



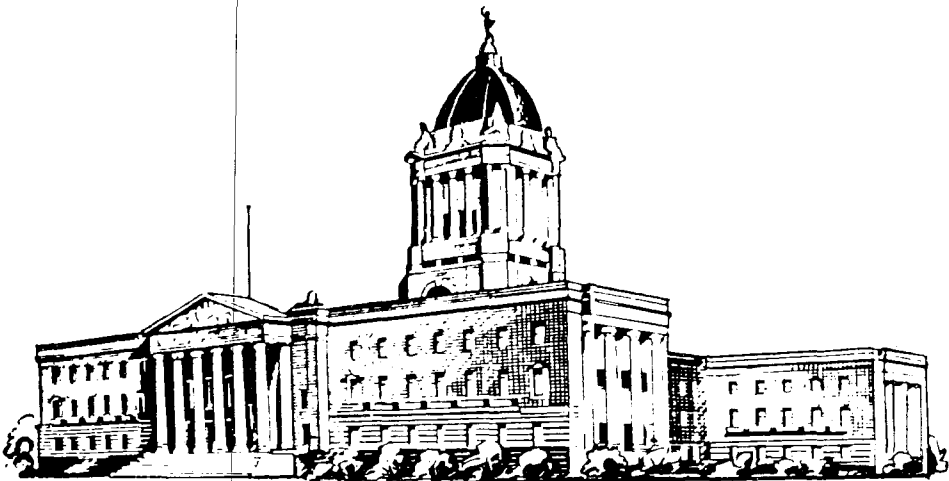
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Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXIII No. 59 2:30 p.m., Thursday, April 1st, 1976. Third Session, 30th Legislature.

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THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 p.m., Thursday, April 1, 1976

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the Honourable Members to the gallery where we have 40 Cadets of the 116 Optimist Squadron under the leadership of Lieutenant Rose as our guests this afternoon. On behalf of all the honourable members I welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; The Honourable Minister of Mines.

TABLING OF REPORTS

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, on your behalf I'd like to table the Report of the Ombudsman for the period January 1, 1975 to December 31, 1975

MR. SPEAKER: Thank you. Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

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MR. DONALD W. CRAIK (Leader of the Official Opposition) (Riel): Mr. Speaker, I direct the question to the Minister of Mines. I wonder if he could advise the House of any further developments in relation to incentives to the mining industry for development in Manitoba, and this is subsequent to the question asked last week regarding the uranium information in northwest Manitoba.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, the incentives to the mining industry in the Province of Manitoba is the possibility that they will discover economic ore, mine it and make a dollar from it.

MR. CRAIK: Mr. Speaker, I wonder if the Minister could indicate the government's intent in joining the Federal Government in a joint program that has been announced apart from his department, \$8.5 million program, for mine search as indicated in the newspaper which apparently, if as indicated, is an incentive program for the private sector to become involved, can he clarify that or can he cast any more light on it?

MR. GREEN: Mr. Speaker, it's not an incentive program it is an exploration program which could result in exploration in the province of Manitoba. It's part of the program that resulted in the uranium anomalies, which apparently have attracted numerous private sector people to be coming to our department with plans to engage in some activity. The royalty program and the regulation program has not changed. What we are doing, Mr. Speaker, is exactly what we indicated in our comprehensive program designation last year. Under this particular program if the province wishes to, if there is a find that is discovered between the province and the Federal Government, the Federal Government is entitled to participate 50 percent if they wish to.

MR. CRAIK: Well, Mr. Speaker, could the Minister indicate whether the program to spend the \$8.5 million indicated, is a program carried out by the government entirely, and if so, is it aerial survey work or is it a drilling program, or just what is it?

MR. GREEN: It is carried out by the government entirely. The government may hire people in the carrying out of its work, employees or independent contractors. It would include aero-magnetic studies and other forms of exploration activity. It is, Mr. Speaker, what was described in the Estimates last year when that program was

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(MR. GREEN cont'd) initiated. I believe that this agreement commences as of April 1, 1975. That was my recollection. I may be wrong about that.

MR. CRAIK: Mr. Speaker, if I could press the Minister a little further on there. Is there anything new then in the program announced by the Minister of Regional Economic Expansion, and in conjunction with Mr. Gillespie the Federal Mines Minister.

MR. GREEN: I don't believe it's new, Mr. Speaker. We've been working on that agreement which was signed yesterday for the past year.

MR. CRAIK: Mr. Speaker, can the Minister indicate whether it is entirely a department program or is Manitoba Mineral Resources involved in it as well?

MR. GREEN: Manitoba Mineral Resources can participate to the same extent as any other company. Mr. Speaker, this program may result in some mapping work which is then made available. Although I couldn't say that that is the primary impact of the program. It may result in that; when that is made available Manitoba Mineral Resources can stake a claim the same way as any other private company can. So I do not believe that there is any change in what I have already suggested. This is not a Manitoba Mineral Program, it is a departmental program.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I address a question to the same Minister in his capacity as representing the Manitoba Development Corporation. Does the reduction in personnel which has taken place in the corporation in recent months, does this represent a conscious decision of the government to wind down or reduce loaning activities of that corporation?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, it represents a conscious decision on the part of the Board of the Manitoba Development Corporation to have a staff which is neither too large nor too small to manage its activities.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you Mr. Speaker, I have a question for the Attorney-General and/or the Minister of Harvestable and Renewable Resources. In light of the decision by the Federal Government to invoke closure on the gun legislation bill and limit debate to another four days, has the Minister prepared a statement of the intent of the Government of Manitoba with respect to gun legislation and forwarded the same to the Justice Minister of the Federal Government?

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I have made both verbal and written representations in the past to the Solicitor-General of Canada, so that I think he's aware of the concerns of the province.

MR. GRAHAM: A supplementary question. Has the Attorney-General received any reply from the Solicitor-General and/or the Justice Minister?

MR. PAWLEY: Yes my letters have been acknowledged and responses have been received from the Solicitor-General.

MR. GRAHAM: A further supplementary then. Does the action of the Justice Minister and the Solicitor-General then receive the approval of the Province of Manitoba in their present course of actions with respect to government legislation?

MR. SPEAKER: Order please. Order please. The question is out of order. The Honourable Member for River Heights.

MR. SIDNEY SPIVAK Q.C. (River Heights): My question is to the Minister of Health. I wonder if he can indicate whether the government or the Manitoba Health Services Commission are intending to close the Schools of Nursing at Misericordia, St. Boniface, and the other hospitals.

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): No, Mr. Speaker; no such decision has been made.

MR. SPIVAK: Well I wonder if the Minister is in a position to indicate whether there'll be a transfer of responsibility with respect to the School of Nursing from the Department of Health and Social Development to the Department of Education.

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MR. DESJARDINS: Mr. Speaker, I think that this is something that has been discussed for awhile that there would be a change in the education of nurses to the college and the universities. The discussions that are still going on, and there's no final decision as yet.

MR. SPIVAK: I wonder if the Minister is in a position to assure the hospitals that the Schools of Nursing will be continued for a substantial period of time without a change in policy.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, this being April Fools' Day, I wonder if the Minister of Agriculture could advise the House if he has been apprised of the Federal Government's Agriculture Dairy Policy and how that Dairy Policy is going to affect the dairymen of the Province of Manitoba.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I appreciate the interest of my honourable friend the Member from Morris. I think most of us are aware, perhaps he is not, I will inform him, that the Government of Canada has so far been unable to announce a policy, and that results from a series of meetings that have been taking place over the last ten days, including two this week, or two days or meetings this week, and my information is that there is going to be some delay in that announcement - now that is only by way of the media. I have had no formal communication with respect to what their policy is going to be as of this moment.

MR. JORGENSEN: I wonder if the Minister of Agriculture could advise the House that his decision with regard to the implementation of his plans insofar as Crocus Foods are concerned, are dependent upon the Agriculture Policy of the Federal Government.

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Well, Mr. Speaker, all of the interested parties with respect to Crocus Foods have an interest in Canadian Dairy Policy, and how it may affect that project, so I would say my interest is equal or proportionate to my share capital in the venture.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON (Wolseley): To the Minister of Public Works. Out of the \$50 million announced for Urban Renewal, how much is for public works for the five or six new government buildings? . . . estimate how much money of that 50 million announced for Urban Renewal is for public works?

MR. SPEAKER: The Honourable Minister of Public Works.

HON. RUSSELL DOERN (Minister of Public Works) (Elmwood): Mr. Speaker, I'd have to take that question as notice.

MR. WILSON: How much of this amount of money announced for Urban Renewal would be for commercial acquisition?

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: My question is to the Minister of Education. I wonder if he can indicate whether Red River Community College will be taking over the School of Nursing, and in fact will be responsible for the training of nurses in the Province of Manitoba?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows): I have the recollection, Mr. Speaker, that the same question was asked of my colleague the Honourable Minister of Health, and as he indicated discussions are under way between his department and mine, and they are continuing, and nothing has been finalized.

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

MR. G.E. JOHNSTON: Well, Mr. Speaker, I direct this question to the Honourable the Minister of Public Works. By way of explanation: I noticed at noon hour there's about eighteen large panels off the front of the Woodsworth Building. I want to know: Is the building falling apart, or what is the reason for the panels being off?

MR. SPEAKER: The Honourable Minister of Public Works.

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MR. DOERN: Well, Mr. Speaker, as they said to Chicken Little, "The sky is not about to fall in." What I would indicate to the honourable member is this: There has been some difficulty with some of the panels in terms of the texture and aesthetic effect. These are made by a local Manitoba firm and there has been some testing. But in particular, I think it's when there is a discolouration in some of these panels that they have been removed and replaced at the expense of the firm that produces them.

MR. G.E. JOHNSTON: I'd like to thank the Minister for his answer, but could he inform the House as to how long the warranty provision will carry on. Has he got a five year warranty, or what?

MR. DOERN: Mr. Speaker, we have had a good relations with the firm that has undertaken to build these panels rather than give the contract to an American or an Eastern firm, and there have been some difficulties, and we have been patient and they have been patient and they have never hesitated to replace any of these panels. So I take them at their word, and on the basis of the reputation of their firm.

MR. G.E. JOHNSTON: A supplementary, Mr. Speaker, or a question, Mr. Speaker. I gather then as long as the firm's good will lasts, the building will last. Is that correct?

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. WARREN STEEN (Crescentwood): Mr. Speaker, my question is directed to the Minister responsible for public insurance. Today's newspaper says that "Autopac Law Suit is Launched", based on the harm it claims that has been done to the Public Insurance Corporation. I wonder if the Minister could tell me whether the public of Manitoba has the same basis for a law suit, based on the government's publicity programs that the Autopac people have been cranking out.

MR. SPEAKER: The Honourable Minister for the Public Insurance Corporation.

HON. BILLIE URUSKI (Minister for Manitoba Public Insurance Corporation) (St. George): Mr. Speaker, the information that has been brought out by the corporation in most instances, except the one instance over a year ago which was a misprint by the printer, the information has been factual.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I direct a question to the House Leader in the absence of the Minister of Industry and Commerce, and ask him whether the government has any information regarding the Polar Gas Line that have been in the news the last few days with contradictory reports as to whether or not it's coming through Manitoba. Has the government any information that perhaps can shed more light on this discussion?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I read the same news stories and that's as far as I know at the present, but I'll take the question as notice.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. WILSON: . . . Minister of Urban Affairs. I wonder in light of the Public Works projections and announcements if the Minister could indicate what portion of the \$50 million Urban Renewal Program will go towards housing.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Urban Affairs.

HON. SAUL A. MILLER (Minister for Urban Affairs) (Seven Oaks): Mr. Speaker, I wasn't sure the member meant the question for me. In any case, I'm not able to give him a firm figure, the matter is still in its planning stages.

MR. SPEAKER: Orders of the Day. The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I direct a question to the Minister of Mines and Natural Resources. I wonder if the Minister could indicate if the Municipality of Cameron will be reimbursed for productive lands being taken out of production, purchased by the government and put into a wildlife conservation area.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, the same formula will apply as applied to Oak Hammock and various other projects undertaken by the government from time to time. I am not of the opinion that the Crown pays taxes when they establish waterfowl districts. I gather that the geese don't go to school; they don't make use of the services of the municipality. It does result in a diminution of assessment, but it also

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(MR. GREEN cont'd) results in a diminution of services.

MR. WATT: I indicate then, if the geese do not use the roads up through this wildlife area, are there children passing through to school or parents taking children to school on these roads?

MR. GREEN: Mr. Speaker, I was referring to the fact that the land in the area it does not pay taxes.

MR. WATT: I wonder if the Minister can indicate then if the land that they have purchased to put into wildlife in the Cameron municipality, the land was subject to taxation and the land owners were paying taxes, and the land owners were paying three times as much as the land was worth.

MR. GREEN: Mr. Speaker, if the land owners were paying taxes three times as much as the land was worth, then they should have appealed their assessment. The honourable member, I think, is playing games with me. He knows that when a land is held privately taxes are paid on it. He also knows when Crown lands are held that taxes are not paid. That has been the situation from time immemorial. He knew it when he was the Minister of Agriculture of the previous government.

MR. SPEAKER: Order please. Order please. Order please. Would the Honourable Member for . . . Order please. Let's do this rationally. Would the Honourable Member for Arthur stipulate his privilege, matter of privilege?

MR. WATT: My point of privilege is, Mr. Speaker, I did not say that the farmers were paying three times the taxes on that land. I indicated that the farmers were paying, the government was paying three times the value of the land, which was productive land and which was subject to taxation before the government bought the land.

MR. SPEAKER: Order please. Order please. It's not a matter of privilege. The Honourable Minister of Mines.

MR. GREEN: If the member is saying that the government is paying three times what the land is worth to the farmers, I will have that investigated, I will have the land expropriated, and I will see to it that we are not paying more than it is worth.

MR. SPEAKER: Order please. Does the Honourable Member for Arthur have another question?

MR. WATT: Is the Minister then . . . if land that was subject to taxation and will not be subject to taxation since the government took it over, will the municipalities be reimbursed to the extent of what that land was taxed for when it belonged to a private enterprise.

MR. GREEN: Mr. Speaker, I've indicated that the same policies will be followed by this government on that question, not on all questions, but with regard to the Crown ownership of land that is put into wildlife use, or things of that nature, the same policy is being followed as was followed when the honourable member was the Minister of Agriculture of the Conservative Administration. But I repeat, if he is suggesting that we paid those farmers three times what the land is worth, then I'm going to ask now that there be an investigation and that we expropriate that land and not pay more than three times what it's worth.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: My question is to the Minister of Northern Affairs and it's in the absence of the Minister of Industry and Commerce, although he may be the right Minister in the first place. I wonder if he can indicate whether the government has completed, or the report for the government has been completed by Hickling and Johnson on Northern Transportation?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. RONALD McBRYDE (Minister of Northern Affairs) (The Pas): I believe so, Mr. Speaker.

MR. SPIVAK: I wonder if the Minister is in a position to indicate when it was completed.

MR. McBRYDE: Some time before today, Mr. Speaker.

MR. SPIVAK: I wonder then if the Minister is in a position to indicate whether that report will be tabled in the House.

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MR. McBRYDE: I don't believe the report is being printed, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. WILSON: Mr. Speaker, to the Minister of Consumer Affairs. Could the Minister advise the House whether the FM stations on video stations have been taken off the air because of the Federal Regulations that went into effect at 12.01 today?

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

ORDERS OF THE DAY

MR. GREEN: Mr. Speaker, I would ask you to proceed with the Adjourned Debate on Second Reading and then to call Bill 36. I'm not ready with Bill 30.

GOVERNMENT BILLS - SECOND READING

MR. SPEAKER: Proposed motion of the Honourable Minister of Agriculture, Bill No. 23. The Honourable Member for Arthur.

MR. WATT: I'd like to have this matter stand, Mr. Speaker.

BILL NO. 36 - AN ACT TO AMEND THE MUNICIPAL ACT

MR. SPEAKER: Very well. Bill No. 36. The Honourable Attorney-General.

MR. PAWLEY (Selkirk) presented Bill 36, an Act to amend the Municipal Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, this bill has many changes to the Municipal Act, and possibly what I could do after reading the contents of the changes proposed is distribute to the Municipal Affairs' critics opposite copies of the speaking notes.

The definition of the term regular election is being altered so as to conform with the provision now in the Municipal Act since last session that all municipalities are on a tri-annual election. So that is a very technical change.

An amendment also recognizes the practice which has been of longstanding, especially in rural municipalities. Municipalities have been in the habit of doing what is referred to as custom work, which means that municipal equipment is used on private land to do snow plowing or gravelling of a road, or perhaps something to do with the improvement of drainage. Because municipalities usually own the only heavy equipment available to do this kind of work councils have been in the habit of making their machinery available for a charge.

The proposed amendment recognizes the practice and the need for a proper authority to exist in the Municipal Act for municipal councils to do custom work. Where there is private equipment available municipal councils as a rule do not make their machinery available for custom work.

I should mention here that in particular there has been problems in some of our northern urban centres. Thompson, for instance, where in fact there are no private contractors, the city has to depend upon its own heavy equipment to do certain works within the city and yet there are some legal implications involved.

