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THE LEGISLATIVE ASSEMBLY of MANITOBA
Friday, April 15, 1977

TIME:10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Honourable Peter Fox (Kildonan): Before we proceed, I should like to direct the attention of the honourable members to the loge on my right where we have as our guest this morning the Honourable Claude Morin, Minister of State for Inter-Governmental Affairs, Province of Quebec, and Member of the National Assembly of Quebec for the riding of Louis-Hebert. On behalf of all the honourable members, we welcome you here this morning.

Up in the gallery, we also have 35 students Grade Six standing of the Ste. Anne's School under the direction of Mr. Rene Courcelles. This school is located in the constituency of the Honourable Member for La Verendrye. On behalf of all the honourable members, we welcome you too. (Oh, I guess they've gone.)

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: Thank you, Mr. Speaker. My question is to the Honourable the Minister responsible for Renewable Resources. He had a target date of April 15th for the putting out or controlling the peatmoss fires and I wonder if this target date has been met or is it likely to be met within the next day or two?

MR. SPEAKER: The Honourable Minister of Renewable Resources.

HONOURABLE HARVEY BOSTROM (Rupertslad): Well, Mr. Speaker, I am happy to report that this target has indeed been met. In fact, in addition to those old peat fires that were burning from last year and over the winter, the department has been successful in containing and controlling those that have started recently as a result of grass fires and fires that have been set in peat since the beginning of this year's fire season.

MR. BLAKE: A supplementary, Mr. Speaker. Just for clarification, I would assume then that the equipment used in the elimination of these fires is now freed-up for use elsewhere in the province for other fire fighting duties?

MR. BOSTROM: I would think so, Mr. Speaker. Much of the equipment that we did have in the Eastern region, in the eastern part of the province for example, is now working in the Interlake where there is the most need at the moment given the high degree of grass fires in that area and the very extreme fire danger as a result of that.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN: Mr. Speaker, I should like to direct my question to the Minister of Mines, Resources and Environmental Management and ask him if he has now received the final report of the International Joint Commission on the Rousseau River?

MR. SPEAKER: The Honourable Minister of Mines.

HONOURABLE SIDNEY GREEN (Inkster): Mr. Speaker, I was waiting for my honourable friend to get into the House because I had to indicate to him that what I thought was not the final report was indeed the final report which was received some time ago and the proceedings that I referred to which I thought were before the International Joint Commission are proceedings between the two governments. We are meeting with the Federal Government on April 18th with the Department of External Affairs to deal with the recommendations of the International Joint Commission which then have to be dealt with with the Government of the United States. I was of the opinion that it was still pending before the International Joint Commission but it is now pending government to government and the Commission's report, which I thought was not final, was indeed final, as the honourable member had indicated.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON: Mr. Speaker, my question is directed to the Minister of Industry and Commerce. Can the Minister inform the House if MHRC has completed its presentation to the Bellan Inquiry?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HONOURABLE LEONARD S. EVANS (Brandon East): Mr. Speaker, as was indicated previously, publicly, the MHRC would make available to the Bellan Inquiry any information it required but that it would not make a formal presentation as such. I believe this is the case.

MR. F. JOHNSTON: Mr. Speaker, my understanding was and maybe the Minister can inform the House, was not MHRC going to give statements in private to the Bellan Inquiry and have they done that as yet?

MR. EVANS: Mr. Speaker, I can check to see whether this has transpired as they indicated and perhaps it's just a utilization of a particular phrase but we would be prepared and are prepared and perhaps have already done so, provided the Bellan Commission with any data, any material that it would request of MHRC to carry out its mandate.

MR. F. JOHNSTON: One further question, Mr. Speaker, to the Minister. I wonder if the Minister can inform the House when he expects to have the Bellan Inquiry and when would it be given to the public after the government receives it — the report I mean, Mr. Speaker.

MR. SPEAKER: The Honourable Minister for Urban Affairs.

HONOURABLE SAULA A. MILLER (Seven Oaks): Mr. Speaker, the Bellan Commission will make a report just as soon as they are ready. They have indicated that they might have a report in June.

MR. SPEAKER: The Honourable Member for Sturgeon Creek, final.

MR. F. JOHNSTON: Yes' Mr. Speaker, to the Minister of Urban Affairs. Can the Minister inform the House if he will turn the report over to the public very soon after the government receives it?

