

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: Well, I sympathize with the Leader of the Opposition's feelings and take his invitation to muse on it to heart, Mr. Chairman. I should think the only thing that we can do, and I use "we" collectively for him and me, both, is given the opportunities that we have to speak publicly on general issues related to the public welfare of this province, that we both should consider it incumbent upon us to take the opportunity to set the record straight whenever we can.

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

MR. DESJARDINS: Mr. Chairman, maybe this is a good time to start. It might be that the Minister and the members on this side could raise their voice a bit to make sure that the people in the press gallery realize that tonight, at least, the members of the government as well as the opposition, have agreed that it is a myth and there has not been that much abuse of the welfare situation, those on social allowances. I think that that might be an idea because I think then we would be doing the people of Manitoba a service. It is unfortunate that one class of society, especially the class of society that has enough worries to start with, are blamed for so many things, like the Leader of the Opposition has said, in certain open lines and so on. It is the first thing —(Interjection)— Well, George is not here so that might be. I'm not saying, Mr. Chairman, then that there is no reason why the government of the day should not be careful; it should certainly monitor and check and the legislation that has been brought in should be helpful, but if once it was felt that the politicians are not trying to use them as a political football and that we all agree that there has not been that much abuse, I think it would help.

MR. CHAIRMAN: (3)—pass; (4)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, just a question on this. There has been a leaked report, apparently, of the sub-committee of the Task Force that had suggested that we do away with the income supplement. Now, that was not incorporated in the Task Force Report that we saw and the Minister, I think, well, there is an indication here that this will not be done. All I want to know, there has always been a decrease over the last few years anyway, a decrease in this, is that going on with the same thing — it is not very much — but the same rate and hoping that eventually the people will have enough of a pension and so on that this won't be necessary? There are no contemplated changes here at all, is there?

MR. CHAIRMAN: The Honourable Minister.

MR. SHERMAN: That's right, Mr. Chairman.

MR. CHAIRMAN: (4)—pass; (c)—pass; (d)(1) Salaries—pass — the Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, it is not my intention to flog this because this has been discussed, but nonetheless we just couldn't pass it by. Day Care Services, which are being continued and from the Minister, I gather that it will be continued at the present level. Day Care Services was just a couple of years old; it was new in Manitoba and entered into jointly with the Federal Government. This year it is continuing and I am wondering, in the light of the new cost-sharing arrangements with Ottawa, the block funding, whether the Provincial Government will now view this program somewhat differently because they will be getting the funds from Ottawa, not allocated towards day care programs necessarily but for social services in general. It won't be allocated to a particular program. This year they have frozen the program, it is continuing, but what is the intention with regard to future day care services? With regard to the freeze itself, I regret that they have taken this step because I think we were just starting to make available day care programs which people needed and which people could use. There were restrictions on it; it wasn't open to everyone. The cost sharing, certainly, or the subsidy certainly was fairly stringent. That is one of the criticisms, that it was too stringent, the cost sharing, but nonetheless it was targeted to meet the needs of single family parents, of parents where they had to work, where incomes were low, and by denying them the day care services, it simply forces them to stay home or to give up their jobs, in which

case they have to look to the government for support.

I assume the Minister and the present government recognize the need for day care services because they are continuing them but I regret that they have frozen them at the last year's level because when they freeze it, it assumes that in fact day care services are generally available throughout Manitoba and we know that that isn't so. We know that the family day care in particular was in trouble because of the problems of getting the City of Winnipeg to permit them in various areas of Winnipeg. That problem was very real and it thwarted many a family day care from starting up. But with the freeze that now has been imposed, it concerns me because a program which I think everyone philosophically agrees with as being necessary to make it possible and give flexibility to people to be able to fend for themselves providing somebody can look after the children, that program, as I say, is sort of suspended in mid-air and even now, with the block funding that will be made available to Manitoba and in no way related to this particular program, my concern is the future of the program and whether the funds will flow and continue to flow, be made available by the province itself towards not just the maintenance of the program but the expansion of it. I know there are thousands of people who still would like to take advantage of day care services but are unable to do it simply because there aren't enough places available in the city.