Another amendment deals with the prohibiting a sitting councillor from running for mayor or reeve unless he resigns from council at least two weeks before nomination day. This subsection is redundant now that all municipalities are on the tri-annual election system and all offices become vacant at the same time.

Another amendment deals with by-elections and provides that a member of council if he wished to run in a by-election for mayor or reeve must resign his seat at least one week before nomination day. The proposed amendment extends the period to two weeks to provide the returning officer the proper length of time to prepare and post the necessary election notices, as well as eliminating the need for a second by-election as a result of a councillor's resignation to contest a by-election for mayor or reeve.

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(MR. PAWLEY cont'd)

Another amendment deals with contracts that do not invalidate membership of councils. The present legislation provides that a person is not prohibited from running for office who has given a mortgage on land to the municipality, or has purchased land under an agreement of sale from the municipality, or has leased land from the municipality if there are no arrears upon the mortgage agreement or lease. Since there is no prohibition with respect to being in arrears of taxes, it is felt that it is consistent to remove the requirement that there be no arrears on a mortgage agreement or lease.

Another amendment provides for declarations of qualifications of office. Under the former biannual election system, election was held each year and all councillors made the necessary declarations annually. It is suggested that all council members although elected for a three year term should continue to make the declarations each year.

Another amendment provides for the resignation of a member of council in respect to municipalities which had retained a former two-year term of office. Now that all municipalities are under the tri-annual system the former section is redundant and should be repealed as it deals with the resignation two weeks before nomination day of a member of council whose term does not expire until the following year. It follows therefore that any references to this in the Municipal Act should be deleted.

Another amendment deals with the present section providing for an organizational meeting of council to be held after a regular election has been conducted. At the first meeting in January each year it is necessary for a council to make appointments to a number of their boards and committees and has therefore suggested that council should hold an organization meeting annually not just following a regular election.

Another amendment makes Section 5 of The Summary Conviction Act applicable to every offence of contravening or failing to comply with a municipal by-law. The effect of this amendment is to permit a person charged with such an offense to enter a plea of guilty. It is meant to speed up and to accommodate a person so charged much in the same manner as traffic offenses are now handled.

The other section deals with the acquisition by a municipality of land in another municipality, and provides that the approval of the Municipal Board must be first obtained. However if both municipalities concerned with the land acquisition are in agreement there is no point in involving the Municipal Board in the matter. Where there is such agreement the proposed amendment would dispense with the necessity of the approval of the Municipal Board.

Also the present Act provides that no person shall create an encroachment or nuisance on or in a highway and provides for a maximum penalty of \$20.00. It is suggested that a more realistic maximum ought to be provided for, namely \$100.

Another section deals with the establishment of airports, which includes the acquisition of the necessary property. The legal requirements of the municipality to acquire property outside its boundaries should be the same for all municipalities regardless of the purpose to which the land sought is required. Most likely the acquisition of property by an urban municipality or community to accommodate an airport will be located in another municipality just outside its boundaries.

The amendment requires the agreement of the other municipality or the approval of the Municipal Board and it is suggested that the present section in the Municipal Act be amended in order to provide for this.

Another section deals with the question of municipal drains and the provisions of the legislation which make it an offense for a person to fill up or interfere with a drain, with a maximum fine of \$50.00. It is proposed that the fine should be \$100, which brings it in line with limits in other parts of the Act.

Municipalities which now operate an ambulance service impose a charge for each ambulance call. The authority for this is doubtful and the proposed amendment makes it clear that a municipality may establish user fees or charges for each ambulance call.

Another section of the existing Municipal Act provides a limit on municipal

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(MR. PAWLEY cont'd) borrowing for current expenses and provides that the total which can be borrowed in any one year for current expenses shall not "exceed an amount equal to the total amount of taxes collected in the last preceding year." In computing the previous year's taxes the legislation does not provide for including grants in lieu of taxes, and in some municipalities these grants represent a significant portion of total revenue. The proposed amendment therefore would permit municipalities to calculate for the purpose of determining the taxes collected in the last preceding year the amount which the municipality received as grants in lieu of taxes.

The Municipal Act now restricts the Municipal Council to a maximum annual tax levy of 35 mills for municipal purpose. It is unrealistic to impose a statutory millrate under today's conditions. The Department of Municipal Affairs now validates levying by-laws which exceed the maximum. Sufficient overall financial control still exists which requires any operating deficit to be approved by the Minister. This is certainly a very antiquated and inconsistent provision comparing it for instance with the School Act to the extent that municipalities are required to obtain approval to levy in excess of 35 mills. So you can see that most municipalities now in the province are in excess of that and it really is quite unrealistic.

The Municipal Act also deals with special charges which act as a lien or a charge on the land and provides that they may be collected in the same manner as ordinary taxes. An example of such charges would be for sewer and water connections. The proposed amendment makes it clear that such charges may be added to the tax role and charged against the land.

The Municipal Act also deals with the disestablishment of a local improvement district and provides that the district may be disestablished by the Lieutenant-Governor-in-Council. All other matters relating to local improvements are presently referred to the Municipal Board and it would appear reasonable if for some reason the local improvement district should be disestablished that it should also be referred to the board.

Another provision of the Municipal Act provides that a council made subject to the Public Utilities Board provide for the use of a . . . or for the sale and supply of gas, steam, water, etc. Clause 4 provides that all charges and penalties are a lien on the property and may be added to the taxes by by-law. The proposed amendment makes it clear that such charges if they are to constitute a special lien on the land must be added by by-law.

Another provision in the Municipal Act permits individual sheets or cards to be used for tax roll. It is suggested that since taxes follow the land any reference to the owner is superfluous.

Another section spells out the details which are to be included in the general tax rolls. Since any charges in the tax rolls are against the land there should not be any reference to persons which now exists, and the proposed amendment would delete any such reference.

Another provision presently provides for the personal property tax roll to show the amount for which each person is chargeable for each purpose of the current year. The intent of the amendment is to eliminate the need to show the amount levied for each budgetary purpose.

The present Act deals with alterations in the tax roll and provides for additions to the tax roll where property has been inadvertently left off the tax roll or where there has been additional construction during the year. The proposed amendment provides that personal property could also be added to the current year's tax roll in the same manner as real property.

The Act provides presently that council may order the treasurer to add to the general tax roll the additions to the roll in the current year. It's suggested that this should not be permissive, but rather be mandatory. If there have been additions to property in the current year where a property has inadvertently been left off the roll, this should be added as a matter of course. At present, taxes cannot be added to the roll any year after September 30th. It is felt that there should be no deadline for additions to the taxes to the roll. This would then be consistent with the practice in the City of Winnipeg Act.

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(MR. PAWLEY cont'd)

Another provision presently provides that the Court of Revision shall hear and determine a complaint not later than the 30th day of November. If the date for mailing the demand for taxes has been removed, then a period of 60 days would appear to be reasonable to allow for the receiving and the hearing of complaints. The Act presently deals with when taxes are payable, and the Act presently provides that taxes shall not be due and payable until the 31st day of December in the current year. A council, however, may make the annual year's tax levy due and payable on any date after December 31st. Since municipalities must finance the operating cost during their fiscal year, it is impractical to have December 31st as the due date. Traditionally taxes have been due and payable in October, and in fact most municipalities follow this practice. The proposed amendment changes the December 31st date to October 31st. If the due date of taxes are changed from December 31st to October 31st as suggested in the amendment, then it would be required to provide for further amendments in order to make it consistent with the dates with respect to tax discounts and prepayment of taxes.

The Municipal Act presently also provides that a penalty may be added to taxes remaining unpaid after the 31st day of December. The proposed amendment would change the date to the 31st day of October in accordance with the earlier amendment which I referred to.

Another amendment deals with the issuing of tax certificates. Presently there is a prescribed fee of \$1.00 charged for preparing a tax certificate. This fee is unrealistic in relation to the costs which are involved by the Municipal Office staff required to prepare the certificate, and it's suggested that a maximum fee of \$5.00 may be charged.

Also the legislation presently provides for fees on subdivided parcels at a charge of \$1.00 to be made, plus 10 cents for every lot over five lots with respect to a plan of subdivision. It is necessary to update the fee structure for tax certificates. The present limits are unsatisfactory. It is suggested therefore if the certificate covers one lot or more that \$2.00 could be charged, with a further fee of \$1.00 for each additional lot or parcel.

Another section deals and provides that the Minister may validate tax rolls and the levying of by-laws. There is some confusion over the wording in the present Act dealing with this. In the proposed new subsection is a proposed rewording for the purpose of clarification. No additional powers or restrictions are contained in the new section.

Now there will be further amendments to the Municipal Act as we progress. One which will deal with procedure for annexation in one municipality by another, a procedure that can be followed rather than the type of ill-organized procedure that we've had up to the present time.

And also there will be an amendment later, which I intend to introduce, which will deal with attempts to make clear the type of problem which we faced in the City of Brandon as to when a by-law is required, and when a resolution is required; and I think it's necessary that we clarify the provisions in the Municipal Act pertaining thereto.

We're also looking at some further changes to the Assessment Act and the Planning Act.

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

MR. GRAHAM: Mr. Chairman, for clarification purposes only, can I ask the Minister a question at this time? I would like to ask the Minister if the 500 percent increase in fees for tax certificates has been approved by the Anti-inflation Board?

MR. PAWLEY: Well, it's not necessary, Mr. Speaker. I should point out that the maximum is \$5.00, and the municipality can work within those limits. It doesn't prescribe what the fee is to be, but that the maximum may be, so that we can assure ourselves that they are at least receiving their costs, and the taxpayers in general are not being requested to subsidize this work.

MR. SPEAKER: The Honourable Member for Arthur.

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MR. WATT: Mr. Speaker, I would like to move, seconded by the Honourable Member for Riel, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I move, seconded by the Minister of Urban Affairs, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee to consider the supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair for Northern Affairs and the Honourable Member for St. Vital in the Chair for Renewable Resources.

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MR. CHAIRMAN: I refer Honourable Member to Page 45 of their Estimates Book. Resolution 97(a)(2)--pass. The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Thank you, Mr. Chairman. I listened with interest the other night to the rebuttal of some of the comments I made, and I wasn't quite sure who the Minister of Northern Affairs was at the time. We heard from the Honourable Member from Flin Flon I think, then we heard from the Honourable Member from Thompson, and then I believe we heard from the Honourable First Minister, and I'm not too sure who the Minister of Northern Affairs is at this point, but we will wait with bated breath to hear the comments from the real Minister of Northern Affairs.

But I would like to --(Interjection)-- We already said that when the Honourable Minister was outside the House. But at any rate, I would like to make a few comments with regard to some of the statements made by the Honourable Member from Flin Flon, and in particular, his desires to have things equalized for people living in northern Manitoba, and I can confirm with him that the Progressive Conservative Party want things equalized in Manitoba as well, that everybody who is a citizen here has the same rights whether he lives in northern Manitoba or southern Manitoba. But one almost got the idea from the Honourable Member from Flin Flon that what equalization means was, equalization in materialistic things, not necessarily social things. One of the things I would like to point out, that it's not just the desire to have roads and causeways that the people of the north want, and I'm sure that the Honourable Member from Flin Flon should know that better than myself, but they also want some social progress. One of the main social progresses in our opinion is the say, to have some say into the input, and to have some decision-making say, not just an involvement of people and then the decisions are made elsewhere by a central planning authority, but the actual input at the local level and some decision making; not building roadways, or causeways, but the development of their own being and the making of the decisions.

Mr. Chairman, both the Honourable Member from Flin Flon as well as the Honourable First Minister keep relating back to the fact that nothing happened in the previous 100 years. But really when you start to look at what we're talking about, former administration and this administration, we're talking about a period of about 18 years, I would think, that's what we're looking at. I would suggest that there's been a lot of progress in the last 18 years, and I'll admit there has been a fair progress by this present administration, and there was by the former administration. But I think it's an unfair criticism or comparison to relate it to the last 104 years, because really the progress started to develop back some 18 years ago.

I can also, with regard to the Honourable Member from Thompson, I understand his frustrations with the Federal Government, but as I indicated the other evening, that his frustrations should also be aimed at his colleagues, the Government of Manitoba, and to see that they take on the responsibility of seeing that there is a proper transportation subsidy for the fishing industry in the north.

I would like to say that the Honourable First Minister copped-out the other night when he said it was a federal responsibility, and I'd underline that, that he

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(MR. MINAKER cont'd) copped-out when he stated that inland water fishing was the Federal responsibility, because if that's the case, then I would suggest that the honourable members who represent the north, talk to their First Minister, and say that the agricultural industry that the Honourable Minister of Agriculture has been able to get \$17 million for this year, is a federal responsibility as well, and I'd like to quote something that the Honourable Minister of Agriculture stated in this regard, and it was stated in the Tribune on March the 30th of this year, and it related to producers to examine Beef Commission Report, and in that it said, "The biggest problem areas in the livestock industry fall under federal jurisdiction, the Minister said." Yet this Minister who has been able to get \$18 million spent on the Beef Producers Program that he has, and he's getting an authority for another \$14 million, and really, what the fishermen in the north are asking for is \$500,000. The First Minister cops-out by saying that in the BNA Act it states that the inland waterways, the fishing of inland waterways are the responsibility of the Federal Government. I suggest, Mr. Chairman, that that's a cop-out, that if they, on one hand make the decision of the agriculture industry to put money forward when it's a federal responsibility, then they should also take that look, the same kind of decision-making look at the problem that we presently have with our northern fishermen.

The other comment I'd like to make with regard to statements the Honourable Member from Thompson made with regard to mining industries, and I would think in regard to Inco, and who really established Thompson, and who built it, and who brought it on, that one gets an idea from the Honourable Member from Thompson that he feels that the mining industries have only raped the north from day one, that they never added anything to the north, they didn't provide anything to the north. Yet, in the comments made by the Honourable Minister of Northern Affairs, if I understood him correctly when he was giving some of the figures on per capita incomes in the northern regions, that he pointed out very strongly that the areas where it was \$300 per capita, \$270 per capita, were in the remote unestablished or underdeveloped areas of the north, yet where the highest per capita income was for northern residents were the centrally located cities, or towns, Flin Flon and Thompson. Why are they that way? Would it be because the mines are there? So really, I think there should be some communication between the Honourable Member from Thompson and the Honourable Minister of Northern Affairs, because the amount that he read into the record about the low per capita income of remote residents, it's obvious that there has been some benefit from the development of mines in the north, then I would suggest that to argue that the mining industry hasn't contributed to the north is foolish and dishonest.

The other comment that I would like to make is with regard to the First Minister, and I guess it was his insinuation that the Honourable Member from Morris was not qualified to make any comments with regard to northern Manitoba. I don't know whether that means that the Honourable First Minister because he's from northern Beausejour that he is more equipped to make comments with regard to our people of Manitoba, whether they be from north or south than the Honourable Member from Morris. I cannot understand his reasoning why he thought that the Honourable Member from Morris was unqualified to make comment, particularly relating to the subject that the honourable member was disputing at the time.

Mr. Speaker, there were also comments made, and I'm not too sure which Northern Affairs Minister made them, with regard to the fact that the desire to bring the people of the north into the mainstream of life. I suggest that there is no issue on this side with this objective, that it is the desire to bring all citizens in Manitoba into the mainstream of life. I again stress that I would suggest such things as having a home, the ownership of a home or land is part of being in the mainstream of life, and I think that this government has to recognize that the people in the north want to own their own land and to own their own homes, not lease the land from the Crown, but have the right to have freehold title and to have the Torrens title of ownership. Also I suggest, that the decision to where one works and how one works, and who one works for, is also being part of the mainstream of life. Not having only the

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(MR. MINAKER cont'd). . . . decision to whether you're going to work for the northern affairs or whether you're going to work for some other provincial department, which is the way that it would appear this government want to lead the north.

The other more important area that I think is in the mainstream of life is one of having the right to make a decision. And this we have commented on earlier during the debate, that this is the major one complaint that I had heard from the people that I've talked with in the north, is that they want to have that decision-making right, they want to have that input, they want to have some say in the development of their home and in their area. And at the present time it appears that the major long-range planning is coming from a central authority, not located in the north, but located right here down on Broadway Avenue. And this is the main objection, not only coming from recent arrivals in the north but the natives of the north, that they want to have that say and input into their planning of their future, and have the decision to say, yes we want it, no we don't, and no decision being made centrally on Broadway Avenue.

The other area that I want to amplify again is unless we want - and I believe the government wants this, and the opposition definitely is opposed to this - unless we want the Department of Northern Affairs to become strictly a job creating department, and this is what they appear to be trying to achieve, that they will be the job provider of the north, unless we change the political climate in the north to encourage private development and investment in our north, this is what we will be trapped into. And I suggest that this is wrong. We have no issue with the fact, and we support and have for the past 20 years, that the resources are owned by the people of Manitoba. We know that, there's no argument here in this House that the resources are owned by the people of Manitoba, but where the argument comes is, how are they most efficiently and best developed for the people of Manitoba? And the government side believes that it's by government development, and we suggest that it's much more efficient and much better in the long run for all of Manitoba that it's jointly and privately developed. This is the answer. But until the climate changes in Manitoba there will only be development by the government. I suggest, Mr. Chairman, that this government and Manitoba cannot afford that. We have not the funds to become the sole developer of the north; we need that private input; we need that development.