MR. MILLER: Mr. Speaker, as in the past I do not sit on reports, once I have them they will be made public.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK: Mr. Speaker, my question is to the Minister of Health. The Ontario Legislature has given second reading to a bill giving the citizen the right to refuse medical treatment if diagnosed as terminally ill. Does Manitoba contemplate this type of legislation?

MR. SPEAKER: The Honourable Minister of Health.

HONOURABLE LAURENT L. DESJARDINS (St. Boniface): No, Mr. Speaker, not at this time.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN: Thank you, Mr. Speaker. I direct my question to the Minister of Tourism, Recreation and Cultural Affairs and would ask him if he could confirm that many of the commercial and tourist operators, now leasing Crown land in provincial parks throughout the Province of Manitoba are having difficulties in renewing their leases with the department?

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

HONOURABLE BEN HANUSCHAK (Burrows): No, Mr. Speaker, I'm not aware of any change from the practice over past years with respect to negotiation of renewal of leases.

MR. BANMAN: I wonder if the Minister could inform the House whether many of the operators within that area are now on a month-to-month lease basis with the department?

MR. HANUSCHAK: Offhand I'm not aware of any being on a month-to-month lease basis, but I will take that question as notice.

MR. BANMAN: A final supplementary. I wonder if the Minister could inform the House whether the government is working on a new lease arrangement policy with the operators or people in provincial parks?

MR. HANUSCHAK: No. The practice and procedures which have been in existence in the past are continuing.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Thank you, Mr. Speaker. I have a question for the Minister responsible for Manitoba Housing. The first question would be in relation to the Bellan Commission. He committed in this House about a month ago that any statements or evidence supplied to the Bellan Commission by Manitoba Housing would be made available to members of this House. Is he still prepared to honour that commitment and can we expect to have that evidence if it has been so presented?

MR. SPEAKER: The Honourable Minister for Industry and Commerce.

MR. EVANS: Well, Mr. Speaker, I'm not sure whether the commitment was as blanket as the honourable member indicates. Let me check my records and I will advise you in due course.

MR. AXWORTHY: Thank you, Mr. Speaker, I have a further question for the Minister. Can he indicate whether the Manitoba Housing and Renewal Corporation officials or he himself personally have been meeting with the City of Winnipeg officials to discuss the problem of tenants who are being forced out of their housing because of changes in city by-laws and have no alternate accommodation. Has he been meeting with officials to determine what provisions should be made for these tenants?

MR. SPEAKER: The Honourable First Minister.

HONOURABLE EDWARD SCHREYER, Premier (Rossmere): Mr. Speaker, on reflection I would wonder, Sir, if there is not a valid point of order that's raised by the Member for Fort Rouge? There is a citation in Beauchesne, Sir, which you have circulated to all of us which points to the unacceptability of questions that are posed in a sarcastic fashion. The Honourable Member for Fort Rouge, as is his wont, has again asked a question based on sarcasm, asking the Minister if he is prepared to honour his commitment. That, Sir, is something that goes without saying and should not be allowed as a question.

MR. SPEAKER: The point is well taken. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Speaker, I would not like to suggest that I have any tone of sarcasm in my voice. I just want to know if the commitment made in this House by the Minister to supply materials by Manitoba Housing to the Bellan Commission will be made available to members of this legislature as he stated in this House a month ago.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, I do recall, but I want to check the records to be absolutely certain. I do believe I put a proviso on that and that is we didn't want to release any material that was of a confidential nature that would hurt any present negotiations or that would be an infringement on any private rights of any individual of this province.

MR. SPEAKER: The Honourable Member for Fort Rouge, a final question.

MR. AXWORTHY: Thank you, Mr. Speaker. I wonder if the Minister is now prepared to answer my question, whether the province has met with the City of Winnipeg, does it have any plans of its own to provide alternative provision, is it examining this question and is it prepared to put up presently held provincial lands such as in parking lots and so forth that may be available to provide alternative provision for those tenants who are being forced out of their housing?

MR. SPEAKER: The Honourable Minister for Industry and Commerce.