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

MR. DESJARDINS: Mr. Chairman, I'm not going to repeat what my colleague has said. We have talked about day care before; I don't think there is any necessity of taking too long on this. I think that we certainly want to go on record though that we do agree that there shouldn't have been a freeze; that there is more space. I can't resist the temptation, Mr. Chairman, I remember how difficult it was last year. I think we had three tries at day care and I was holding the line, I thought, and mind you we were spending more money and there was no freeze and at the time the now-Minister, and I quote from Hansard, had this to say: "I believe, Sir, that this government has talked a lot about day care and has paid, as I say, considerable lip service to the concept of day care but has wound up in the end by underfunding the concept and underfunding that program."

I think that the Minister, in the past, I think he has stated, "Well, I was sitting on that side; it is a different responsibility now that I've got to pay the bills." I couldn't resist that but I won't go any further at this time. It might be that I might get back in that job that I had and I wouldn't want him to be too rough on me in a few years from now.

I do have a few questions though. I might say that this paper, except for this space that I'm talking about the Ministerial statement that the Minister made, I haven't too much to criticize. I could debate the Maintenance Grant maybe being increased but all in all it is not a bad paper, if there had been an allowance for an increase in space. I think we need that. I think it is all related and I said before, it seems that in this department, you know, nothing could be isolated and say, well, what about this program, and not think of anything else. It is a big jigsaw puzzle and when you get a piece, you need all the pieces to complete the picture. I think that because of maybe a difficulty in tightening of the belt in certain areas, this could have been released and I don't think that in the long run this would have been costly.

I do have a few questions though. I want to know, just in the last months of the former administration, we started to work with the private day care. I think that we had set up a policy for private day care to have them have so many spaces that we would contract from them. Is that policy still there and is this working satisfactorily with these private institutions?

The last one is that I was to elaborate a little bit on family day care. I certainly feel that if we could have gone ahead in the family day care, that probably was the answer. It would have been certainly less costly. These family day cares could have been very close to where the people live and it wasn't big. There should have been very little capital involved because the people were not allowed to keep more than five children. The main reason anyway, and I would say the only reason why it didn't work, was because we were stymied by the City of Winnipeg and again we are back to this legislation that we brought in and that was the number one reason — not the only thing — the number one reason that we would be able to license family day care. Now, I guess it doesn't matter. If there is going to be a freeze it doesn't matter if there is any legislation making this possible. I wonder if the Minister could have another look and maybe if he wants to, on these major centres, stay with this freeze, but I wonder if we couldn't find some money somewhere to try to improve the Family Day Care Program and to see . . . You know, he was ready to take money to tell the dental profession, to say, here give us a pilot project. Well, let's see if the family day care can really work, if they can get their licence to operate. I wonder if the Minister would comment on that.

MR. SHERMAN: Mr. Chairman, first of all, let me say that I well recall the remarks that I made

apropos day care when I was in opposition and the Honourable Member for St. Boniface was in the office that I am in. I don't repudiate or reject those remarks or my responsibility for having made them and I don't duck them in the same way that the Honourable Member for St. Boniface indicated in an exchange with my colleague, the Honourable Member for St. Matthews, the other evening, that there is a job that all of us have to do in this Legislature, depending upon which side of the House we sit. I was doing my job, and I might say that I would compliment him on the job that he has done in this session, after all I'm not the only one on trial. He's going through his first session as Health Critic, because prior to the time that he was Minister of Health, he was not the Health critic for a different party, but not the Health critic for the New Democratic Party, so he's going through a baptism too, Mr. Chairman, and I think he's shaping up pretty well as a critic. I really don't want to change that situation, I'd just as soon go on this way with him for years to come, and I won't be saying the things quite the same way as I said when I was in opposition, but that's understandable, and I doubt that the honourable member will be saying precisely the same things he was saying when he was on this side of the House.

But let me say, Mr. Chairman, that I stand by that remark or those remarks from the point of view that I believe in the Day Care Program, and not knowing the degree of service that was desired, and the extent to which the need and that legitimate desire was being met, not knowing very much about the budgetary position of the province until I got into government, I was pressing for expansion of the program and I would press for it again if I had the money to do it. But I'm not going to labour the point about the basic commitment that we've undertaken to the taxpayers for this year, but we obviously have demonstrated that we're not looking for ways to spend money this year, we're trying to hold it down, so I stand by my remarks, but I don't have the money to engage in broad expansionary programs.