And one has to wonder just how far that the government is prepared to go because we passed into second reading an amendment to the Co-operative Communities Economic Development Fund, and a very important amendment was made as far as I am concerned, and that deals with the acquisition of property. And it states very clearly in the amendment that "upon such terms and conditions as this Fund deems reasonable it may acquire from the Crown or any other person by purchase, lease, license or otherwise, any property real or personal, that the Fund deems necessary for its purposes." Now one has to look at this and say: Is the government now saying that we don't even want private development of shopping centres of retail stores, that this will become the next avenue, the Co-operative Development Fund to open up shopping centres, open up stores, trading posts; that again it takes away that decision-making of the individual who might want to himself open it up, because he will be unable to compete with the government who has, or at least seems to think it has, limitless supplies of funds for its different projects that it thinks is the answer to the Province of Manitoba.

I would also like to comment on another area of concern by the northern residents, is one that with regard to the amount of money, annual moneys being spent on winter roads, that they would like to see somewhere a long-range project. And if it exists they want to see it, tell them, a long-range project where when you build a winter road - maybe this year you built five miles of all-weather road year by year you start to build that all-weather road rather than continually, annually spend money and see the money be melted away from the following spring. So that there has been that desire from the government, a long-range all-weather road program incorporated into the Winter Roads Program. And if there is such a program, I hope that the Minister will make it known to the people of Manitoba, and particularly to the northern

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(MR. MINAKER cont'd) citizens, because there is this concern of the annual consumption of large amounts of money into the winter roads and without having really anything more to show for it after the thaw occurs.

So with those comments at this time I would like to hear from the real Minister of Northern Affairs and his comments.

MR. CHAIRMAN: The Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, I would like to thank the member for his contribution the other day and today, and the Member for Lakeside who asked some fairly specific questions concerning the Department of Northern Affairs. Maybe I can deal with some of those matters that relate more to northern affairs and some of the matters we got discussing the other evening when we wandered on a number of different items.

The member this afternoon expressed - I'll start at the back of his comments and work to the front. The member commented on the Winter Roads program. It is my understanding from engineering people who work on winter roads that the cost of constructing and maintaining a winter road, although it's for only a number of months a year, is fairly similar to the costs of maintaining an all-weather road if it were going to the same location. The costs are not that different. Then when you add that on to the cost of the original construction of an all-weather road then that's when you run into some problems. So it's not as if the dollars going into winter roads could automatically be switched to all-weather roads at a considerable saving to the people of Manitoba.

However, there's no disagreement with the member that someday there'll be an all-weather road or better means of transportation into the remote areas. But the cost of construction I think as the member is well aware, and if he's not his colleagues who have been involved in construction can tell him, it's very expensive in some areas of northern Manitoba.

The cost of an all-weather road, I suppose - the only thing that's more expensive than that cost is the cost of a monorail. But the all-weather road system is very expensive. So what we've been attempting to do in the last few years is we altered some of the winter road routes, and the member may recall some of the history that what happened in terms of winter transportation or winter road transportation in the north, is that basically someone started taking a bombardier or a cat over some sort of trail that might have existed as a moose trail or something else to transport fish and then gradually they upgraded it a little bit as they started to haul other goods over that road by tractor train, and when they go into truck routes we initially started to use those same routes that were tractor train routes or trails basically. So there's been some upgrading of those trails so that they could be used for truck winter roads.

And as we've upgraded them we've attempted, where the cost was not that different, to go by the higher land routes for winter roads as opposed to the swamp routes. The advantage of doing that is that you can get the road in sooner if you're on the high land route. The other advantage is that if and when you have the dollars available to go with an all-weather road route that the winter road routes that have been re-designed are usually located on the exact same location where at some time in the future an all-weather road route might go. So this is the type of thing that the member is asking about is the type of thing that's in progress right now.

The member also talked about the fish transportation, which is probably in the wrong meeting room right now because the Renewable Resources Estimates are taking place in the other meeting room. But there is I believe, if the member would look at it, some difference in terms of federal-provincial responsibility as it relates to agriculture and inland and coast fisheries. That is, it's clearly spelled out that the inland fisheries are a responsibility of the Federal Government. It is possible for the province to involve itself in agricultural programs as long as it doesn't contravene any programs of the Federal Government. But the fisheries responsibility is held by the Federal Government, although they've delegated that responsibility, by an agreement with the provinces, to the provinces. So right now the province will say, we recommend

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(MR. McBRYDE cont'd) these following regulations for this year's fisheries, and the Federal Government is still the one that implements those recommendations of the province. So legally the responsibility is still in their hands.

And I think that in light of the experience that we've had with the Federal Government in recent times and the inability of them to be able to keep to commitments that they've already made that, I suppose, that I for one anyway am becoming a little less enthusiastic about the relationship, or about assuming responsibilities that are theirs. When we talk about economic development and we talk about the role of the Department of Northern Affairs we also have to talk about the role of the Federal Government in terms of Treaty Indians in Manitoba. And that is another responsibility that is clearly outlined in the British North America Act in federal legislation, that that responsibility falls with them.

The kind of figures and statistics that I was presenting to the House the other day, a good part, or the worst part of those statistics that paint the poorest picture relate to Indian Reserves. And the Province of Manitoba has been involving itself in some programs that relate to Treaty Indians, but we have not wanted to get involved in programs that have, by law, by treaty, by the British North America Act, and by precedence been paid for by the Federal Government, and we have run into a number of problems as the Federal Government backs off of responsibilities that they have been carrying for many years. Our position is, yes we are willing to put some more funds directed towards economic development on reserves if you live up to all your responsibilities, the Federal Government, if you live up to your responsibilities in those other fields, and especially health and welfare, which is a Federal Government responsibility. But if they withdraw a couple of millions of dollars from a program they're presently involved in in the area of health or in the area of social assistance, then that's a couple of million dollars the province has to find somewhere. We would much prefer to be able to put that extra assistance into the area of economic development.

As I mentioned in my opening remarks I suppose the Federal Government is one of the most glaring examples that when there is a cutback they cannot cut back on welfare payments, so they cut back on developmental programs and their welfare payments continue to increase. It's an unfortunate process. But I suppose initially it's going to cost you some more dollars in developmental programs so you can lower the welfare dollars cost. But when they have to cut so much from next year's budget, then they cut all the developmental programs and are still stuck with the high welfare costs. That's the kind of problem that they are facing and that's the kind of problem we are facing.

We are attempting in areas in northern Manitoba where we want to encourage the economic development of the communities to work closely with the Federal Government to bring this about, because many of the communities are split almost in half, that is, half the people will be treaty, half the people will be non-treaty. And there are many programs and many projects that should be happening in that community, and they pretty well have to happen on all overall community basis, they can't just because of legal responsibility it's very hard to divide the community down the middle and not have a program that applies equally to the whole community.

The member mentioned some concern about the role of the government in economic development and the kind of problem that we're up against is that historically and traditionally economic development does not seem to have involved the native people, Metis people, even when it takes place right in their own vicinity. That is, the economic development might take place, outsiders come in and receive a fairly high wage in that industry, but the local people are still in the same situation that they were before. And I understand that's not unique to native communities but has happened in many areas around the world where there is a situation of poverty, of lack of development, and often when a new development comes in it by-passes the local people that are there, and that's happened not only in Canada but in other countries of the world.

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(MR. McBRYDE cont'd)

So just to have economic development doesn't necessarily solve the problem that we're faced with. The same as I said the other day, just to put in a new road or a new telephone service, or those kind of services that as representatives we all ask for improvements in our area, doesn't necessarily get at the core problem either. You have communities in southern Manitoba that have those kind of facilities that are just as poorly off as some of the communities in northern Manitoba where they don't have those services.

So unless those services come about in such a way, or unless the development comes about in such a way, that the local people can take advantage of that development, then we've maybe improved services but we haven't solved the real problem that's in existence. And that's why in my mind, what I tried to present to the member was that we have to take up action on all fronts.

Yes, there still has to be lots of private industry. There's still going to have to be outside private industry in the north, and when that's there hopefully we can assist them and they will assist us to employ as many of the local people as possible in that particular project.

Then if there's going to be local economic development, some of that will be done by private individuals within that community, some of that will be done through a co-operative mechanism, some of that will be done just by the Band Council itself. The member mentioned, what if an individual wants to start a store. Why should the government start a store? Well, Mr. Chairman, I don't want to start a store but if that community feel that it could operate a store better on its own behalf than the Hudson Bay Company could operate a store, then I'd be willing to give that community some assistance to set up its own enterprise.

And this has happened and the Federal Government has done that, for example, they're giving assistance to Gardenhill to establish its own store, and they have a fairly good business going there. As a matter of fact when the sugar prices went up high they had one of the lowest sugar prices because they made a mistake in their order the year before and had a surplus of sugar supply in there. So there are a number of communities that have started that kind of project. In some cases it has worked, that is the Band Council has been able to run the venture effectively or efficiently, have been able to provide the service and not lose any money in so doing. In other cases they haven't been able to do that, and in one specific reserve in my own constituency where we're not involved as a department but I'm familiar with the situation, they have in fact, the band has made the decision to turn back the store to private people in the reserve and sell the store out to private individuals but ones who reside and are part of that community as opposed to bringing in outside people to do that. So we have to move on every possible front and, as I said the other day, I don't have any hangup of which front we move on as long as it works. An economic development activity that was strictly government, as the member said, and run from the City of Winnipeg by someone doesn't have any more chance of success than the one run by a private individual from the City of Winnipeg in terms of overcoming the problems faced by that particular community. So whichever is going to work in that particular area. But I must think we must have, when we come to economic development, have a number of options open to the community because each community is at a different stage of development.

Community A: They might be able to form a co-operative and work it very well. Community B: The community might be seriously split, they might not get along together and sometimes they need some other form or some other structure to allow them to cause development in their area. All I'm saying is, let's keep as many options open as possible and whichever one is going to work in that particular circumstance, let's use that.

There's been some discussion of the mining industry. The mining industry is not the saviour of Northern Manitoba or the saviour of the people of Northern Manitoba or the people of Manitoba in general. I mean, the operation is there because there's

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(MR. McBRYDE cont'd) ore there, the purpose of the operation is to make money for the company that runs it. Those companies are not Canadian companies but they are multi national companies and, you know, they would like to make a profit and that's their purpose. So all we can do in relating to those companies in terms of the problem we're working about, I suppose (1) we can make sure that the people of Manitoba get a maximum return from that resource that is in Manitoba; and (2) that we try and encourage the company to use as many local people as possible.

The Leader of the Opposition stood up and said; Well, native people, we thought pulp would be better because native people are more suited to cutting pulp than they are to working in the mine. Mr. Chairman, I don't know that to be the case, some people work in mines, some people don't work in mines; some people cut timber and some don't. I think the individual interests and abilities in the native community are the same as any other community. What might be different is the knowledge of the number of various kinds of experience available so that a person might not realize that an option is open for him or he might not have any experience in dealing with that. When we go into remote communities now, many of the communities talk about a sawmill development because most of them have seen that before and they know that there has been a sawmill somewhere in their region some time in the past, so they know that's a possibility. And as we investigate the feasibility of that kind of project it looks like they're correct, that there are a number of very feasible small scale pulpwood cutting, fence post cutting sawmill operations that are possible in northern Manitoba. But the method that's used to bring about the development, I don't think it's worth arguing whether A is better than B because in some communities A will be better and in some B will be better.

And I use the example, much to my First Minister's undelight, when I say that Manitoba Hydro is no better employer of northern residents than Inco, and certainly in the past, they've been a worse employer than Inco has been. They are learning a little bit more to hire local people and maybe now they're a little bit better. But there's no - just the management mechanism doesn't determine how that company is going to operate within its particular field of operation.

The other main point that the Member for St. James was attempting to make was the whole area of what is consultation and what does it mean to involve people in the decision making that affects their area. I don't know, to me it's a very basic - I mean if you have a small community of 100 people to 1,000 or 2,000 people, that if they are not involved in what takes place in their community, then its chance of working are not very good. If somebody imposes a program of any type in that particular community it probably won't work. And I propose that's basic human nature, that if we are involved in a decision we are more likely to support that decision and make sure it works than if we're not involved in that decision. And in a remote community - the members have had experience in the City of Winnipeg - the City of Winnipeg to me it's very hard to make sort of participation work, to get a large number of citizens involved, just because of its sheer size; but in a remote community it's an easier process and it's a process that's working fairly well, although with the lack of municipal experience, certain problems are caused.

In the City of Winnipeg, if a certain group obtains the majority, I don't know, it seems very difficult for them to punish the group that lost out in the election. They might be able to give more assistance to people who helped them out, but it's quite difficult for them to punish those who were the opposition so to speak.

In a small community we've seen some circumstances where because of the, I suppose the newness of the political process, they don't understand fully that the democratic process is not only the rule by the majority but you have to respect the rights of the minority, and we've seen a few cases, especially on a couple of reserves I'm aware of, where the elected Band Council has used all their power very viciously to punish the group that was sort of the opposition group that ran for council. This is an unfortunate situation that I suppose mars the implementation of local democratic decision-making but I guess it's all part of the learning process; that is, people will learn how to do it as time progresses and that one of our roles, I suppose, where there's been a non Treaty

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(MR. McBRYDE cont'd) community is to assist them to learn that particular process.

So one of the basic principles that I operate on, is that a decision that's going to be involving that local community, basically that local community has to make it. If it looks like it's feasible that there be a relocation project to another area in community A, then community leaders and people in the community are involved in that discussion, are involved in helping set up that particular project. Hopefully they want to make it work and they therefore send some of their best people out where the people will make the program work.

Or if it appears very feasible that a sawmill be set up in a community, if we say, oh, there should be a sawmill there and go put one there, the chances of it working are very slight. If we say to the community, here is a feasibility, it looks like a feasible thing and then they decide, yes, that's the kind of thing that could work in this community and we have the people here to make it go and they have some say in it - then the chances of it working are much better. And that's the area of consultation that I am committed to, that an imposed project is most likely to fail. That doesn't mean you put \$1,000 in an envelope and send it to Community A and say, do whatever economic development you want, because there is outside advice and expertise and assistance that's necessary. But the local people have to be involved in making that particular decision.

In the area of broad government policy, that's when it becomes a little bit more of a grey area in my mind, it's not always clear. Let's say the government is proposing to change its purchasing policy somewhat to assist some of these small businesses and also to assist northern business in general to take advantage of purchasing. Well, I'm not sure how meaningful it is to go to Shamattawa and talk about changing the purchasing policy. Some of those decisions I think are made by the government in exercising its responsibility, and it can be explained to the communities how that kind of decision is going to affect their community or projects they have taking place in their community.

The other problem that we run up against when we talk about consultation, is the situation you run into with the native organizations or the Association of Community Councils, because it's the tendency or the nature of any organization to build itself, to increase itself, to build up its own bureaucracy. So some times when some native people are talking about participation they are talking about "give more to the organization". The organization would like to stand betwixt any government program and the people at the community level. So that's another kind of problem we run into when we talk about involvement and participation.

The other thing we run into, I suppose, are some sort of very real and practical time limitations. I mean it takes more time to consult with people and implement something and work with them than if somebody outside makes a decision. I don't know if any members were familiar with the operation of the Northern Affairs Commission in its municipal responsibility in the past, I mean as basically what took place - decisions were made outside the community and a dock was built on a decision of somebody who was not part of that community. As a result it just didn't work very well.

I am committed to involve the community in those decisions that relate to the community, I am quite prepared to consult with them on the broader policy discussions and policy decisions as well as with the native organizations and the native people in northern Manitoba and any others that are interested, but it can't be to the extent in broad policy terms that there's a veto power by somebody. The government has that responsibility, it has members elected to exercise that responsibility and we cannot put a veto power over that type of responsibility. Although I would be willing to put a veto power in if a decision was that community's project or that community's program, and if that community doesn't wish to have that program or that project then certainly there would be a veto power. But in terms of broad policy of government, we can't get ourselves into that type of situation.

So basically, Mr. Chairman, as I understand it and I may be wrong, but what I've heard in this House lately and what I've seen in the press on Conservative Party

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(MR. McBRYDE cont'd) meetings in northern Manitoba, that basically they are saying there is not a strong disagreement with the policy of program direction that is being taken, at least by the Department of Northern Affairs. And basically the only thing they're saying is, well we would continue moving in that direction, trying to do the same kind of thing, but we would do it better. Mr. Chairman, I don't know if that would ever be the case. But I suppose the real hooker comes in is that people don't quite believe that. Because they saw in the past that there was less program opportunity, that there were less things happening in remote communities in northern Manitoba, and they've also heard the new Leader of the Conservative Party saying that how he's going to cut this expenditure and that expenditure. And when you cut expenditures, as I said before, the first ones to go are the developmental ones because some of the others - you can't eliminate welfare, there's federal legislation, if somebody's in need you got to pay them that money. So what happens? You leave in the core programs that exist and you cut out the developmental programs, the programs that are going to change the situation. I think that if members opposite understand that situation then they wouldn't be so quick to jump up and say that yes, we just have to purely eliminate spending. And I don't think my goal or our goal is that different from theirs. You know, I would like to eliminate the unproductive spending and that's what I was trying to talk about introducing my Estimates, and that's what I've been trying to talk about for the last couple of years to people not only in southern Manitoba but in northern Manitoba as well. If we involve ourselves in certain types of developmental spending, if we involve ourselves in assisting people to make decisions for themselves, if we involve people in economic development that they're going to take advantage of, then we are lessening the cost of other non productive programs, we are lessening welfare costs.