MR. EVANS: Mr. Speaker, the honourable member raises a number of questions. I can advise the honourable member that we are concerned, the matter is under active consideration and yes, we have met with the City of Winnipeg, both with officials and with the council representatives. We are looking at various alternatives to see what we can do within the provisions of existing legislation, within our financial capacity to do something about, as we have been doing, Mr. Speaker, for some years, improving the housing stock in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. BLAKE: Thank you, Mr. Speaker. My question is to the Honourable the Minister of Industry and Commerce, and it has to do with a question he provided yesterday on a subject that lends itself a little more favourably to debate this morning than it did yesterday. It has to do with the distillery at Minnedosa.

I wonder if the Minister can inform the House if his department is actively following the conditions of the distillery. In view of the financial problems experienced by Melchers, the parent company, could he inform the House if he is actively following any leads or any contacts in an effort to get the distillery open again and provide the employment in our area that is so desperately needed?

MR. SPEAKER: The Honourable Minister for Industry and Commerce. Order please.

MR. EVANS: Mr. Speaker, I can advise the honourable member that we are doing everything possible, working with any group that might be interested in pursuing this matter. As the honourable member does know, Mr. Speaker, we did work with one group for some long period of time. They have had some difficulty but I guess that is the name of the game. You put up your money and you take your chances. I believe there are other interests. I can only say that we are working with other interests and we are prepared to do so, as is the usual procedure.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Industry and Commerce. I wonder if he can indicate whether his department has had any discussion with the appropriate officials as to whether the redevelopment plan at Churchill will be affected by the refusal of the CNR to up-grade the line from Gillam to Churchill.

MR. SPEAKER: The Honourable Minister for Industry and Commerce.

MR. EVANS: Whether the redevelopment plan of Churchill would be adversely affected by the decision of the CN, well, it is very difficult for me to speculate on this matter. I can say more precisely that it will not enable Churchill to meet its potential through-put. It obviously will be a constraining factor. That is the decision or at least the current decision of the CN not to upgrade the line between Gillam and Churchill because without the upgrading you cannot take the modern hopper cars and therefore you cannot have the level of through-put that we would desire. I couldn't speculate as to what effect it would have on the townsite development.

MR. SPIVAK: I wonder if the Minister wouldn't consider it advisable to take the matter up with the Federal department so that in effect pressure can be put on the CNR to see that this is completed.

MR. EVANS: Mr. Speaker, I can advise members of the House that I have written both to the Minister of Transportation, the Honourable Otto Lang, expressing the government's concern about this and also to Mr. Bob Bandeen, the President of CNR, asking them to reconsider their decision and pointing out the great urgency here for the development of the Port of Churchill and everything that is involved in this particular process.

MR. SPIVAK: I wonder if the Minister is in a position to indicate whether he has asked the assistance of the National Harbours Board in pressing the CNR to have the upgrading take place.

MR. EVANS: No we have not asked the assistance of the National Harbours Board, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS: Mr. Speaker, I direct a question to the Honourable the Minister of

Agriculture. Currently the Federal parliament has before it a measure calling for an across-the-board 20 percent increase in tariffs on all fresh fruits and vegetables entering into this country. Has the Minister or his department had any opportunity to make any kind of representation with respect to this request? The request is being put forward by The Canadian Horticultural Council.

MR. SPEAKER: The Honourable Minister of Agriculture.

HONOURABLE SAMUEL USKIW (Lac du Bonnet): No, Mr. Speaker, normally we are not involved in that kind of thing.

MR. ENNS: Well, Mr. Speaker, I have a further question to the Minister of Consumer Affairs. Has the Minister of Consumer Affairs concerned himself, in any respect, with this question that is now currently before the Federal House calling for a 20 percent tariff increase on fruits and vegetables entering this country?

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

HONOURABLE RENE TOUPIN (Springfield): Mr. Speaker, we're reviewing the situation and hopefully whatever has to be done on the provincial scale will be considered.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Another question to the Minister of Industry and Commerce. I wonder if he can indicate whether his department has statistical information showing the increased freight that has been channelled through Churchill as a result of the need for increase in Arctic supply?

MR. SPEAKER: The Honourable Minister for Industry and Commerce.