Secondly, I want to say that my acquaintanceship with the department and with the program over the last few months has now led me to the firm conclusion that the Day Care Program is effective, is efficient, is doing an excellent job and is meeting of the majority of the need, the overwhelming majority of the need. I'm not as convinced as I stand here tonight as perhaps I was when I stood there a year ago that there is a true and justifiable need at this juncture for a wide-scale expansion of the program or increase in the number of spaces. There well may be, or that well may develop, but at this juncture, Sir, my information is that the majority of the need is being met. We stand extremely favourably in relation and in ratio to other provinces when it comes to Day Care spaces, Manitobans are extremely well served, it's my understanding that although there certainly may be some demand in Winnipeg, there is little if any demand outside of Winnipeg, that the part of the province outside of Winnipeg is being fully served up to its legitimate requirements and its desires and its needs by the Day Care spaces that are in existence, and that in Winnipeg we are certainly very close to meeting the existing need. That isn't to say that there aren't people, families, parents abroad in the community tonight who are having difficulty finding Day Care spaces, but by and large, given the fact that no program probably is perfect, I'm satisfied on the basis of information from my officials that a very good job is being done of meeting needs. The average utilization in Winnipeg Day Care Centres is in the 80 to 85 percent range; there is some difficulty probably, some concern with those centres that are related to or connected to educational institutions, the University of Manitoba, Red River Community College, etc., but apart from those, the picture is generally a very gratifying one and a very satisfactory one.

When we look at waiting lists, we have to take into account the fact that there are immeasurables, and imponderables in calculations of that kind, the same as there are on the so-called waiting lists for personal care beds. Lots of people put their names in in two or three places, lots of people put their names in long before they really need that space or that personal care bed because they have good reason to assume that they're going to need it a few years down the road, so you can't take a precise measurement simply from a waiting list and say, "That's the demand, and it's not being met." That is a figure that has to be examined very carefully from the perspectives that I've suggested and other perspectives.

Both the Member for Seven Oaks and the Member for St. Boniface have referred to a freeze and to a reduction. There's been no reduction in the Day Care Program. The fact of the matter is that there are spaces coming onstream, spaces that become available on a regular and continuing basis, simply because of the turnover that takes place among Day Care clientele. The fact of the matter is that there are some Day Care Centres operating which are not full, in which there are spaces available. They may not be precisely the Day Care Centre that somebody you know wants to get his or her child into, but there are spaces available.

The brightest side of the picture is the fact that the subsidy has been increased, the maintenance grant has been maintained at the desired level, the operators of the centres appear to be satisfied with that, and the per diem through which the Day Care Centres receive their operating funding has been increased to assist them in meeting their operating costs. The reports that I get back are reports of satisfaction. I think the program is operating well.

MR. CHAIRMAN: (1)—pass; (2)—pass; (3)—pass; (d)—pass; (e)(1) Salaries—pass — the Honourable Member for Seven Oaks.

MR. MILLER: Mr. Chairman, on these Employment Services which deals with assisting persons have difficulty in obtaining or holding employment due to cultural, social and vocational handicaps, it includes funds for operation of five work activity projects.

Now firstly, is there anything there beyond the five . . . I notice there's the line for Work Activity Projects, and there's some financial assistance. I'd like the Minister to explain the financial assistance aspect of it, but the question I have is with regard to the Work Activity Projects themselves. These were cost shared 50-50 with the Federal Government. These will no longer be cost shared directly as a project by the Federal Government? Am I right? They come under the general block funding. Again therefore is the Minister going to maintain the five or six Work Activity Projects that now exist, I think there are six, and could the Minister give us the 1978-79 figures for the various activities that are now in existence: that's the Associated Northern Work Activity Program, the Amaranth, the WHIP which is the Winnipeg Home Improvement Project, the WESTBRAN and the PIONEER? Could he give us the 1978-79 comparable figures to 1977-78, and can we have his views on whether or not he intends to continue this type of activity which we in Manitoba developed I think a little faster than other provinces, because this was found to be probably the most beneficial method of bringing people with handicaps, disadvantages both physical and emotional and cultural, into the work force. Some of it can be classified perhaps as a sheltered workshop, but nonetheless these people were activated to do something useful, and I know in the case of the Winnipeg Home Improvement Program have really succeeded in developing an excellent program which is for the City of Winnipeg, as well as the Pioneer Service Centre which works out of 185 Smith Street training people to get out into the work force. So I'd like to hear the assurances of the Minister that in fact they will continue at the same level even though I notice that the dollars involved are probably just about identical with last year, and how he can maintain the level without expanding the dollars more than he has?