Churchill is probably the very best example. We have a housing plant at Churchill. It certainly has had its administrative problems, it certainly has had management problems, but the effect on that community and the people there has been very significant. The change in the welfare costs has been very significant, the change in the number of court cases has been very significant. If members go to Churchill you know, and if you talk to your own party supporters in the community of Churchill, you won't find any that says, do away with that operation. You'll find people saying the same as you are saying, maybe it could be done better, but you won't find people saying do away with it, because the value of that operation to Churchill is quite considerable. Because as those individuals who are part of that project, and the staff is about 65, and one of the problems has been the rapid changeover from outside trades people to local trades people which has caused one of the problems, but the effect on the individuals and the community has been very significant.

So what I'm saying is that if, as part of that overall approach, as part of that overall strategy, if an economic development project is not break-even in economic terms, but the cost of a subsidy or support of that particular development is less than the cost of welfare to those people, then it's worthwhile. That's what is called technically the social cost benefit analysis. If welfare is reduced and income tax is increased then the people in general of Manitoba and Canada are better off to have the project than not to have the project. So what we need to be able to do, I think, is to show clearly when a project starts - and this is a project I'm talking about, community initiated, in which the community is involved in, that we have a good idea of the costs involved so that we know if there's going to be a subsidy exactly what it is and whether it is less or greater than the amount of welfare that would have to go into that community if that project didn't take place. In the long run the taxpayer of Manitoba will benefit from that type of approach. That's the message I'm trying to get across and I hope the honourable members would understand that and be of some assistance, in helping to get that message across.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Chairman, I listened with great interest to the Minister's statement, and I'm sort of happy in one sense that he concluded the way he did because I'd like to be of some benefit to him. What I'd like to do is take the Department of Northern Affairs and strip it and go through it with him and see whether we could find

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(MR. SPIVAK cont'd) substantial savings within the department. And if we can, then maybe we can pass it on to the very people we are concerned about.

You know, it's good and well for the Minister to try and give a simplistic solution to the problems up north and express them in simplistic terms, and no one is going to quarrel with overall objectives. But the difficulty is, one has to look at results and one has to examine when we talk about a cost benefit relation to the programs, what the total cost really is. Because you see, when you talk about the Churchill Prefab Plant, no one is quarreling with it, but we have a right to quarrel with the bad administration by the government in the way it was handled. Because that cost the taxpayer \$2,327,000 - that has had to be taken out from our general tax revenues and paid to the plant for a number of reasons, part of which were startup costs, but in the main the failure was that the product being produced was sold to the Provincial Government under-priced. So in effect Manitoba Housing and Renewal were in fact paying for a product tendered by the Churchill Prefab Plant substantially less than they would have from private contractors by approximately 17 or \$20,000 a unit. So what really has happened, is that the cost has had to be borne for the employment involved from the taxpayers of the province, when in fact it should have come from the agency of government who is funded by federal funds for the program. Now that's one example.

The other thing is that when you talk in terms of total costs, you have to talk about the Department of Co-ops, and the loss there of a \$1,300,000; you have to talk about the Communities Economic Development Fund and the loss there of \$850,000; you have to start totalling all these costs in relation to what's happening and then question whether these losses were necessary. If there had been proper administration, proper management and proper guidance of these programs - and one of the quarrels with the Minister and with the government is their failure of administration in the north, the looseness in which they approached the management of the responsibilities they undertook. No one quarrels with objectives, no one quarrels with the attempt to try and improve the conditions of the people in the north.

Now I'm going to go through this bit of trying to analyze the department. In one sense we're frustrated because of the fact that we can only deal with the Public Accounts of the year ending in March 1975. At that time the Department of Northern Affairs' budget was \$14 million and it included the Air Service Division, but I'd like to go through it and give you some indication, Mr. Chairman, of what the money was spent for, of the \$14 million to benefit the people up north. \$5,100,000 was spent on Salary and Wages, \$1,590,000 was spent on wages and other assistance, or other professional fees. Professional fees were \$302,000. So in a sense we're talking about approximately \$7 million being spent on wages and salaries and fees. Real estate rentals were \$59,000; furniture was \$52,000; printing and stationery was \$296,000; postage, telegraphs was \$267,000; building maintenance was \$256,000; for rentals of \$59,000, and that I guess includes as well the maintenance of the buildings owned by government as well; gasoline was \$41,000; fuel \$26,000; utilities \$17,000; equipment - and this equipment would include the Government Air Service, but one of the startling things in this public account summary is the amount of equipment for each program and the amount spent on the equipment - was \$1,461,000 in equipment; in automobiles \$216,000; in advertising \$32,000; publications \$15,000; freight and express and cartage \$115,000, travelling - Department of Northern Affairs, \$638,000. Now that's for a 14 million dollar program, and we're now talking about the breakdown of the Minister's department two years ago. Now it's true, some matters have been referred to the Department of Renewable Resources, and other matters have been included, and the Canada-Manitoba Northlands Agreement has come in with its \$21 million of shared cost expense, some of which are charged in this program. Education systems \$110,000; subsidies \$138,000; transportation \$68,000; fees \$54,000; grants - grants which of course are a part of the costs that the Minister referred to in the sense of the things that help the communities - \$2,600,000; clothing \$12,000; medical services \$4,000. Now if you add these up, and there are a few other items that I didn't refer to but they're very nominal by comparison, they will total your \$14 million.

Now the question at this point in discussing the department and discussing the

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(MR. SPIVAK cont'd) department's activities, is whether all of this money would have to be spent this way. The Honourable Minister of Mines and Natural Resources is here, his argument on everything is that we will say one thing and you will say the other thing, that's our position and that's it. It's very hard for anyone to give any credibility to the sincerity expressed by the Minister with respect to his department, to analyze these figures and to suggest these figures and the costs involved could not have been altered, that savings could not be made; that they're not riddled in the same way as the Department of Co-operative Development was, the Communities Economic Development Fund was, the Churchill Prefab Factory was as well, riddled with the same kind of mismanagement. One of the problems with the people up north, and the Minister knows this, in their attitude towards the department is that there is a sense that there's a lot of scurrying around, a lot of money being spent a lot of different ways with a lot of people over there, but that there is both duplication, the lack of co-ordination, and the failure to come to grips in understanding that all of this activity has had in some cases minimal results and that there has to be a much more hard nosed attitude taken to be able to accomplish the result that the Minister's talked about, because the people up north are aware of that.

Now I sense something very different in the north than I think has been expressed in this House, and I'm glad the Minister of Mines and Resources, Natural Resources is here because I believe that this is going to be worthy of some debate. I sense a different change in the north, and a lament, and the lament is a very serious one. We deal with the organized communities and the unorganized communities, and in the main the Minister has spent his time in the consideration of the problems of the unorganized communities, and that's fair ball, I mean that's something that we have to deal with and I want to deal with that. But I want to talk in terms of the total north and I want to talk in terms of the organized communities.

There is a growing restlessness and fear as to what the future will hold for the people of the north, and that's come about as a result of the helter-skelter actions of the Department of Northern Affairs and other government agencies and the fear of what will happen in the resource field as a result of government policies. Now whether that's right or whether that's wrong is not the issue at this point. The concern that I'm trying to express is what I consider is a lament in the north at this time. The air is uncertainty, there is not the secondary industry developing in the north that many would like to give some permanency and stability to the communities. There are mining communities in which the residents have been there for a number of years and have very severe concerns and fears about what the future will be and about what their life will be, and about what their investment will be, their investment in their homes and in their communities. The problem at this point is that the government in its resource program has been completely insensitive to this reality and has gone on with its program, and conducted its program with Northern Affairs without recognizing that this sense of apprehension is developing, is firming up, and is becoming much stronger than it ever was. And it's not something that's fostered by the politicians, it exists simply because of the inability for anyone to be sure what the future will hold.

The government has not been successful in its mineral exploration program and, you know, there's nothing suggested that it necessarily would be. But the private sector investment has not taken place and is being pulled back, and along with that is the growing apprehension that in fact many are going to be forgotten about, and while the department concerns itself with the remote communities, and rightfully so, and while the people run around trying to do some of the things that have to be done, many feel that they are overlooked and their particular problems are not being considered. There have been attempts on the part of many who are, whatever their political convictions, who are truly people concerned about the north, who have tried to convey this to the government, to the members opposite, who felt that they received very little consideration to that point of view, because of the general feeling that when this is mentioned it appears to be an attack on government policy and therefore it's rejected as such, because it is an attack on government policy. I suggest to the Honourable Minister that nothing that has happened in

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(MR. SPIVAK cont'd) the manner in which the department has been conducted in this past period of time, and certainly nothing in the approach that he's taking, he's going to take away from this. Now he can dismiss this if he wants to and suggest, well what we're really only talking about is political reactions of certain people, but I suggest to you it's far more fundamental than that.

There are certain complaints of the north. It has to do with the cost of their living, both in the organized and the remote communities, and those costs and those complaints are probably things that would plague any government and plague every government who has to deal with the north in any province in Canada, whether it be in Quebec or in Ontario or what have you, because obviously costs are going to be higher. But the whole problem of transportation is basic to the component of the cost of living that has raised all the basic goods that the north has to pay for, and the problem is, that with respect to transportation at this point - and I'm not talking about winter roads, I'm talking in terms of the total network in the north - that with respect to transportation, and with respect to understanding the problem as it relates to the people, the government appears at this point to lack the initiative and the will and the desire to do things that are required.

I mentioned to the Minister about the Hickling-Johnson Report, and I would suggest, Mr. Chairman, that the answer given to me was a rather abrupt one and one that was unworthy of the Minister. That's my own comment. But that report was prepared as I understand it as part of the Northlands Agreement with the Federal and the Provincial Government participating, for about \$250,000 - the Minister can correct me if I'm right or wrong on that - the problem with the Hickling-Johnson Report is, not the problem, but the report, I use the report as an example for one specific reason --(Interjection)-- Well maybe I should wait until the caucus is over, Mr. Chairman. It's very important because the Minister talks about the remote communities, and talks about the fact that what is really required is the ability to be able to have consultation, the ability to be able to have the decision making come from within, the ability for them to be able to try and plan their own priorities and to be able to assist them. Now agreed, they do not have the sophistication of the organized communities, but with respect to transportation, transportation is basic. It would seem to me that the same kind of co-operative relationship that he wants with the remote communities he should have with the organized communities and with the north, and a fundamental study of transportation which is so basic to the future development of the north which will have the data and the information for consideration and analysis and maybe for some criticism. Because I have not seen the report and I don't know that. But that information should be furnished to the north as well, and that information should be in the hands of all the people who are concerned about working towards the solution that will in fact give them opportunity and assist them in trying to overcome, not just the immediate costs involved in the cost of living, but to assist them in planning and strategizing to be able to overcome the apprehension that things are not going to be well in the years to come.

You know, there was a question raised today about the Polar Gas. I hope for Manitoba's sake that the Polar Gas Pipeline will come through Manitoba. I think that will be a great boon for the Province of Manitoba - I think it's been expressed before and I don't think it has to be said again. I must suggest here that there may be objections to it, but I think in terms of its economic . . . --(Interjection)-- Well, there will be a task force, the Minister of Mines and Natural Resources will appear, and he can be the devil's advocate again, or the devil again, either way. --(Interjection)-- Both, if you have to be. But the fact is that the pipeline may come through, and I certainly wouldn't be sitting on my hands if I was on the other side waiting for it to come through, and that's my fear as far as the government on the other side is concerned. Because I think it's important to Manitoba to be down there, and I think it's important to be pressing every moment of the day to try and get it through. But if it doesn't come through and the amount of money in the proposals that are advanced do not take place - and the things that will happen that will be necessary for that pipeline, like the additional roads that will have to be built to be able to service the pipeline which will in fact roll back the north and open up part of the areas that are not serviced now - if that doesn't happen, then the kinds of serious

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(MR. SPIVAK cont'd) problems that I'm talking about are not going to be overcome by the approach that is being taken now by the government. Because in effect, I suggest to you, and through you, Mr. Chairman, to the Minister, that the kind of consultation that you're talking about has not taken place with the organized communities; that the kind of consultation is not taking place now; that the kind of referral and reference back to the people involved about the solutions to their problems and about the kind of technique, is not taking place; that in effect what really is happening with the Federal Government through all the various studies, now in the Canada Manitoba Northlands Agreement, you're going to arrive at decisions and then you're going to tell the people up north what will happen, and in the course of doing that you're going to do the things that will be important from the point of view of your priorities and your priorities will not necessarily mean the priorities of northern Manitoba. And in the course of doing that, much of the research that is being done now will be of little value because it will not be acted on, and by the time another Minister or another administration looks at it, they're going to have to review what has already taken place and they'll have to start another study. Because really, that's already happened. I've got the Morrow Commission Report in front of me, that was a major report on northern transportation. That report was never even acted on on the part of the government, in fact it was ignored. That report I believe cost \$400,000. Now you've updated one with the Hickling Johnson Report. --(Interjection)-- Yes, that was published. Yes, the people of Manitoba paid for that. That was published. There was a blueprint of action as far as the north was concerned, and the report was in fact I guess tabled by the members opposite. I think it was tabled during the first session. --(Interjection)-- Yes, the Member for Thompson during the first session. But the fact is, it wasn't acted on. The fact is, it was ignored. And the fact is that there are many things that should have been done that would have been very helpful I think, in the development of the north.

So, I come back to something fairly basic. We have here a 70 million dollar Estimate, and we'll be telling you about it in more specific terms. One asks the question at this point whether all the costs of Northern Affairs have to be borne, whether all the money has to be spent for the result that the Minister is trying to achieve. He talks about the Northern Association Communities Council creating their own bureaucracy, and I think that's probably true of any group, in effect will want more money from the government to be able to prepare more studies so they can get more money from the government to be able to get that more programs. That's true. But the fact is, that with respect to your own department, when you say travelling is \$633,000, that's a lot of money. Because the people who are working in the north should be in the north. You know, any time you want to, any time you want to, Mr. Chairman, and we're only talking about those who are . . . you can see the civil servants, they're going up north, and we're only talking about those who are charged with Department of Northern Affairs, and all one has to do is be on a TransAir plane and count them at any time, any morning. --(Interjection)-- Yes, there's certain times you can't get reservations, we know that.

Now the fact, the problem at this point is the amount of benefit with respect to these programs, that are being more or less supervised and conducted, many charges for the programs are not within the Department of Northern Affairs, they're in the other programs. If the Minister is suggesting that we require salaries of \$7 million, and transportation costs and rentals of about another million, and equipment of another half a million, to give grants away of \$2.5 million, that's pretty expensive. Because that's really what your program shows. Your grants to the community and the grants are \$2.5 million and the expenses related are about eight or nine or ten. That's pretty high.

Now it would seem to me that if something is to be accomplished in the discussion of these Estimates it can be done if the Minister is prepared to do the following things: (1) To at this point give us a complete summary of the results so far of the Canada-Manitoba Northlands Agreement; the money that's been spent, the studies that are completed, the action that's been taken, and the action that is contemplated. Further, the Minister I think should give in discussing the various departmental sections of his Estimates, should give us a breakdown of the work and effort to be undertaken by the members

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(MR. SPIVAK cont'd) of each section. As an example, and I say this only because I don't want to go into the next item but I think it's only as an example. If we're dealing in policy and planning where we're going to have appropriation of \$305,000, I think we should have from him an indication of the number of people involved, and what they're going to do.

What I'm simply saying to you at this point, is that I think it's necessary in the course of going through these Estimates for the Minister to tell us what these people are going to do, so we have some idea of how we can relate a cost benefit result to what's happening in the north. Now I think this is essential and necessary and although many other departments should be doing the same thing, the probability is they won't, I think for Northern Affairs it will because, although I was absent, reference was made to it already by the Member for St. James, there is no question that for many people in the north they believe that all the Department of Northern Affairs has done is create jobs for people who are working in the Department of Northern Affairs and that's caused some employment. But that's the only result of what's happening. The Minister might as well be aware of that. There's no point in not saying something that is mentioned over and over again when you're in the north. So I think what we should do is essentially understand those programs.