MR. EVANS: I imagine that information could be acquired. It would be tabulated by the railways, or we could possibly get it from the Northern Transportation Company Limited. I'm sure the information is available but we do know, Mr. Speaker, whatever the data, the Arctic re-supply has been very well received and it seems to be functioning quite well in Churchill.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well I wonder if the Minister would be prepared to assemble that information and furnish the House with that information in support of the need for upgrading the rail line from Gillam to Churchill.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I just wanted to indicate in way of reply to the Member for River Heights that the Minister of Industry and Commerce, like his predecessor, the Member for River Heights, shared an interest in terms of the possibility of increasing the through-put of goods and freight through Churchill for Arctic re-supply in the Hudson Bay basin. Unlike the Member for River Heights, the Minister of Industry and Commerce has been successful in obtaining action from the Government of Canada in actually getting Arctic re-supply out of Churchill to take place.

MR. SPIVAK: I direct my question to the First Minister. I wonder if the First Minister can indicate how he expects to win an argument without facts.

MR. SCHREYER: Mr. Speaker, the facts are that Arctic re-supply through Churchill is now a reality. It wasn't when my honourable friend was Minister of Industry and Commerce.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD McGILL: Mr. Speaker, my question is for the Honourable the Minister of Finance. On Monday, I believe it was, I posed certain questions with respect to an illegal sales tax that was applied by Manitoba to overflying aircraft. I wonder if he has that information; I'm sure if he does have he wouldn't want to sit on it.

MR. SPEAKER: The Honourable Minister of Finance.

MR. MILLER: Mr. Speaker, I don't accept the term "illegal" as suggested by my friend. I have asked for a report on it. Apparently, the legal counsels are still studying the verdict or the judgment and they have not yet made any comment as to whether there should be an appeal, or what their recommendation might be.

MR. McGILL: Mr. Speaker, I would remind the Minister of the second question relating to any further rebates made to other airlines in addition to Air Canada.

MR. MILLER: When I have the answer to the first question, I'll have the answer to the second.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I was asked, some time ago, whether the Red River Floodway or the Portage Diversion would be in use this year, and I can confirm to my honourable friend what he no doubt suspects' that they will not be in use this year.

I was asked by the Member for Fort Rouge whether the highway in the vicinity of Moose Lake would go through the Manitoba environmental assessment and review process and I gave, Mr. Speaker, a rather long answer about the process itself. If the honourable member would look at the first paragraph of the process he will note that with regard to the Environmental Protection Branch, the process applies to contaminants of the air, land or water. The process can be used to deal with concerns of other departments if they are referred to us. In this case, Mr. Speaker, it is, I take it, a normal road which might pass through an area which one would not want to have a road pass through — the area being under the purview of the Department of Renewable Resources. That is a

matter than can be easily handled between the two departments, but if the Department of Renewable Resources felt that the matter was of such magnitude that it would go through the Environmental Protection Review process, that could be available. We at this point do not know whether it will be so used but it could be used.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, then I would ask a question of the Minister of Renewable Resources. Is it the intention of that department to request that the construction of a road through the Wildlife Reserve be submitted for assessment to the Environmental Impact Review Agency?

MR. SPEAKER: The Honourable Minister for Renewable Resources.

MR. BOSTROM: Well, Mr. Speaker, I have had no recommendation as such from departmental officials in my department as of this moment. I expect, however, that if there is a problem that we do have some good people working in the wildlife area in my department and they will be able to assess the situation and determine whether or not such a review is necessary, and I'm sure they will be coming forward with the appropriate recommendation.

MR. AXWORTHY: Thank you, Mr. Speaker. I would just ask the Minister then, whether he intends to request from his officials whether they in fact are preparing such recommendations to submit that particular project to the Agency for Environmental Review?

MR. BOSTROM: Well, Mr. Speaker, there is no need for me to make such a specific request. The situation in that area is under constant monitoring by the department, we have a regional office in The Pas which has responsibility for resource management in that area, and they will be looking at the situation and coming forward with the appropriate recommendations.

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, the other day the Honourable Member from Portage La Prairie asked me a number of questions with respect to the Neighborhood Improvement Program proposed for the City of Portage La Prairie, and I undertook to obtain additional information for him. I can advise him that we have allocated, out of the total Federal Budget availability for 1976, we've allocated approximately \$1.2 million to the so-called North Centre Project in the City of Portage La Prairie. This will be utilized over a four year period. And I can also advise that the provincial portion will be in the order of \$800,000 — these are strictly estimates at this stage — and the municipality will be putting up \$1.1 million, for approximate total of \$3.1 million. Usually the province puts in 25 percent of whatever qualifies for a federal contribution. The formula is rather complicated, but normally it's 25 percent provincial and 75 percent is split one way or the other between the City and the Federal Government. But at any rate, consultations are going on and we hope that we will be able to reach a final agreement soon. Nevertheless, I'm pleased that this is going on, and I'm sure it will greatly assist the City of Portage La Prairie in its various undertakings, whatever they may be.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM: Question given in French.