MR. SHERMAN: Well, Mr. Chairman, I can assure the Honourable Member for Seven Oaks that the program is continuing in its present form, continuing in the form in which it operated last year because it was my desire and my intention that it do so. I can't give him an answer for four years down the road or three years down the road, but certainly it's my conviction that the program is worthwhile and I want to see it maintained.

The continuity of funding which, as the member points out, doesn't permit any increase, I can explain in components related to individual projects, and I'll do that as I come to them. There has not been an expansion of Work Activity Projects. We're still maintaining and operating with the five that were in place, but they are serving the type of clientele, the numbers of clientele, that they were serving before. The necessary staff was maintained; it was an exercise that I worked through with my colleagues in Cabinet in the Estimates process, and everything was kept in place.

Looking at the comparisons for the years 1977-78 and the current year, project by project on a budgetary basis, Mr. Chairman, the Manitoba Associated Northern Work Activity Project MANWAP was budgeted at \$815,700 for 1977-78, and for this year we are asking a vote of \$663,400.00. The reduced budget is due to the movement out of two satellite communities, Crane River and Duck Bay. The excess funds have been used in the new MANWAP, Dauphin and Barrows projects, and the remainder shifted to Winnipeg Home Improvement Project WHIP, and Amaranth.

Amaranth 1977-78 was \$398,100; this year \$445,000.00. This budget includes the phasing out of the actual Amaranth Project location and moving it to a site in Portage la Prairie.

WHIP 1977-78 \$754,400; this year \$951,800.00.

The 1977-78 expansion through the Inner City Employment Program funds which was \$400,000 will continue as a program, but the funds have been excluded from the budget due to restraint. Realignment from other projects will allow it to continue.

PIONEER —(Interjection)— I'm coming to WESTBRAN, you asked about PIONEER — 1977-78 \$390,600; this year \$340,600.00.

Due to an administrative realignment in 1977-78, when PIONEER and WHIP administrations were combined, we were able to shift \$50,000 from the PIONEER budget to the WHIP budget for the purpose of continuing part of the Inner City Employment Program at its present level.

Westbran 1977-78, was \$927.5 thousand, this year \$885.5 thousand. Streamlining of administrative and operational procedures are expected to permit a reduction of \$42,000 from this Budget to be transferred to the WHIP project, once again to continue the Inner City Employment Program at its present level. This whole realigning of Budgets was undertaken, Mr. Chairman, to create a balanced program in four regions, Winnipeg, Westman, Parklands and Central.

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MR. MILLER: Could the Minister give us the number of people involved in the projects, does he have those figures and job placements?

MR. SHERMAN: Yes, Mr. Chairman. MANWAP, total on the project 156, placements 48; Amaranth, total on the project 102, placements 26; WHIP, total on the project 246, placements 45; PIONEER, total on the project 60, placements 12; WESTBRAN, total on the project 309, placements 100; totals on the project 873, placements 231.

MR. MILLER: Does the Minister have a figure as to the revenues generated by the projects?

MR. SHERMAN: So far these projects have generated more than \$1 million in revenue. Anticipated 1977-78 was \$300,000, anticipated this year 1978-79, \$325,000.

MR. CHAIRMAN: (1)—pass; (2)—pass; (3)—pass; (4)—pass; (e)—pass; (f)(1) Salaries—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Are there any vacancies? The total staff, then the vacancies that we have on this, please Mr. Chairman?

MR. SHERMAN: Total staff is 254 staff man years, 7 vacancies, Mr. Chairman.