But I want to further understand clearly how the target, the objective to be achieved in any particular undertaking within the department further and consistent to the kind of overall objective that he's talked about, will in fact be accomplished. And if the Minister is in a position in the course of going through these Estimates to do that, and he's in a position to explain that, and we then can have some summary of it, then I think, Mr. Chairman, that the Minister can be congratulated and the Estimates can be approved without many questions. But I think there's an obligation here and the obligation I think is important. Because it would seem to me that if in fact you're targeting to achieve certain objectives with respect to the remote communities, and you're trying to do the things that we have talked about, let's see if you can actually prove that you're doing it in relation to the actual expenses that you're asking us to approve. Now unfortunately, Mr. Chairman, this is one of the problems that we have. Our public accounts are always a year behind. The Estimates of the previous year we have before us and we now have the projections of the year before. As is common in any sleight of hand that every Finance Minister uses in presenting Estimates in this House and other Houses, what really happens is that matters are taken out of one department and transferred over to another, new departments are created, and as a result in the confusion one can basically mask a great deal that's happened. Part of this isn't by design but part of it is also by design. And it's a very difficult thing to be able to relate, costs.

But having said what I've said, and being in a position to try and indicate the best we can in the Public Accounts, it would be interesting to see whether the Minister is in a position by the time we meet again to indicate in the basis of the \$70 million that he has, how much of that will be for salaries, how much of that will be for travel, how much of that will be for equipment, how much of that will be for wages and other assistance, how much of that will be for professional fees, how much of that will be for automobiles, how much of that will be for postage and telephone and telegraph, and how much of that will be for building maintenance and supplies, and how much of that will be for grants? And then if we have some totals in this, as we go through this, and he has that information available in his own book, if we have that information, then I think we can then make an assessment of the worthwhileness of the total program that he's talking about.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, when the honourable member started speaking he indicated that the Minister had proposed some simplistic solutions and if that's his belief then he certainly didn't understand what I was trying to say, because we have some very difficult problems and difficult problems require fairly difficult solutions.

But the honourable member then went on to develop a simplistic approach to dealing with the situation of how to look at the Estimates of the Department of Northern Affairs. Basically he was saying, well, how many dollars in the Department of Northern

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(MR. McBRYDE cont'd) . . . Affairs reach individuals in the community? And I suppose, and I have to ask him when he had at one time the responsibility of being Minister of Industry and Commerce, if he applied the same criteria to that particular department. What results would he get? He would get the fact that there were a number of staff people who delivered a specific service, and a service that he must have felt was a worthwhile service to be delivered, but that still appeared as salary, that appeared to salary and wages, as transportation, as other administrative costs. And a program to be delivered, we cannot judge that program by saying, well \$14 million, \$2 in grants, therefore that's all the department did was \$2 million. That would be, Mr. Chairman, a very simplistic approach.

The other point that I have to make to the honourable member who spoke, that we are dealing with the Estimates of the Department of Northern Affairs. The Estimates of the Department of Northern Affairs deal with those functions that Northern Affairs is responsible for delivering in northern Manitoba, and I welcome the opportunity with him to talk about everything in northern Manitoba. I don't know if he's advocating that there be a department that deal with all aspects of every aspect of government programming in northern Manitoba; certainly we have rejected that as an approach that we would take in the Province of Manitoba.

So I would welcome the chance to talk to him about the ideas and feelings of the people in Thompson or The Pas, or any other urban centre in Northern Manitoba, but the reason I restricted myself to remote communities is that the main responsibility of this department relates to the remote communities. But as a northern representative, I mean, I am fully aware of what people in Thompson and what people at Thompson are thinking. I have an individual understanding of that, as do all my colleagues from northern Manitoba, you know, probably considerably better understanding than the member who just spoke. The reason that I didn't mention those is not because I'm not interested in that but because they don't relate specifically to the Estimates of the Department of Northern Affairs. But I can tell, I can list for the member of each urban centre the kind of things they are asking for, which road they want improved, where they want the next new road to go, when they want second channel television service, or whether or not they want second channel television service, if they want the road paved or not paved, etc., etc.

And there is, I suppose, Mr. Chairman, anywhere in the country or in the province where the base of the economy is a primary resource industry, there is always a concern, and there is always a concern when the particular company that runs that primary resource industry is not located in that particular region. If it's a multi national corporation and they start losing money at Thompson, then why not switch to Indonesia where they're still making money. And that's always going to be a concern.

And I suppose one of the very small ways, if not this department but government generally has attempted to assist, and I assume that the honourable members were around when communities have closed down, communities like Bissett, or for a different reason a community like Bird where the American Army moved out. There is definitely some feeling of insecurity in those kind of communities. There is some feeling of insecurity in many rural communities in our province. I suppose if you want to get away from the insecurity you have to go to a centre as large as Winnipeg where if one aspect of the economy fails, you have others that are able to assist. --(Interjection)-- or Sherridon, Mr. Chairman, would be another example.

MR. CHAIRMAN: Order please. The hour of Private Members' Hour having arrived, I'm interrupting the proceedings of the committee pursuant to Rule 19(2) for Private Members' Hour.

SUPPLY - RENEWABLE RESOURCES AND TRANSPORTATION SERVICES

MR. CHAIRMAN: There being a quorum the committee will come to order. The Honourable Leader of the Opposition.

MR. CRAIK: Before we proceed. We're having some difficulty with Northern Affairs and Renewable Resources being on at the same time, so we had discussions in the Chamber here with the House Leader and the House Leader of the Opposition and the procedure we thought we'd best follow is, we hear the Minister's statement today and if at the end of it we're having difficulty with a quorum here and we're having trouble getting the opposition people from Northern Affairs into here, that we'll maybe hold it over then until another day. But we'd start out, hear the Minister's statement, and we'll very likely stop it at that point.

MR. CHAIRMAN: Do I have the agreement of the committee?

MR. CRAIK: Yes, well the arrangement in the House, Mr. Chairman, just to make it clear, the arrangement for running the out of House committee in here was that it would be proposed by the Opposition and approved by the government which committee would come to here. Somewhere our signals got a little mixed up and in fact we're in here; it was started in here without our knowledge but we're quite willing to go ahead with the Minister's statement, hear it, and then we'll come back if we're having trouble with the . . .

MR. CHAIRMAN: That's fine. I would refer honourable members to Page 50 in their Estimate Books. Department of Renewable Resources and Transportation Services. Resolution 106(a)(1) The Honourable Minister.

HON. HARVEY BOSTROM (Minister of Renewable Resources)(Rupertsland): Well, Mr. Chairman, if I'd have known these arrangements I would have prepared a longer statement. I had only intended to make a very brief opening statement and get right into the meat of the Estimates. If the quorum of opposition members stays as large as it is right now I would expect that we could continue after my statement.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Chairman, let's go for an hour anyway and see how it's going. I just put in that caveat; if we're having difficulty we may have to stop it. Let's go as long as . . .

MR. CHAIRMAN: The committee must recess for Private Members' at 4:30 in any case. The Honourable Minister.

MR. BOSTROM: Mr. Chairman, as an opening statement to the Estimates of Renewable Resources and Transportation Services for the fiscal year 1976-77 I wish to outline briefly the policy of the government with respect to the management and development of renewable resources of our province. This government is committed to improving the quality of the human condition for all the people of Manitoba.

The task of the Department of Renewable Resources in carrying forward this policy is to see that the provincial resources of Crown lands, forests, fish and wildlife are managed so as to provide the greatest good for the greatest number of people over the longest period of time. This department has a responsibility therefore to direct its efforts to being active in locating and developing resources for the economic benefit to people in resource based communities.

Furthermore we must direct our efforts to identifying those people who have not derived benefit from the use of renewable resources and attempt to relate the resource base to them. In short, the policy of this department must be to promote increased resource economic development through a greater use of renewable resources, with a special emphasis on high unemployment communities located in resource rich areas in our rural and northern areas of our province.

Wherever possible local renewable resources shall be designated to adjacent rural and northern communities on a first priority basis. Wherever possible local resources must be developed to fill immediate local needs by relating local resources to local needs. Thus unnecessary costs for goods and services can be eliminated and local communities will move towards independence from outside sources of supply for those items that can be supplied locally. This will provide for maximum employment opportunity related to natural resources available to the area.

During the past eight years this government has focused its efforts on building

SUPPLY - RENEWABLE RESOURCES

(MR. BOSTROM cont'd)a strong infrastructure for indigenous communities, more and better all-weather roads, winter roads and airstrips were built, there are better emergency air services, television and telephone services have been extended to more communities, most communities now have newspaper services. There have been Man-power Development programs and increased spending for local development through established funding agencies. There is more and better housing.

Yet in spite of these efforts most of the economic and social problems in indigenous resource communities still remain. Most of the economic and social problems in these communities remain because the communities have not developed sound local integrated economies based on primary, secondary and tertiary industries. Local economies have been based on jobs, not industries. They've been based on make-work projects, not ongoing projects; they've been based on a whole range of activities by a variety of departments and agencies where everybody has done what they can on a catch-as-can basis. This is not good enough.

In order to assist communities to develop a sound integrated economy the Department of Renewable Resources will promote and support a much greater use of resources by encouraging and assisting communities to establish harvesting and manufacturing industries related to local resources. The Department of Renewable Resources is taking positive action to provide maximum opportunity for local employment in communities in order to get a maximum return from their resource base by harvesting the local resources on a sustained yield basis and by assisting communities to retain the value added portion of manufactured goods produced from natural resources.

My department is making every effort to work closely with other departments and agencies of both Provincial and Federal Government so as to build strong self sufficient integrated local economies. Every effort is being made to utilize the financial and technical resources of other departments and agencies wherever possible to supplement those of the department in assisting in the development of our natural resource base.

In all cases the principle a department follows is that the resource users be involved as much as possible in making decisions regarding resources surrounding their communities. Local communities are encouraged and assisted to take over control and ownership of all resource development projects in their area.

The department assist communities to plan and implement all community development activity related to resource development. In order to accomplish this purpose, this objective, the staff of this department is promoting, encouraging and assisting local communities in planning and implementing for successful resource harvesting projects. Since renewable resources has a wide range of skills as a department, a wide range of skills, expertise and information, these are being made available to local communities wherever they're needed.

It is significant to note that these development activities are being carried out under present staff and financial limits. A redeployment of resources and a more efficient utilization of resources within the department will make this possible. All divisions and regions of the department are presently engaging in a thorough review of skills, positions and moneys so appropriate redeployment can take place to facilitate the increased development activity.

The regional staff in particular have instructions to analyze and identify the areas and communities most in need of this development thrust to take appropriate action along the lines I've just outlined.

Traditional resource management will not be curtailed but will of necessity become an integral part of resource development. The main emphasis, however, will be on a maximum development based on a principle of sustained yield harvest of all renewable resources.

The Transportation Services section of my department has the responsibility for providing the co-ordination of air charter transportation requirements for government departments and agencies. This includes general transportation of public servants as well as acting as an agent for the provision of specialized services such as water bombers

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(MR. BOSTROM cont'd)for forest protection, helicopters for surveys and other aerial patrols. This section also administers the Patient Air Transportation Program which provides air ambulance service where required in Manitoba and where warrants are issued by medical personnel for medical evacuations. Scheduled carriers are used wherever possible in this program. However, emergency medical evacuations occasionally require air charter ambulance service. Our program has been commended for the saving of many lives in remote northern Manitoba where swift evacuation meant the difference between life and death. This section of the department is also charged with the responsibility for the installation and maintenance of radio communication systems for all government departments and agencies.

A new division has been established for the fiscal year 1976-77 in the Transportation Services section. This is called the Marine Transportation and Construction Division. This division has been charged with the responsibility for the planning and construction of resource standard roads in co-operation with resource industries, communities, and/or other departments and agencies of government. Wherever possible these roads, which primarily will serve purposes of resource extraction and utilization, will be tied in with the surface transportation requirements of adjacent communities.

This division is also working generally on the planning and experimentation with other resource development transportation possibilities. For example, in co-operation with the Forestry staff of Renewable Resources, this division will examine alternative methods of transportation of natural resource products. This is consistent with a resource development thrust of renewable resources outlined above. Keeping in mind the joint requirements of resource accessibility and the surplus transportation requirements of remote communities, this division is planning and in the process of implementation of several marine transportation connections to remote communities. The specific method we're considering is by means of a self-propelled barge which can be used for general freight and passenger vehicle transportation. We are considering the possibility of connecting at least three isolated communities by this method in the 1976-77 fiscal year. In comparison with the alternative of all-weather road connection, this is significantly less costly. Combined with a Winter Road program the self-propelled barge concept would provide virtually all-weather surface access to these communities. This program of providing access to resources and related communities is consistent with the overall resource development thrust of this department.

I might say by way of specific example, Mr. Chairman, there are a number of specific project concepts that I can refer to which relate by example some of the concepts that I related in the statement I've just read. For example, Mr. Chairman, in the area of fish management in this province we have established for purposes of good resource management and sustained yield management, and incomes management of those people that are related to the resource, we've established a system of lake quotas to maintain sustained yield harvest on the lake, a sustained yield that doesn't put the lake in jeopardy of being over-fished.

At the same time we've for example on Lake Winnipeg established a system of licensing and individual quotas which gives individual fishermen an equal opportunity at the income to be derived from utilizing that resource. At the same time, other sections of my department have been working with fishermen to help them in improving their own incomes. Some very specific ways that that has been done - I could relate specific examples such as the training that takes place by departmental officials, whether it's on site, working with fishermen, assisting them in increasing their efficiency in the production and harvesting of the natural resource. In the area of school training, we have a school at Neso which provides fishermen with very specific training, assisting them to be more skillful in resource harvesting in order that they can have greater incomes from the resource.

We had a program of assisting fishermen in keeping better records of their fishing activities so that they would know where their costs are and they could be better managers; in much the same way as the Department of Agriculture would assist the farmers in developing better management techniques on their farms, we have been doing something very

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(MR. BOSTROM cont'd) similar with fishermen.

In the area of marketing as you well know, Mr. Chairman, as members well know, this is an area that is primarily under the aegis of the Federal Government right now since the Freshwater Fish Marketing Corporation is charged with the responsibility of marketing all fish and fish products from Manitoba, as well as other participating provinces. However, we have been getting involved in a most direct way by negotiations with the Federal Minister and also by our staff having frequent meetings with the local management of the Freshwater Fish Marketing Corporation. As general representatives of the fishermen, if you will, we have been putting pressure where we felt it was necessary to ensure that the Freshwater Fish Marketing Corporation is operating in the best interests of the fishermen of Manitoba. We have been encouraging, and demanding in fact that the corporation and the Federal Government get involved in the area of product development so that the final price of the fish can be increased, so that the fishermen can thus realize a better income from the production of that resource. We have been encouraging in the north in isolated communities more local use of the resource, which is consistent with the independence of communities from outside sources of food supply.

In the area of fur production, Mr. Chairman, we have a Wild Fur Program which is 50/50 cost-shared with the Federal Government, in which we assist trappers in a number of ways. One very important way is in the enhancement of resources. In some cases by some water manipulation and controls we can enhance the muskrat population and thereby increase the possibilities of income return to trappers.

Just as a specific example, Mr. Chairman, we are also by way of extension and training assisting trappers in handling of furs so that they can get a higher quality product on the market and thus increase their incomes. We've been working on a specific program to assist them to get a higher proportion of the final sales dollar of the fur. And through our efforts, Mr. Chairman, I'm convinced that the Hudson's Bay Company as a result of our efforts in developing markets, are now offering the trappers a commission deal, something which is a first time in the 300-year history of the Hudson's Bay Company, I believe, that they have agreed to market a trapper's furs on a straight commission basis rather than buying them on the spot and then marketing them at a much higher price in most cases. They are now offering to give the trapper an advance and to charge him a commission, I believe it's seven percent now. This I believe came about as a result of the department's efforts at offering the trappers an alternative which made the Hudson's Bay Company somewhat afraid that they were going to lose a very lucrative market.

In the area of humane trap development, I believe our department is a leader in Canada in assisting in the development of humane traps to replace the leg-hold trap which is something that we would want to phase out as quickly as it is physically possible to do so. We're assisting trappers to be better managers of their traplines so that they can get a higher sustained yield from their respective traplines through this program.

In the area of forestry, Mr. Chairman, I believe we have the greatest potential for assisting resource based communities to be self-sufficient and to have more income, more employment from the resource base. We've identified 22 communities that have a potentially viable forest industry in rural and northern Manitoba. We have identified at least 15 of these that have demonstrated an interest in pursuing a forest resource type of industry of one kind or another.

At the present time we're trying to put together a package of information on the technical and funding possibilities that are available to these communities. We are working in co-operation with Federal and Provincial Government agencies in trying to put together a package which will allow these communities to be able to develop the full potential of their forest industry and to thus increase substantially the employment opportunities that are available to them.

In the area of wildlife, Mr. Chairman, as you well know, we have instituted a program of limiting the number of moose licenses in Manitoba. This has been brought about as a result of us having to close the deer season over the last couple of years, it's put a greater pressure on the moose resource and therefore we've had to establish

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(MR. BOSTROM cont'd)a system of lottery draw for the moose license allocation in Manitoba. In the case of deer, Mr. Chairman, we have through our efforts of closing the season over the last couple of years allowed the deer to increase their numbers. The last figures we have are such that we hope that there is a very substantial enhancement in the numbers of deer.