TRANSLATION: Mr. Speaker, can the Honourable Minister of Consumer and Corporate Affairs tell us when the Act of Rent Control will be reviewed?

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

HONOURABLE RENE TOUPIN (Springfield): Reply given in French.

TRANSLATION: Provision of the present Act, being Bill 19, allowed the setting of regulations for Phase II that terminate September 30, 1977 — amendments to said regulations will be considered by Cabinet in the next few weeks.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, just following on the answers supplied by the Minister responsible for Housing and the Neighborhood Improvement Project, considering that this is one of the first Neighborhood Improvement Projects being offered outside the City of Winnipeg, can the Minister indicate whether a similar offer is now being made to a range of towns and municipalities throughout Manitoba to put in requests for Neighborhood Improvement Projects?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

MR. EVANS: Yes, Mr. Speaker, this is the second project outside of the City of Winnipeg, the first was in Brandon. The City of Flin Flon has been advised of this program and has been encouraged to participate in it, and I've also had discussions with the Town Council of Dauphin, also urging them to consider it, and hopefully participate in the matter. So we are talking to municipalities outside the City of Winnipeg whom we think are large enough and are in a category that they may be able to take advantage of this particular program. There are certain criteria that must be met as the honourable member understands, I'm sure, I believe Dauphin and Flin Flon could very easily take advantage of this program.

MR. AXWORTHY: Mr. Speaker, supplementary to that. Can the Minister indicate then if

discussions are being held with towns like Dauphin and Flin Flon, whether similar invitations or consultations are taking place with towns in a similar category size, say like Selkirk, Steinbach, and so forth? What is the criteria that is being used to determine whether this kind of invitation or consultation is undertaken with individual municipalities?

MR. EVANS: Well generally speaking, we would hope that most municipalities are aware of this particular program, we do attempt through various brochures and pamphlets to make available to the public at large the various programs that are available, and NIP or the Neighborhood Improvement Program is one of them that is made available in this way. So, I cannot say we have written to every town in Manitoba, but we have been, in a general way, advising the public that this type of program is available.

There is a problem of course, Mr. Speaker, and that is that we only get limited funds, we have a limited budget, and we negotiate each year with CMHC, and of course we have to make some allocation based on some priority. But unfortunately, Mr. Speaker, if I might observe, the Federal Government is talking of curtailing the program or ceasing the program at the end of 1977. I would hope that is not the case, but this seems to be what is being indicated from Ottawa.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BANMAN: Thanks, Mr. Speaker I direct a question to the Minister of Tourism and it arises out of the questions that I asked before. I would ask the Minister to confirm that the government is not working on developing a new lease policy for camp operators and tourist operators in Provincial Parks?

MR. SPEAKER: The Honourable Minister for Tourism and Recreation.

MR. HANUSCHAK: Mr. Speaker, If there's any new policy formulated and approved by this government with respect to the operation of any business concession within our parks, that will be announced.

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY: Mr. Speaker, I have a question to the First Minister in his capacity as Minister reporting for Manitoba Hydro. I would like to ask him whether he has received any letter or apology from the President of the Conservative Party on behalf of the Leader of the Official Opposition and Members of the Conservative caucus — an apology for the charges that they made that Manitoba Hydro wasted some \$605 million of taxpayer's money on the Hydro development in the North?

MR. SPEAKER: The Honourable First Minister. The Honourable Member for Morris.

MR. JORGENSEN: The First Minister rose on a Point of Order, drawing to your attention some infraction of the rules during the question period, which was a very dubious one indeed, and which you accepted. I draw to your attention, Sir, your citation which you sent around to us from Beauchesne, which says, "No question can be ironical, rhetorical, offensive or contain epithets, innuendo, satire or ridicule; contain an expression of opinion or contain or imply charges of a personal character." For the last week, the Member for Radisson has been posing questions of that nature and you have not called him to order, Sir. I insist that the rules of this House be maintained, and I insist that they be maintained on both sides of the House, not just one side.