MR. CHAIRMAN: (1)—pass; (2)—pass; (f)—pass; (g)—pass — the Honourable Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, is it correct to say that this is just the ordinary winding up of this program without any changes at all?

MR. SHERMAN: It is winding down, Mr. Chairman. Probably in 1979-80 there will be another half million dollars approximately involved, but we're at that stage where we are winding the program down. It's not being foreshortened, it's coming to its logical conclusion.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I would ask the Minister then if he could tell us exactly what's going to happen to all the data and information that's been compiled by this report. As I understand it, it's all there now, it's either in crates or on carts, whatever it may be. What kind of analysis, what sort of report can we expect? It was really one of the few major experimental field projects that have been set up in this country, in any country for that matter as the Member for St. Boniface points out. I would be interested in knowing what is to be the disposition of the report itself in terms of income security, and perhaps a second question would be is the Minister prepared to make that kind of data available for other kinds of research purposes? I would point out to him that it's one of the few really rare resources of data in the social field that's available and whether there would be any disposition to allowing some access to it by other researchers, particularly those in universities and otherwise, under proper controls, in order that that data might be more widely used and carry with it greater value than just the specific purpose for which it was set up.

MR. SHERMAN: Well, I think that's probably a very useful possibility to pursue because, as the Honourable Member for Fort Rouge points out, it is going to be extremely valuable data and it would not be our intention that it should gather dust or only be utilized to a minimum. That certainly is a consideration and that can be explored. I would be in favour of making it as broadly applicable as possible. We would have to of course have the co-operation of the federal authorities to pursue that course. The whole project was funded to the extent of 75 percent by the Federal Government as the honourable member knows, so it would simply be a matter of reaching an agreement on that.

With respect to the research itself, the major analytic research having to do with work incentives, family stability and job satisfaction and related questions won't be completed, Mr. Chairman, will not be completed during the Mincome Manitoba phase of the experiment. The responsibility for this area of future research lies with the Federal Government. To date Health and Welfare Canada has agreed in principle to maintain the Mincome Manitoba Data Base in Ottawa after March 1979, and has stated that it considers the research made possible by the Data Base as one of its top priorities.

As yet no firm plans for either Data Base maintenance or future research have been brought to o Manitoba's attention, but the future use and application of it, once it is properly combined,

organized and in place, I think is an important question, an important consideration for us and I would like to see it applied widely.

MR. AXWORTHY: Mr. Chairman, I would just maybe underline one aspect of it, and that is that the particular experiment that was undertaken is one that is quite unique in this country, and the areas in which it was exploring, which were very topical at the time and when everyone was interested in negative income and guaranteed incomes and so on, seems to have lost some of its flavour recently. I wonder if the Minister would undertake, initiate, perhaps correspondence with the Federal Minister or counterparts to get a detailed program as to how they see both the research being used and the kind of reports and analysis that will be done. I would point by example a similar experiment in the United States, the Housing Allowance Program, which did issue periodic reports which unfortunately Mincome didn't do, but would be in a position to do now if the analysis were there, but I think considering that we did, as a province, invest a fair amount of money in it, there should be some I would think, interest on the part of people in this province and I think probably right across the country, to know exactly what's going to happen to it now. Will there be a series of reports issued on the findings, how it influences income security, the effects it had upon those in the experiment, and I would think, Mr. Chairman, the Minister might ask exactly how the scheduling and timetabling of these reports will be undertaken and what kind of reports they will be and how they will be used, so that perhaps he can make a very clear statement to those in this province who did invest in it, as to what the purpose and use of this information will be.

MR. SHERMAN: Yes, I would be quite prepared to do that, Mr. Chairman. I think we need the benefit of the investment and I am fully prepared to do my best to ensure that we have that.

MR. CHAIRMAN: (g)—pass; Resolution 61: Resolved that there be granted to Her Majesty a sum not exceeding \$81,703,100 for Health and Social Development, Social Security Division \$81,703,100— pass.

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

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

IN SESSION

MR. SPEAKER: The Honourable Member for Radisson.

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

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSEN: Mr. Speaker, I move, seconded by the Member for Flin Flon, that the House do now adjourn.

MOTION presented and carried, and the House adjourned until 10:00 a.m. Friday.