We've worked over the last year, Mr. Chairman, with landowners in this province, in particular on the question of deer, to determine what kind of incentives would be necessary to encourage landowners to allow particular kinds of habitat to exist on their land so that deer could continue to be a resource, an important resource to Manitoba, to all people of Manitoba, those who wish to take a harvest of the numbers of deer or those who simply are happy that we have deer in the province.

In the area of Crown land, Mr. Chairman, we've pursued policies and we intend to pursue policies which will increase the amount of agricultural Crown land that is made available to farmers, particularly in the area of the cattle farmers who are in desperate need of more land for hay grazing and forage crops. We have a committee set up which was set up at the initiative of the Premier, the Minister of Agriculture and myself which is presently going through each area of the province with the objective of freeing up more land for agricultural purposes where it is most desperately needed.

The department has been working over the past year, and I have given them instructions to step up their efforts to identify areas which can be made available for campgrounds and cottage lots in the province. Some members here who came with us on the Land Committee hearings in Thompson would remember that even in an area like Thompson where you would think that the resource accessibility is such that campgrounds and cottage lots should be no problem, even there there's a shortage, there's a demonstrated shortage of campgrounds and cottage lots, particularly for the ever increasing numbers of tourists that are coming through the area, as well as the local residents. This is becoming an area very high in demand in all areas of the province and we are doing everything we can to increase the numbers of campgrounds and cottage lot areas.

Last but not least, Mr. Chairman, in the area of wild rice development, I might just mention that consistent with our policy of resource development we have been working with communities that are in the area of wild rice fields, natural wild rice fields, with a view to assisting them to enhancing the production of those natural wild rice stands and to assist them in the harvesting of wild rice in such a way that they can get the maximum value from those stands of rice that are nearest and adjacent to their communities.

These are just some very specific examples, Mr. Chairman, of the general policy that I've outlined in my opening statements that we are following, and that is to maximize the return to the people of Manitoba from the renewable resources, from the sustained yield harvesting of our renewable resource base.

MR. CHAIRMAN: Resolution 106(a) Ministerial (2) Salaries and Wages. The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Yes, I just wanted to comment. It's a pleasure to hear the Minister's opening statement, such an interesting contrast to the statement he made when he introduced his Estimates a year ago when he charged in and took the hide off everybody on the opposite side of the House. So it's interesting to hear him present the programs of his department and the hopes and aspirations of his administration. It's an ambitious program, it's going to be interesting to see if he can carry it out on a reduced budget, without any substantial increase in his budget. In view of our start, I just don't know how - I suppose it's best that we proceed and just get into questioning certain areas. If there's something that some of the members might miss in moving along, the Chairman might give us some small leeway in picking the odd question up that might escape us by moving over the administrative part of it in somewhat of a hurry.

MR. CHAIRMAN: I would remind the honourable member that the Minister's compensation is the last item to be dealt with under which you can bring up any matter.

MR. BLAKE: Yes, we're actually considering Item No. 2 now, Mr. Chairman.

MR. CHAIRMAN: (a)(2).

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MR. BLAKE: (a)(2), right. Would the Minister comment on the administration, the size of the administration within the department under item (2), does he anticipate sufficient staff in existence now to carry out the programs that he's mentioned as far as administering them?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: Yes, Mr. Chairman. To be very specific, I could give you the total number of staff and dollars in the department. In the last fiscal year 1975-76 there were 45 SMYs, staff man years that is, in the voted budget, for a total dollar value of 599.6 thousand. For this year there's a recommended increase of 3 to 48 SMYs with a recommended increase dollar budget of 699, for a total of 699.7 thousand.

MR. CHAIRMAN: Resolution 106(a)(2)--pass; (a)(3)--pass; Resolution 106(b) Administrative Support Services (1) Salaries and Wages. The Honourable Member for Minnedosa.

MR. BLAKE: Mr. Chairman, just a comment on some of the support services. Is this all salaried people or does this entail contract people, and if so, what type of contracts would be included, Mr. Minister?

MR. BOSTROM: The Administration section, Mr. Chairman, provides for personnel services, financial services of the department for both the Renewable Resources Division as well as the Transportation Services Division. I might add that the 45 SMYs last year were required for the administration purposes of the much reduced total department, in that we do not have the Transportation Services section. This year with the increase of the Transportation Services section to the department we have only required a total of 3 additional SMYs provided for in that new and expanded section, a senior auditor position, a Clerk 3 position, and a provision for three contract employees for seasonal periods of peak demand.

MR. BLAKE: What type of contract would these be, could you give us some examples?

MR. BOSTROM: Yes, to be specific, there would be two employees required in the payroll section on a seasonal basis. The summer season, for example, is a period of peak demand when Forest staff are taking on casual employees for purposes of forest fires' fighting in different areas. And one additional contract employee on a seasonal basis required to draw up claims made to Canada under DREE, Wild Fur Agreement, etc.

MR. BLAKE: Would there be any overlapping of some of these contracts or some of these positions with some of the other departments that are relatively close to resources? I'm thinking of Northern Affairs and Mines and Resources probably, or Mines. Do you have any overlapping of . . . ?

MR. BOSTROM: Of duties or responsibilities?

MR. BLAKE: Yes.

MR. BOSTROM: Not really. The Northern Affairs did do the administration for Transportation Services previous to it becoming part of this department. The transfer was effective in October, I believe, at which time Air Division was transferred over to my department and the new division of Marine and Construction was established.

MR. BLAKE: But Winter Roads stays with Northern Affairs.

MR. BOSTROM: Winter Roads remains with Northern Affairs. And all the administration related to Renewable Resources and the new section of Transportation Services is done by one central administration. It is separate from Mines and Resources. Last year when I introduced the Estimates for this section, that is Renewable Resources, it was under the long title of Lands, Forests and Wildlife Resources. It was a part of the total Department of Mines and Resources at that time and there was a combined administration for that fiscal year. This year we've split that administration, there's been a formal split, The Department of Mines, Resources and Environmental Management is one department, and Renewable Resources has been split off, the administration was more or less cut in half, half went with Sid Green's department and half came here.

MR. BLAKE: I see.

MR. CHAIRMAN: Resolution 106(b)(1)--pass; (b)(2)--pass; (b)--pass. Resolution 107 Renewable Resources - Management (a) Resources Administration (1) Executive

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(MR. CHAIRMAN cont'd)(a) Salaries and Wages--pass; (b) Other Expenditures--pass; (1)--pass; 107(2) Resources Planning (a). The Honourable Member for Minnedosa.

MR. BLAKE: Yes, if the Minister would comment on the salary item under Resource Planning. I realize that Resource Planning is going to take a good deal of staff and time, but I wonder if he would give us some indication of the size of the staff and . . .

MR. BOSTROM: There are 26 SMYs in that section, Mr. Chairman. There is no change from last year here in the approved staff man years. There is an adjustment made for a salary increase which would indicate why it's 380.2 this year as with 356.1.

MR. BLAKE: All located in the city, or are some of them in some of the northern or outlying areas?

MR. BOSTROM: The Planning Division is mainly in the city. There's an economic section, a land-use planning, an inventory section, a wildlife planning, forestry planning, management support staff.

MR. BLAKE: Yes. I realize some of the other headings are going to be easier for us to get into some of the questions when we get on to them.

MR. CHAIRMAN: Resolution 107(2)(a)--pass; (2)(b)--pass; (2)--pass. Resolution 107(3) Research Administration (a). The Honourable Member for Minnedosa.

MR. BLAKE: Mr. Chairman, on the administration of research, I suppose it would be easier for the Minister to discuss various items under another heading. I'm thinking of the research that's being done, maybe on the sport fishing for example. Would that be easier for him to discuss it under the actual fisheries' items? I'm thinking possibly of, like on wildlife wild fur development, it would be much easier for him to discuss anything to do with . . .

MR. BOSTROM: Yes, we have a research component that's related to each specific resource, so that if you have a question with respect to what we're doing in wildlife research or what we're doing in forestry research we can relate it under the headings, Mr. Chairman.

MR. BLAKE: I'm thinking of fish research and forestry, and there's headings for those - as long as we can cover them adequately under those headings.

MR. BOSTROM: I believe that would be the best place for that.

MR. BLAKE: Okay.

MR. CHAIRMAN: Agreed? 107(3)(a)--pass; (b)--pass; (3)--pass. Resolution 107(4) Operational Policy (a). The Honourable Member for Minnedosa.

MR. BLAKE: Mr. Chairman, under item (4) Operational policy, could the Minister give us some indication of how policy is arrived at and who is responsible for setting it? Is this a recommendation of his department to Cabinet, or what range of policy-making decision does he have?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: The policy for the department is set by the Minister. There are staff in the department who are in an advisory capacity. In operational policy, for example, we have a Chief of Wildlife and a Chief of Fishery, a Chief of Forestry and so on, who relate to the sort of technical and professional aspects of the specific resource in each case. And their mandate is to review and evaluate the programs as they're continuing and to recommend changes to those and/or to recommend new programs. Some policy recommendations definitely come that way, and I believe that much of the policy recommendations also comes through the political process, whereby citizen participation, citizen initiation indicate to where there are problem areas and where new policy is required. Opposition members from time to time either write or talk to the Minister and recommend policy changes which are considered, and if good ideas, are implemented. And the same goes for members on the government side who are always on my back to make better policies and better programs.

MR. BLAKE: As long as they're always in your budget, eh?

MR. CHAIRMAN: Resolution 107(4)(a)--pass; (4)(b)--pass; (4)--pass. Resolution 107(5), Resource Management Operations (a)--pass; (b)--pass; (5)--pass. 107(6) Resources Development. The Honourable Member for Minnedosa.

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MR. BLAKE: Yes. Mr. Chairman, I wonder if the Minister would comment on the \$413,000 that disappeared from last year. There's probably a very simple explanation - Resource Development, where there's nothing in this year's budget; it's just been combined, I imagine, with some other figures.

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: There was an amount in the budget last year for Resources Development. Part of that figure, whatever was left over from last year, was not utilized, went into the Capital Estimates and will be available for things like the kinds of projects that were carried out last year.

MR. BLAKE: That's sort of a little kitty, is it? Capital funds?

MR. BOSTROM: Resources Development feasibility studies - studies undertaken under that area, for example, would be in the area of wild rice, fisheries strategy, forestry task force, northern strategy. There's been an ongoing analysis of various ways in which the renewable resources of the northern area could be utilized, as I indicated in my opening remarks, for the benefit of residents who are living in the areas immediately adjacent to resources, and consultants from time to time were hired from this fund for purposes of very specific projects related to resource development.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Mr. Chairman, I was interested in the same thing as the Member for Minnedosa. I wonder if the Minister would give us a bit of a breakdown on these wildlife management areas, basically what their intentions are, why you're trying to develop there? In my particular area I don't think there's too much of an involvement here. But I see that this is outright purchase, this is what I would like to find out.

MR. BOSTROM: I would recommend, Mr. Chairman, that we deal with all the wildlife questions under Wildlife Management which is on Page 52 of your Estimates book when we will be able to deal with any and all questions related to Wildlife.

MR. FERGUSON: Okay.

MR. CHAIRMAN: 107(d). The Honourable Member for Minnedosa.

MR. BLAKE: On that same item that we were just discussing, you mentioned contract employment. Could you give us an example of the type of contract employment that would have been paid out of that \$413,000 allotment?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: I don't have any specific figures here.

MR. BLAKE: The consultant type of contracts.

MR. BOSTROM: Specific studies that would have been done by means of contract consultants were related to the allocation of fish for commercial and recreation purposes in northeast Manitoba, to wildlife improvement in the Pineimuta Marsh, to forestry development in Northern Manitoba, to improvement in the wild rice industry.

MR. BLAKE: Where is the Pineimuta Marsh?

MR. BOSTROM: That's near Fairford I believe.

MR. CHAIRMAN: Resolution 107(6). The Honourable Minister.

MR. BOSTROM: And I might point out, Mr. Chairman, that contained within that figure would be the amount of moneys required for a shortfall in the operations of Moose Lake Loggers and Channel Area Loggers. You might note that as a significant part of that money.

MR. BLAKE: Okay, Mr. Chairman.

MR. CHAIRMAN: Resolution 107(6)--pass; Resolution 107(7) Resource Extension Service (a). The Honourable Member for Minnedosa.

MR. BLAKE: Yes, Mr. Chairman. The Resource Extension Service as it applies to the Department of Agriculture, is there any similarity, are you doing similar work?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: The Resource Extension Service, Mr. Chairman, I suppose could be compared to the kind of extension work carried out by the Department of Agriculture. This relates primarily and exclusively to resource users and departmental and other government people who are related to the renewable resource area. A staff of 22

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(MR. BOSTROM contd')people carry out work in fisheries extension, forestry extension, trapper extension, wildlife extension. There's a guiding program, a hunter firearm safety program, a youth program, a general community resource development. The staff retain a people focus while carrying out various training, educational information and consultative activities. The majority of these programs, I might point out, have a Northern Manitoba focus since many of the resources that we deal with are found there.

Resource Extension assists the department in achieving its economic and recreation objectives by applying that extension methodology to its work involving people in the development of their resources.

MR. BLAKE: Which in forestry would be in management, good husbandry and good housekeeping habits in their operations and things of this nature, eh?

MR. BOSTROM: And in the development of forest industries such as Moose Lake Loggers and Channel Area Loggers. This last year we were involved in the development of at least three community based forest industries, one at Easterville, fence-post operation; at Grand Rapids, which is just getting off the ground; and at Bloodvein, one which came to the attention of the press quite a number of times, where the Indian Band there in trying to get funding from Indian Affairs even took their children out of school for a period of time because they wanted to have welfare and not work - I mean work rather than welfare - and it was one of those cases which I believe is an example of many remote Indian communities where the Bands are just fed up. They are fed up with the welfare problem and they want to get out of it. They want to get into some kind of meaningful work that's related to the resources that are available to them. In this case we were able to assist them in developing a forest industry. We were able to assist them in finding sources of funding, and one of those was Indian Affairs who appeared to be reluctant for some time and finally did supply some funding for them so that they could get their operation going.

MR. BLAKE: I might comment, Mr. Chairman on that. There was an interesting item that came to mind when the Channel Area Loggers' statement was handed down. About the same day there arrived on our desks the release from the Department of Indian Affairs, and I suppose it's to do with the time lag of the date of the statement, when the statement was made, there was quite a glowing press release on the successful operation at Bloodvein; and the Channel Area Loggers' statement, there was a paragraph in there saying that the reason they lost so bloody much money was on account of trying to keep this satellite operation alive at Bloodvein, that this was part of their problem. They both arrived on the same day. It seemed a bit odd, but I realized that possibly we were looking a year apart.

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: Yes you were, and you were talking about a different situation entirely. There was a period of time when Channel Area Loggers did try to run a satellite operation at Bloodvein, but it did not prove to be successful. They were trying to extend the services of one manager to both places and it didn't work out well either for Berens River operation or the Bloodvein operation. It wasn't a good project under the circumstances.

They ran into operational difficulties, where three farmers came in rather late because of poor transportation on Lake Winnipeg. The three farmers were dropped off at Princess Harbour and weren't able to arrive at Bloodvein until well after freeze-up. So the transportation system on Lake Winnipeg tended to throw a kink into the plans, the initial startup and so on.

This operation that's in operation in Bloodvein right now is a Band-owned and operated company which is involved in timber harvesting, a lumber operation. They were also involved in the construction of winter roads, and my last reports on it were favourable and that production seemed to be going well. They had a very successful year of winter road building. They constructed the road from Bloodvein out to the main road, some 20 miles, and also the road from the main winter road to Island Lake over to Little Grand Rapids. They had an income there of about \$90,000 I believe from winter road construction. So they have combined everything into one package, and my

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(MR. BOSTROM cont'd) information is that there is no unemployment in Bloodvein right now, which is something that the Band was very desperately trying to achieve.

MR. CHAIRMAN: The Honourable Minister of Corrections.

HON. J. R. (Bud) BOYCE (Minister responsible for Corrections and Rehabilitation) (Winnipeg Centre): I just wanted to ask a question of my colleague, what happened to that machine, it took a log . . . and made a tongue and groove in it.

MR. BOSTROM: Oh you're talking about the log-making machine which produces logs for log housing, and it is in operation at Jenpeg. It's a pilot project on the part of the Province of Manitoba. There's three communities involved in that project whereby they have purchased a machine from B. C. which was invented by a fellow by the name of Ray Fell (?) and it works like a giant wood lathe. It takes a tree and it cuts it into - it trims off the bark and the outer layer of wood and it makes a perfectly formed log with a groove and a notch which can be utilized in the construction of log housing. We hope that it will revolutionize log house construction in northern Manitoba or in Manitoba generally. We hope that this could be an industry that could sell logs to the cottage industry, for example. We believe that it has tremendous potential in that area; if not, also in the area of house construction, which was the major objective of establishing that machine.

MR. CHAIRMAN: The Honourable Minister of Corrections.

MR. BOYCE: Mr. Chairman, just briefly. I found it very interesting the pictures. I think there was only one set around at the time that I saw it, a few months ago. That's why I asked the question, because I found it, you know, rather interesting and perhaps if the staff could make some of those pictures available to members of the committee. . .