MR. SPEAKER: The Chair has tried to be as lenient as possible as long as the members accept . . . order please. If the honourable members do not wish to have any comment on the point of order, that is fine, we will just proceed and ignore it but if they wish, I will explain. I have let the House carry on its own procedures according to its wishes within the rules unless there were flagrant violations and everyone has been trying their best to stay within the rules, sometimes they've been bumping the edges of the walls and making them bulge. I have tried to accommodate all sides of the House. Now when points of order are raised, I have looked at them and, in this case, as I did a little while ago, I said the point is well taken but it is only when I get real protest that I am going to rule because I do not want to act as a policeman. I think the members are legislators; they are intelligent and they can conduct themselves very well with decorum and if they don't offend each other, then we will proceed. If they offend each other, we will have points of orders and we will rule on them. Now, if those parameters are not good enough, then naturally I will have to abide by the straight and narrow and all members will be very vexed because they will be continually told they are out of order.

The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, in view of the article in the Tribune and the question that I posed to the First Minister in his capacity as Minister reporting for Manitoba Hydro, could he elaborate on the answer that he gave us yesterday?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: No, Mr. Speaker, that answer still stands.

ORDERS OF THE DAY

SECOND READINGS

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I would like to proceed with the second readings on Page 2 of the Order Paper, Bill Nos. 39 and 56 and then with the adjourned debates.

MR. SPEAKER: Very well.

BILL (NO. 39) — AN ACT TO AMEND THE PLANNING ACT

HONOURABLE BILLIE URUSKI (St. George) presented Bill (No. 39) — An Act to Amend the Planning Act for second reading.

MOTION presented.

MR. URUSKI: Thank you, Mr. Speaker. The bill in question I would consider technical in nature. There are a number of changes and I will go through the provisions and I will supply to Members of the House a copy of my notes so that they can have a copy because the amendments I would say in the main are technical in nature. I would like to go to

There is enough some of them, an amendment in section 12, a new subsection, which provides for public notice of the Order-in-Council by publication in the Gazette, notice in a newspaper and mailing of a notice to the affected municipalities. Publication in the Gazette will constitute conclusive proof of the establishment of the special planning area.

Continuing on in that area, subsection 14.3, this section — well the principle changes here, they are sections that provide for the Municipal Board Hearing on a question of creation of a planning district. It requires the Board to submit a report with recommendations to the Minister while it restricts its terms of reference in the area to be included in the planning district. The intent of that subsection is paramount.

There are also amendments, Mr. Speaker, that improve the wording of certain sections which seems to end the jurisdiction of the City of Winnipeg over part of the municipality within the additional zone, even if that part of the municipality is not included in the planning district. I raise as an example the R. M. of Springfield, only part of it is outside of the additional zone. If it were to enter into a planning district, the present section implies that the rest of the municipality would no longer come within the additional zone jurisdiction of the City of Winnipeg. This provides clarification that a portion of the municipality can remain within the additional zone and also join a planning district of the remaining portion of the municipality outside the additional zone.

There are changes concerning the changing of boundaries or of dissolving a planning district. All of the provisions concerning the establishment of a district should apply to such changes.

Additionally, there is the district board's power to enact by-laws. There are subsections dealing with that. It is felt that specific provision should be made to ensure that fees may be charged for services rendered by officers or employees of that district. An example would be the issuing of a zoning memorandum by the development officer and municipalities already have this power but this will be brought forward to the districts which are formed so those same powers are carried forward.

There are changes, technical in nature, which provide for notice of first reading of a development plan by-law which tells the public that copies and extracts can be taken. This section requires council or the board to permit anyone to do so but allows a fee to be imposed if they wish to have those transferred.

There are changes which require that a notice be given if a development plan is changed after a public meeting in the same manner as the original notice of the proposed plan. It provides for the form of notice to be given by the Municipal Board of a Hearing concerning objections to a development plan and which would make the notices be put into newspapers and the like.

There are some changes, clarifications that are being put forward about modifications to a development plan by the Lieutenant-Governor-In-Council when a district is formed and there will be provisions for notices to be given in local areas if there are changes to be contemplated to a development plan presented by a district if it does not . . . there may be some changes required that may not conform to the provincial land use policies.

There are changes being presented which provide for the issuing of development permits pending the preparation of a development plan or basic planning statement. The intent is then termed "development control." The new subsections, the intent of this, is to implement this intention and provide safeguards against abuse. Also the provisions for issuing of development permits pending the preparation of a development plan or basic planning statement. The intent is then termed "development control." The new subsections implement this intention and provide against safeguards as I mentioned before. There are provisions which will prevent councils from holding up indefinitely after a public meeting concerning a zoning by-law change. They must decide to proceed with the by-law or resolve not to proceed with that by-law within 90 days.

There is also a provision for a council, giving the option to the council of not proceeding with the by-law or proposed amendment when, in its opinion, the recommendation of the district board runs counter to the policy of a council. A provision of a zoning by-law to which objection has been made is not in force, which gives the council the option of not proceeding with it even though the district

board may recommend it if it runs counter to the policies of the council.

There is a new provision which places a time limit on the effect of a variation order. A property owner should not be permitted to act upon an order made years previously without giving anyone an opportunity to be heard. Local conditions may have changed and people affected may be newcomers.

There are provisions that are to apply to the variation board's hearing on appeal from the decision of a development officer and should also apply because they concern a majority vote, mailing of the order and the finality of the board's decision.

These are all very technical provisions in the Act to streamline the workings of the Act to the benefit of the district boards and councils so that the procedures are much more simple, understood and streamlined.

There is a change, as well, which seeks to avoid the problem of prior notice to owners where a plan of subdivision has been declared obsolete. After first reading owners will be given an opportunity to be heard. In the meantime, the lots of that obsolete plan will be frozen so that the by-law cannot be frustrated.

There are changes, as well, that require a subdivision to conform to a proposed development plan and basic planning statements, zoning by-law or proposed amendments to any of them. These amendments extend their requirement to include conformity with the proposed amendment to a planning scheme.

There are also amendments regarding development agreements related to zoning proposals which have been extended to subdivision agreements and required by council. These changes insure that successors in title will be bound by subdivision agreements upon registration in the Land Titles Office.

There are present conditions in the Act which prevent a person after refusal of a subdivision applications from reapplying within six months. However, a minor alteration in an application takes him outside the provision. Removing the word "unaltered" will plug the loophole. In exceptional cases the Minister is able to get permission for reapplication within the period.

There are new subsections which on many applications for subdivision approval are necessary for purely technical reasons. A Certificate of Title may contain, for example, two pieces of land which are separated from one another and, for practical purposes, are different parcels but the owner must apply and a Resolution of Council be obtained. This unnecessary delay and expense may be incurred even though there may be no possibility of any planning concerns. The provisions allow the approving authority to issue a Certificate of Approval in such cases, without asking for a Council Resolution. Council may not be by-passed where the new parcel would contravene with zoning requirements of that municipality. Therefore, the approving authority will be bound by the zoning by-laws of the council in question.

There are changes, as well, which will allow the approving authority to accommodate purchasers of land, who wish to register a transfer pursuant to a sale agreement entered into before a subdivision control was implemented. There are cases where a person has been paying installments for many years and municipal veto of the conveyance would be most unfair but would leave the applicant with no recourse. This section will allow approval to be given without a Council Resolution if the approving authority is satisfied that the agreement did exist on January 1, 1976, or prior to that date.

There are changes, as well, that the involved adoption procedures concerning development plans, basic planning statements, zoning by-laws and planning schemes should not be necessary where an amendment is necessary to correct errors and omissions of a technical clerical nature. This provision allows the Minister to waive such requirements.

There are changes, or a new part to the Act, which provides that the Act does not apply in northern Manitoba unless the Lieutenant-Governor-in-Council declares that it does. This amendment provides that the Act apply to northern Manitoba in accordance with the new Part IX of the Act. The mechanism in the present Act whereby any part of the Act may be declared by O/C in applying to northern Manitoba has been found too inflexible to recognize various community and northern conditions. And it provides that the Minister of Northern Affairs is responsible for the Act as it applies to northern Manitoba and remote communities. And that section of the Act deals with various methods in which the Minister responsible for planning matters in those remote communities in dealing with local community councils, and the like' as to how planning matters may be carried out by the community councils as they relate to provincial concerns and community concerns, and the Minister of Northern Affairs in his dealings with those community councils.