MR. BOSTROM: Well, we're told the machine if operating at full potential can turn out the equivalent of one house a day in log materials, at some significant reduced cost over building with other kinds of materials. It has the added advantage, of course, of allowing northern communities to be able to build from their local resources, which is something that has not been achieved in the past. Some of the Indian Affairs communities are building houses with lumber from B.C., and that practice to me is simply unacceptable when you have the high levels of unemployment that the northern communities are now facing. We have to be able to gear those communities up so that they can plug in local production to those local markets at the very minimum. Secondly, we hope to be able to assist them in the exporting of production from those communities, from resource industries as well.

MR. BOYCE: It wasn't a planted question. I found it fascinating.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

MR. BLAKE: The Minister mentioned the Bloodvein operation, particularly with their lumber operation, is this all for local consumption or will this be part of your marine barge operation getting some of that lumber out to other areas?

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: Well Mr. Chairman, Bloodvein is one of the communities that's being considered to be hooked up by a self-propelled barge and we would hope that they could plug in definitely to an export market. They do have a limited internal market for their own house construction which fortunately they also, through Indian Affairs, can purchase the lumber for local construction. But their most significant market in this case would be an external one. We even hope to be able to assist communities. I would get into that later even, but just very briefly we would hope to be able to assist these communities in marketing their production. That's one of the problems that we're addressing ourselves to right now.

MR. CHAIRMAN: Resolution 107(7)(a)--pass; (7)(b)--pass; (7)--pass. Resolution 107(8) Canada-Manitoba Northlands Agreement (a)--pass; (8)(b)--pass. The Honourable Member for Minnedosa.

MR. BLAKE: Mr. Chairman, on the Northlands Agreement, I imagine there's a larger portion than this in Northern Affairs. How is this proportioned? What share of the Northlands Agreement does the Renewable Resources' transportation services fit into? Is this an internal decision, or how you arrive at this particular amount?

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MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: The amount that's in this budget is the amount of money that's negotiated as a particular item within the Northlands Agreement that is budgeted for in our department, administered by our department, and it's related to projects that are carried out by our department.

MR. BLAKE: That's what I'm getting at. Do they limit you to your project, or do you give them some project? This would be northern transportation?

MR. BOSTROM: The projects are determined beforehand and they're a matter of negotiation. First of all, it's a matter of provincial negotiation among ourselves as to what is a priority and what should be included, and then once we have a list of things that we would like to proceed with, it's a matter of negotiation with the Federal Government as to what they will cost-share with us on, and those things that they will cost-share with us on, naturally we're anxious to do, because . . .

MR. BLAKE: They don't see eye to eye with you on everything.

MR. BOSTROM: . . .in most cases it's 40 percent provincial dollars we're spending.

MR. BLAKE: They don't see eye to eye with you on all the projects you have put up to them.

MR. BOSTROM: No, there is a process of elimination.

MR. CHAIRMAN: Resolution 107 (8) (b)--pass; (8)--pass; Resolution 107(a)--pass. Resolution 107(b) Lands Management (1) Crown Lands Management (a) Salaries and Wages.

The Honourable Member for Minnedosa.

MR. BLAKE: The Minister would maybe comment here, Mr. Chairman, there's probably an area here where he could comment on some of the land being undertaken for wildlife areas.

MR. CHAIRMAN: The Honourable Minister.

MR. BOSTROM: Yes. Under this section of Crown Lands Management we have resource group projects including the FRED, ARDA, Alternate Land Use programs, the Resources for Tomorrow programs, the Urban Periphery Land Acquisition and Land Conversion programs, these were all incorporated directly into the Land Section April, 1975. Just to give you a brief rundown of activities here 14,125 acres of resource land were purchased this year, primarily in the Delta, Assiniboine River, Pembina Valley, Portage Sand Hills in southwestern Manitoba areas, conversion work undertaken on these lands included reforestation, soil stabilization, lure crops, re-grassing, site clean-up, improved public access, signs, fire guarding, making information brochures available, etc. The continuing high price of cash crops and the depressed meat prices have emphasized the competition between agriculture and other resource uses, such as wildlife, for the more marginal Crown Lands. As I mentioned, to help resolve these conflicts of land use, a uniform Land Use coding system for all Crown land in Agra-Manitoba has been developed and approved; an interdepartmental Crown Land Classification Committee has been named, that was referred to earlier, to review difficult conflict areas and to make recommendations to the government. This, as I said, was at the initiative of the Honourable Minister of Agriculture to the Premier and myself to proceed with this Crown Land Classification Committee. And northern housing programs have continued to require that a substantial number of lots be made available on Crown land for the housing programs carried out by MHRC, RANCOM, which is the Manitoba Metis Federation Housing Corporation, and the Northern Association of Community Councils Housing programs.

MR. BLAKE: What type of lease do we have on these Crown lands?

MR. BOSTROM: We are making these lands available first of all to the housing program, and we sell the lots to the housing program, whether it is MHRC or RANCOM or NACC, and the respective agencies are in negotiation with CMHC the Federal Crown Corporation who take title to the lands, hold the title to the lands until the respective house occupiers complete their payments, at which time the land becomes the property of the . . .

MR. BLAKE: The individual does obtain that land?

SUPPLY - RENEWABLE RESOURCES

MR. BOSTROM: Yes, we are selling Crown land.

MR. BLAKE: Does Syd Green know that?

MR. BOSTROM: Syd Green knows that. Every sale of Crown land in this way goes through Order-in-Council of Cabinet.

Manitoba Hydro activities relative to the pounding of water has been something of concern with the Crown Land Section, severance lines, power line right-of-ways, diesel power sites, we have had to make Crown Land clearance requirements on all of these. Indian Treaty Land entitlement, many Indian Bands in Manitoba have outstanding treaty land entitlement, which we are in a continuing process of settlement. There is negotiations for Crown lands for anticipated flooding of Indian land such as at Nelson House and other areas, and in fact some of the land claims associated with the Grand Rapids forebay development are just being settled now, some ten years after the development. That pretty well sums up the general activities of the Crown Land Section. I could go into more specific information if you require it.

MR. BLAKE: No. It's really pasture land that's administered by the Department of Agriculture.

MR. BOSTROM: That's right.

MR. BLAKE: Still is, rather, so therefore you don't administer all Crown lands then.

MR. BOSTROM: No. We do not even administer recreation lands, once recreation cottage lot areas have been identified as such, those lands are transferred for administration purposes to the Department of Tourism Recreation and Cultural Affairs.

MR. CHAIRMAN: Order please. This would be a convenient moment to break for Private Members' Hour in accordance with our Rule 19(2). I will return to the Chair at 8:00 o'clock this evening.

The Honourable Leader of the Opposition .

MR. CRAIK: Mr. Chairman, following the lines of our earlier discussion, we weren't aware by any formal arrangement that this department was going to meet, and it really is in conflict with Northern Affairs because they have the same people with the same interests in the two areas, so we would prefer not to meet tonight, and then we'll program the next meeting by mutual arrangement in the House. And that incidentally, as the House Leader is not here . . .

MR. BOYCE: You would want this department in the House, would you?

MR. CRAIK: No, we would just hold off until Northern Affairs is further along before we re-schedule a meeting, but we don't want Northern Affairs and Renewable Resources running at the same time. So we won't meet tonight, just meet in one.. .

MR. CHAIRMAN: Committee Rise.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Order please. The hour being Private Members' Hour, the first item on Thursday is public and private bills. Bill No. 21. (Stand).

Bill No. 35. The Honourable Member for Brandon West is absent.

We go to private members' resolutions. Resolution No. 13. The Honourable Member for Fort Rouge.

RESOLUTION NO. 13

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, thank you. I beg to move, seconded by the Member from Portage la Prairie that

WHEREAS the provision of adequate day care and child care facilities is of major importance to increasingly large number of Manitoba families; and

WHEREAS the cost of such care is rapidly increasing and carries a major burden for many families,

BE IT THEREFORE RESOLVED that this House consider the advisability of recommending to the Federal Government the tax exemption for child care costs be raised to \$800 for one child from the present \$500; and to \$1,500 for two or more children from the present limit of \$1,000.00.

MOTION presented.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, in the absence of being able to speak on Bill 21 on these days, we might as well have some resolutions come in. I think this one is designed primarily to refine or improve the present arrangement of programs that are available in the child care field.

The public day care program that was inaugurated just over a year ago is still in its early stages and I think has already, Mr. Speaker, gone through one very substantial renovation when they brought in new regulations in January that would increase the financial requirements under the program as well as to improve the assistance available to day care centres. I would think it would not be really responsible to at this time to comment upon that program seeing as it has been introduced and it goes a long way to meeting many of the objections that members of this group raised last year with the original day care program. We felt that it was just really a half-baked program. My own belief is that the new regulations should in fact result in some major improvements and appease many of the difficulties that parents were having that were putting the children into the public day care program.

But while saying that, Mr. Speaker, there is still another fairly large sector of child care activity, and that is the kind of child care that's offered by a number of private agencies and day care programs in the city, which would add up to several dozen. They service primarily parents of children whose income really raise them above the level of the subsidy rate that would allow them to join in the federal-provincial program, but at the same time their costs have gone up. If I may, Mr. Speaker, just by way of example, point out that in an average of a private nursery home in 1973 the costs per week were about \$18.00, which add up to about \$900 a year. Those costs are now closer to \$24.00-\$25.00 a week, which takes it into the range of the \$1,200 to \$1,300 a year. So in fact in that three year period there's been close to a 33 percent increase in the cost of those parents who put their child into one form or another of day care service that is not being subsidized. In fact they are paying the full range.

I think it's fair to say, Mr. Speaker, that in this day and age that where I guess 40 to 50 percent of women are now in the work force and the opportunity for more to enter into the work force is something that seems to be a natural development, and one that no one is objecting to any great enthusiasm, then the facts are, I guess that we now have to look upon the fact that many parents who now are both working and therefore would require child care. So in effect, almost the expense of putting a child into proper care facilities can be looked upon as part of the expense of working. So while we allow people to write off a variety of expenses in their occupation, it would seem to me that we should simply try to improve or upgrade the kind of offerings that you would have in the program

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(MR. AXWORTHY cont'd)for working parents who are just above the income level.

I believe, Mr. Speaker, if my facts are correct - and I'm sure someone on the other side would be glad to correct them if they're not - but up to now the family of four could have an income level of up to about \$8,200 a year to be eligible for the full subsidy. And a family of four could in fact make up to about \$10,800 in a family of four, and receive partial subsidy. I think it's \$10,800 where the limit cuts off. There are many families, Mr. Speaker, who are above that level, particularly those in a range of 11,000 to 13,000 or 14,000 with both parents working, and therefore the ability of them to claim an exemption has really fallen behind the actual costs of child care.

There is another area which I think some assistance could be given, and that is in the area of lunch and after-school programs which are presently not covered really by any federal or provincial program. I think that there are five lunch and after-school programs operating in the city under direct grants, demonstration grants. But again their costs range from four to five dollars a day as well. They are absolutely essential again for working parents who have children in school but who would be released from school at lunch time or after lunch time and they at this stage have not received any kind of major support.

The Provincial Government here argues, and I think it's an argument that makes some sense, that with the inauguration of the day care program they want to proceed with some caution, they don't want to rush into a lunch and after-school program. And perhaps in a time of budget restraint that makes some sense, although I think it would be fair to say that the problems experienced by many working parents and working mothers in my own riding would contradict that fact. But whoever is right the fact is that there is no assistance being given now. Therefore it would seem only fair to at least allow the parents who must put their child into a lunch and after-school program to be able to claim at least through their income tax some greater benefit that would be commensurate with the cost that they experience.

So, Mr. Speaker, the point of this resolution is simply a way of trying to refine and upgrade and improve the general support that we are offering in the child care field. It is not a major thrust in this area but I think it is one that modifies and could go a long way to improving it, and particularly perhaps indicate to a number of families who are not of a low income variety but are by no means wealthy that government still is concerned about their needs and is prepared to give them some assistance in meeting the demands of caring for their children in proper facilities. If it doesn't happen, Mr. Speaker, then many of the kinds of things happen is that they - examples in talking to many of the private nurseries - say that they're really oftentimes enforced to take their children out of proper facilities and rely upon babysitting routines, and so on, which are not nearly as reliable, nor do they have the same kind of educational or training component that most of the well reputed private day care nurseries would supply. So, Mr. Speaker, that is the intent of this resolution. It's a way of having this House signify both its continuing concern in the field and to recommend some improvement or modification in the overall program.

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

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, if I may paraphrase, with apologies, Horace, "The mountain laboured and brought forth a ridiculous mouse," and really I think that this resolution is a ridiculous mouse.

The honourable member often points out the fact that members on the government side here have access to many kinds of information due to the fact that we're members of the government. And we should remember that the member himself has access to a great deal of information. He is associated with the Institute of Urban Studies, which does a great deal of research. He is a member of the Federal Liberal Party. He has a Cabinet Minister who sits in the Federal Cabinet from Winnipeg South; I believe part of his constituency at least is in that gentleman's riding, and one would assume that he could gain information through that source.

His past leader is supposedly a great authority in the field of taxation although after listening to him in this House for several years, I would be very reluctant to rely

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(MR. JOHANNSSON cont'd) upon him as an authority on anything.

Of course the member also has access to the Provincial and Federal Statutes on taxation. And finally, in researching a resolution like this he has access to the income tax forms, which all of us get in the mail. I believe everyone of us has got these income tax forms in the mail.

Now what's the result? The result is that the member brings before us a resolution which can only be called ridiculous and fuzzy-minded. If one reads the resolution, "Be Resolved," one discovers that the member can't tell an exemption from a deduction. Now I could understand that the ordinary citizen might have some difficulty with tax concepts but when a member brings a resolution before the House and presumes to advise the government about changes of policy, one would expect him to know what he's talking about. One would expect that the resolution contains at least facts.

Now an exemption, according to our tax law, is general in nature. It does not refer either to specific circumstances or to specific expenses. Deduction such as child care deduction, refers to specific expenses incurred by the taxpayer. And this resolution does not refer to child care deductions, it refers to the tax exemption.

Another problem with the resolution is that it doesn't relate at all coherently to the tax legislation that presently exists. The "Resolved" of the member's resolution states that "Be it therefore resolved that this House consider the advisability of recommending to the Federal Government that the tax exemption," which is wrong, it's a tax deduction, "for child care costs be raised to 800 for one child from the present 500, and to \$1,500 for two or more children from the present limit of \$1,000." That is not what the tax law says. And if the honourable member had bothered, the honourable member had bothered to refer to his tax form, Schedule 5, Child Care Expenses, lists four kinds of income limitations, and those income limitations are: (1) the actual child care expenses that can be deducted; (2) Two-thirds of the tax filers earned income; (3) \$500 times the number of children for which qualifying expenses were incurred up to a maximum 2,000; and (4), which is the limitation for fathers, \$15.00 per child to a maximum of \$60.00 times the number of weeks the father was divorced, separated, widowed or the mother was infirm. So there are four specific limitations within the tax legislation which his resolution makes no reference to.

His information in his "Resolved" is wrong. He refers to a present limit of \$1,000, one of the four present limits is \$2,000.--(Interjection)--The present limit is \$2,000; \$500 times the number of children for which qualifying expenses were incurred to a maximum of \$2,000.00.

The resolution is also wrong in its effect. The effect of the resolution is absolutely wrong in principle, if one assumes that any of us give lip service at all to the concept of ability to pay. Maybe the honourable member doesn't; this government does. This government believes in a principle of the ability to pay.

And the honourable member wants to increase the tax deduction for child care expenses by \$300 for one child; \$500 for two or more children. This is the intent of his "resolved." And the effect of this is interesting. The effect is interesting when you calculate the effect of this at different income levels. If the gross income of a qualifying taxpayer - and this is talking about a single dependent under the age of 14 - if a taxpayer has a single dependent under the age of 14, and he or she has an income of \$5,000, they would save \$81.00 by the recommendation of the honourable member.

If they had a gross income level of \$50,000 they would save \$178 from \$81.00 to \$178.00. If that individual had an income of \$100,000 he would save \$215, so the tax saving increases as income rises. The tax saving increases. If the taxpayer involved had an income of \$5,000 with a single dependent, he saves \$81.00. If he has an income of \$100,000 he saves \$215.00. And the same kind of effect applies when you work this out with two dependents, two single dependents under 14. There is an increase in the amount saved as income rises.

So the effect is totally wrong in principle, and this is what the honourable member wants the House to adopt. This is the policy presumably, one never can tell, but this is presumably the policy of the Liberal Party in Manitoba. It's very difficult to really know what the policy of the Liberal Party is.--(Interjection)--Yes, it's very fuzzy,

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(MR. JOHANNSON cont'd)and it's in a state of flux, yes.

So the Liberal Party wants to give increased tax savings as incomes rise. Now our government has introduced two tax credit programs, the Property Tax Credit Program and the Cost of Living Tax Credit Program, which explains, which give increased savings as the income decreases. In other words, the lower your income, with a slight anomaly, the lower your income the greater the savings you realize under those tax credits. And in fact, what will happen is that a good number of people who have no taxable income will get tax credits and they will receive rebates from the Property Tax Credit, the Cost of Living Tax Credit, when they have paid no income tax. Now this is the kind of program that benefits lower income people in this province, not the type of program the honourable member produces to us.

There was also another absurdity about this resolution. The honourable member is constantly castigating us for inadequacy of our child day care program. And yet this government has been fighting a running battle with the Federal Government because of the Federal Government's restrictiveness regarding its requirements for cost-sharing child care services. Now one always must keep in mind that the Honourable Member for Fort Rouge is a member, not only of the Manitoba Liberal Party but the Federal Liberal Party, and I'm always puzzled as to why the honourable member is always asking us, the New Democratic Party of Manitoba, to please ask the Federal Liberal Government to do something. And I think, Mr. Speaker, there's a very obvious reason for this. The members of the Liberal Party in Manitoba are bankrupt of any influence in the Federal Liberal Party. The Federal Liberal Party doesn't listen to them. Very obviously. They don't count with the Federal Liberal Party. And perhaps, Mr. Speaker, perhaps there is some logic to that because the base, the political base of the Federal Liberal Party is Quebec, principally, and also Ontario. And really the Federal Liberal Party doesn't give a damn about the Prairies, and it certainly I would think doesn't give a damn about the Manitoba Liberal Party.

Mr. Speaker, I would agree with the honourable member that our day care program can still stand improvements, that it is very limited. Personally, my objective in the day care field would be a universal program, free and ultimately accessible to everyone in the province; this to any parent who needs day care. This is my personal goal in the area of day care. Now obviously, Mr. Speaker, I am not advocating a compulsory program, I am advocating a program that would be universally accessible, free, a free government service, paid for by taxation based on the ability to pay.

Now, Mr. Speaker, I realize we are a long way from this. We're a long way from this. But, Mr. Speaker, this is a goal we can work towards, and we have made some progress, some progress. Our program is not quite as hopeless as the honourable member portrays it to be. For example, we have the lowest per diem. Manitoba has the lowest per diem for parents who want to enter the program, who want to place children in a program. We have the lowest per diem in the country. Now that's not perfection but, Mr. Speaker, that's better than nine other provinces in this country. Mr. Speaker, we have the highest flat rate subsidy by the province of day care centres of any province in the country. That's not perfection but it's better than nine other provinces in this country.

And, Mr. Speaker, our program is the closest to universal free day care because of the fact that we adopted a universal flat rate subsidy of up to \$5.00 a day for placing their children in day care facilities. That is the maximum that they pay, and they pay a maximum of up to \$1,300 a year for placing their children in day care.

So our program isn't perfect, but it's the best in the country and we will work to improve it, and we will also work to maintain a taxation system that is based on the ability to pay and that does not reward the higher income groups and penalize the low income groups.

QUESTION put MOTION lost.

RESOLUTION NO. 1

MR. SPEAKER: Resolution No. 1, the Honourable Member for Ste. Rose.

MR. A.R. (Pete) ADAM (Ste. Rose): Thank you very much, Mr. Speaker. I think I'd like to make a few comments on the resolution as proposed by the Member for Lakeside. I do know that the CNR have the only branch lines in my constituency and have made representations to the Hall Commission to have these branch lines abandoned in 1977, I believe. Certainly one wonders . . . We hope that this does not happen but nevertheless if the Commission recommends that these lines be abandoned, the resolution before us proposes what we do with the abandoned rail lines. So I think it's a very important resolution to discuss on what happens to the branch lines so abandoned. I have here the two briefs that were submitted by the Canadian National Railways, submitted to the Grain Handling and Transportation Commission regarding Oakland Subdivision from mile 00 to Delta Junction to mile 53 - 38 Amaranth at Portage la Prairie. I don't intend to go through the entire brief. I'm sure that those briefs are available to other members here, and I presume that some of the members may have these briefs. Perhaps the Member for Gladstone might have it, since part of it I believe, is in his constituency. I wonder, you know, when you go back the resolution doesn't clarify how do we acquire these lands? Do we buy them? Do we expropriate them? This is not clarified in the resolution, so I'm at a loss on how to proceed with my remarks, but on looking back over the history . . .

MR. SPEAKER: Order, please. If I may help the Honourable Member, we are speaking on the amendments of the resolution.

MR. ADAM: I beg your pardon.

MR. SPEAKER: I want to indicate to the Honourable Member that there is an amendment to the resolution. That's what he is debating now.

MR. ADAM: I don't have that amendment here on this.

So, anyway, Mr. Speaker, if we go back over the history of the development in Manitoba of the rail lines, we find--(Interjection)--Thank you - we find that most of the lands that were granted in subsidy to the rail lines were granted in the Province of Manitoba, in particular to the Canadian Pacific Railway. There were several railroads involved in the development of Manitoba.

It is very interesting to note, if one wants to take the trouble to find out just what happened, the CPR for instance when Brandon was developed, which should be of interest to the Member for Brandon East and Brandon West, they subdivided a lot of lots in the town and put them up for sale and these lands were purchased up at fabulous prices in the town. People poured in by the hundreds and land closer to the railway was eagerly sought after, and lots were sold in Brandon at fabulous prices. Within a few days, the CPR netted \$120,000 in this way. Nearly everyone had speculative dealings in land. Hotel keepers, shop and clerks, even the barber, and wished either to buy or sell. Some worked their land, their farms by hired labour. Every hotel bar had placards with advertisements and crowded with people crazy to sell town lots. It mattered nothing if these lots were at the bottom of the Assiniboine, or in the middle of a pond, or even if they had no existence at all, so long as they were shown on paper, they were eagerly bought by persons willing to give enormous prices for the prospect, usually a good one, of selling them again at a handsome profit. Inspecting them was an altogether superfluous complement, either of sale or purchase. So there was a lot of people who certainly were bilked out of money for lands that were non-existent.

The Federal Government, I believe gave grants and subsidies to the CPR. They had 25 million acres which the CNR never did get because they had . . . It would have taken a 64 mile belt on each side of the line and they only received 48 miles on each side of the track, which they received all of the odd numbered quarters in the townships. The Hudson Bay received other quarters and the University of Manitoba - of course Lord Selkirk was involved and he had received quite a large area of land which . . . but never really got farther than Portage la Prairie.

The speculation was rampant by the railways. The intention was to sell only to bona fide homesteaders, but it didn't turn out that way. The Minister of Interior noted that in 1880 that squatters were not as a rule speculators, but in most cases, proved to

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(MR. ADAM cont'd)be industrious and valuable cultivators of the soil, as such they were entitled to receive every protection consistent with the public interest. In common, however, and with other provisions of the Dominion Lands Act, the concessions made to squatters were open to abuse, sometimes on a large scale.

In 1882 Commissioner W . . .reported there are men, and not a few of them who make profit out of taking possession of lands, putting up a tent, breaking a few acres, and then levying a contribution from the actual settler looking for a location. For the giving up of the possession so obtained, these fictitious squatters then go on and repeat the same operation frequently, on several occasions in the same season. It is a well ascertained fact that capitalists have men employed by the month for the purpose. It was common too for men to haunt land with oxen and plow, coming to a good location he plows a few furrows, writes his name on a stick, and goes onward until he comes to a better place, does the same, and so on, until satisfied. Meanwhile, all those he does not want remain claimed, and in many cases he actually is paid \$40.00 to \$50.00 by an oncoming settler to give up his rights.

Now there was an awful lot of speculation going on, and of course the rail lines were not the only ones. We find that there were companies that were set up to settle, bring in colonists from other countries, and so on, and they were given grants, allowed to purchase land at a very very low price, and they in turn tried to bring in settlers, sell these lands at a higher price, and so on. There was a company R.W. P. . . made several thousand dollars in 1879 - railroad commissions, and swindling immigrants going to the Province of Manitoba, and elsewhere. He did not benefit the country a cent. Worked to entitle him to any 80 acres of land for such services as he rendered. He did not take so many people from the United States to the Northwest and Manitoba as he did from Canadian provinces to various points in Minnesota, Dakota, and Emerson, knowing that the parties going to the latter point were mainly for U.S. territory.

So when you read the history of the railway subsidies and all that happened in that area, it was really a disgrace. So we wonder whether the CPR and the CNR and the other companies that developed the rail lines in Manitoba, and there were several companies - the one that moved up towards Amaranth, Winnipegosis, I think was called a Manitoba Railroad and Canal Company. They also received some grants, but not as great as the CPR.

In my own constituency if the recommendation is that they remove the branch lines from Ochre River to Rorketon, which is 37 miles, and also to Winnipegosis, there will be no longer any branch rail lines in the constituency whatsoever.

Now what should happen to these rail lines is a very good question, and I am happy that the member has brought in his resolution. Now we could probably use these abandoned lines for other purposes and other uses. But according to the brief submitted by the CNR they have allowed these lines to go into disrepair to a great deal, and I am just wondering whether they didn't allow them to go into disrepair in order to have a good excuse to abandon them, because now they are saying that if it were decided to make, for instance on the - which one is this anyway this is the - Delta to Amaranth. If they were to only temporarily continue the line, using the capacity of 177,000 pounds, they estimate that it would cost, if it were decided to make the lines suitable for year round operation at normal speed, and at the present weight tearing capacity, an expenditure of \$3,800,000 would be required, just to continue the service on a temporary basis.

MR. SPEAKER: Five minutes.

MR. ADAM: Thank you. So if they were to rehabilitate the line for long term continuance of the line, it would require \$12 million to put this line into suitable condition for long term use, so I'm not sure whether the honourable member wants the province to rehabilitate these lines in case we ever want to put some type of a service on them in the future. So if that is what he has in mind, well it's going to be very very costly.

The same thing applies to the other line, although it's not quite as long, the temporary continuance of the line for the next two years apart from unforeseen expenditures, will be about \$20,000 to rebuild one trestle. In order to recondition the line for long term operation would cost \$8.4 million, so I think the CNR is coming to the Commission now and saying, look how much money it is going to cost us to improve these

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(MR. ADAM cont'd) lines so that we can use them, and so let's abandon them rather than do that. Now I say, that the railroads have done a poor job of trying to encourage people to use the rail lines. In fact I think the opposite is correct, I think they deliberately tried to discourage people from using the rail lines at all. Then they can go to the Commission and say, well now look we are not getting any business at all so, and we're losing money every year, let's abandon the lines.

Mr. Speaker, if these lines are withdrawn then we know what is going to happen; farmers are going to be faced with higher costs to transport their grains the longer distances, and the province will be picking up the tab to maintain our highways; highways will have to be improved. So I am very disappointed if these lines are withdrawn, and I certainly hope that the abandoned rail lines, whether we continue to use them or not for transportation purposes, that they should return to the Province of Manitoba to the taxpayers of this country. Thank you very much.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I have a few remarks I would like to add to those of the honourable members who have already spoken on the amendment, and I don't think I have spoken on the amendment; I think I spoke on the . . .

MR. SPEAKER: Order please. I'm sorry I have the honourable member down for having spoken on the amendment on the 9th of March.

MR. McKENZIE: On the amendment, eh.

MR. SPEAKER: On the amendment.

QUESTION put on amendment and carried.

MR. SPEAKER: The resolution as amended. All those in favour please say aye . . . The Honourable Member for Lakeside.

MR. ENNS: I believe I have an opportunity having spoken on the amendment to speak on the resolution, and in effect close the remarks on the resolution, although I don't think that's necessarily so, but I did make some remarks on the amendment on this resolution, and if there seems to be some dispute about that, perhaps I'll await your ruling, but I did have a few further comments to make.

Mr. Speaker, I would like to thank the honourable members opposite, both sides of the House, for the time this resolution has occupied their attention. It has been on the Order Paper for some length of time, and there have been many different views expressed on it. I suppose that I should acknowledge with some apology for the brevity of the resolution, because I recognize, as individual members have indicated, that the resolution doesn't spell out in specific form some of the concerns that members expressed. For instance, the last member for Ste. Rose indicating in the resolution or expressing a concern that the resolution doesn't say just how some of this right-of-way land, abandoned land should be retained by the Crown. Well certainly, Mr. Speaker, it could have been put right into the resolution that "at no cost to the public, at no cost to the taxpayers," in a sense that I agree with both sentiments expressed that in most instances this land was given, was given in the first instance to the railway companies concerned, and certainly in the case of the--(Interjection)--not in all instances, but many instances - certainly in the instance of the lines with specific reference to the Canadian National Railway System, which is already a Crown or a government-operated railway system, there's no need for one arm of the government taking the other arm of the government for some property rights.

And, Mr. Speaker, also I want to just remind myself of the initial remarks made by the Minister of Labour on this resolution, who seemed to read into the resolution, even though I went to some pains in introducing the resolution, some kind of a backing off of the responsibilities that the railways had constitutionally and traditionally, and over the years to the providing of transportation services to the people, not only of this province but to this country, that this resolution in any way allowed the railways to get off the hook in terms of these responsibilities, that this resolution in any way allowed the Federal Government to weasel out of their responsibilities with respect to the overall responsibilities that they have on transportation matters. None of these reasons, Mr. Speaker, were valid in terms of the effects of this resolution.

RESOLUTION 1

(MR. ENNS cont'd)

This resolution simply acknowledges a fact of life that happens to be with us. It's not a particularly new fact of life. It's been with us for some years. Railway lines are being abandoned. Whether we like it or advocate their abandonment, or what, some future lines are going to be abandoned.

I would hope that the representations before the Hall Commission are such that this will be minimized. That indeed we can persuade the federal authorities, can persuade the railway authorities that greater efforts have to be made on their part to renovate, to reactivate some of the lines on which for the past number of years have only been able to operate with a great deal of public subsidy and a great deal of public cost in that way.

Mr. Speaker, I just believe that the resolution had the opportunity or provided the opportunity for members to speak about the kind of new methods and new transportation programs that we may well want to develop, that we want to initiate if we want to establish satellite cities around this urban centre; if we want to encourage rural repopulation; if we want to encourage the spreading out of this large urban centre of so many Manitobans choosing to live in one city, to encourage them to live in the communities of Morris, Manitoba, Warren, of Stonewall, of East Selkirk. We should then, you know, have it ever constant in our mind that as we are being reminded that our source of fossil fuels, our dependency on that form of energy, has a time limitation on it; that the whole mode of some kind of commuter, some kind of rapid transit systems will be developed and that whenever that happens the problem of purchasing the right-of-way, the problem of creating those transportation corridors is going to be a major portion of that cost to that system.

Just as today, Mr. Speaker, the major portion of digging a drainage or irrigation channel or ditch for the Department of Mines and Natural Resources, right now the major cost is in purchasing the right-of-way, that land that criss-crosses now held private property or public property or what-have-you. A big aspect, a big cost to building any highway is the purchasing of the necessary right-of-way.

Mr. Speaker, I believe really only that in some instances - not in all - but in some instances where that kind of future development, that kind of commuter development would seem to be in the offing, it would be prudent to public policy to maintain those options for the public in the future.

Mr. Speaker, there are resolutions and briefs presented, currently before the already mentioned Hall Committee that suggest that other interests want some of this land. The last Hall Committee meeting in Fisher Branch, I believe, heard briefs from communities - and I am told that this isn't an isolated case, that it happens in very many of our prairie towns - where the railway right-of-way slices a community in half and in many cases impedes and prevents any development. I think particularly the community that I have in mind is Teulon for instance where one whole half side of the Main Street of Teulon, because it's railway property, has had and seen no development. Now the representation from the - I believe it was the Kinsmen group or the Chamber of Commerce I'm not sure - before the Hall Commission at the Fisher Branch hearings was that if that portion of railway should be abandoned then the community of Teulon wants that land. Well, Mr. Speaker, not getting into any quarrels with the community of Teulon, the correctness of their argument for perhaps having that land, certainly I can see that it shouldn't just be forever in a deep freeze and block the kind of sensible development of that kind of community, I only raise the matter to indicate to you that other interests are making their voices known about claiming the right to this right-of-way that now exists in the name of the railways and in some cases exists merely as a right-of-way covering long unused trackage or indeed simply overgrown railway bed where the trackage and tiles have in fact been removed.

Mr. Speaker, I would hope that the government would consider the advisability of the resolution in that light and not, as has been suggested, in any way relieving the federal authorities or the railways of their prime responsibilities in terms of providing transportation and better transportation methods in this country. It's certainly not meant to take the federal authorities nor the major railways off the hook in any way, but suggests to us as a provincial authority to look prudently at the future use and to maintain all options open for us if, in fact, a final decision of abandonment is made from time to time concerning some of these railway lines. Thank you Mr. Speaker.

QUESTION put on the resolution as amended, MOTION carried.

MR. SPEAKER: I'll call it 5:30. The Honourable House Leader first.

MR. GREEN: Mr. Speaker, I would like to announce the meetings of Law Amendments Committee for Monday at ten o'clock in the forenoon; for Monday at 8 p.m. and for Tuesday at 8 p.m. So that having announced them now I hope that the people who are waiting for an announcement will be made aware of when the meetings will be held. Law Amendments Committee.

MR. SPEAKER: I am now leaving the Chair and the House will resume at 8 p.m. with the Deputy Speaker in the Chair in Committee of Supply.