As indicated, Mr. Speaker, the amendments are of a technical nature and I will be providing a copy to both parties in this House of my remarks so that they can go through it clause by clause. Thank you.

MR. SPEAKER: The Honourable Member for Gladstone.

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

BILL (NO. 56) — THE FARM LANDS PROTECTION ACT

MR. SPEAKER: Bill No. 56. The Honourable Minister for Agriculture.

MR. USKIW presented Bill (No. 56) The Farm Lands Protection Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister for Agriculture.

MR. USKIW: Mr. Speaker, it is indeed a pleasure for me to introduce this piece of legislation, something that has been talked about for a good number of years by not only Manitobans but Canadians generally. I believe this is a very important piece of legislation and will certainly change the policy with respect to the ownership and use of agricultural land throughout Manitoba for many decades into the future. And it's certainly a very serious but positive departure from policy to date.

I want to make note of the fact, Mr. Speaker, that the bill is well numbered. Bill 56 is noted in this province, it's a historic notation that I refer to. Bill 56 was the number that was used for the introduction of Autopac and, Mr. Speaker, I would simply like to take a moment to reflect on the fact that that is a number one success story. And I'm very pleased to associate this piece of legislation with other successful pieces of legislation during the term of office of this government to date.

Mr. Speaker, many Canadians have expressed concerns with respect to land ownership in this country, to the question of property rights, and many provinces have dealt with that problem in different ways, certainly not in the way, entirely, that we are but to some degree very much along the same lines. In British Columbia, Ontario, Nova Scotia, Quebec, the major concern there in particular was the ownership of recreational lands although in Ontario and British Columbia a lot of attention was paid to the need to preserve the small amount of agricultural land that they have in those provinces.

In Manitoba, of course, we are somewhat preoccupied by the fact that many people who have no direct interest in agriculture *per se* are acquiring huge tracts of land; people who are domiciled outside of the country, outside of the province, and some domiciled within the province but who really are not farmers, as such, but perhaps have a speculative interest in land.

Some people are taking the position that we should be purely nationalistic and that we should simply legislate against the outsiders, the foreigners. This bill, of course, does not do that. It does recognize that there is some legitimacy to ownership beyond any national boundaries. I think we recognize that in the context that we too don't want to be completely precluded from, perhaps, purchasing a cottage in Florida or wherever throughout the world, Mr. Speaker. And the small provision here makes it possible for that to continue so that we do not offend other countries in that regard and that we will have, hopefully, some reciprocity in that connection. I think that is different, Mr. Speaker, from the nature of the land purchases that have occurred in Manitoba in that those have occurred for other reasons, I'm not sure as to what they are but one could perhaps speculate that they have to do with long term price advantages that those people may see in land in this country.

Compare land prices between Manitoba or between Canada and the United States and certainly Europe. There is a huge gap in land prices. We still have relatively low-priced lands compared to those countries and that may be one reason why these people are moving in. Other reasons may be that they are trying to find a home for capital to hedge against inflation and perhaps, maybe it's a home for capital that hasn't gone through the various tax processes of certain countries — I don't know whether it's tax dodge money or whether it's money that has to be laundered in order to make its way back into the home land so to speak.

There are many reasons that one can think of that results in this kind of activity. There is also the fact that there appears to be much insecurity in other parts of the world, political insecurity and people perhaps are hedging their bets in terms of property ownership and so on in North America. So these are all pressures that are put on land prices in Manitoba that have nothing to do with the productivity of the land in its present state and use, mainly agricultural products production and so it becomes very unfair competition to our resident farmers, Mr. Speaker, who wish to purchase additional acreages or new young people who wish to purchase acreages of land in order that they can establish themselves as farmers in this province. It's very unfair for them to have to compete against those other interests and they may be legitimate from the point of view of the people behind those purchases, but certainly not legitimate from the community interest within Manitoba and the point of view of our interest they certainly may not be legitimate.

I would like to take a moment to explain to members of the House that local Manitoba residents do own the bulk of the land in this province, some 91 percent of it — we're talking about agricultural land here — some 16.3 million acres. Winnipeg residents, of course, own about three-quarters of a million acres. These are people who are not farmers but are who are absentee landlords and others. Land companies own about 89,000 acres; ownership from West Germany amounts to about 97,000 acres; the United States about 171,000 acres; so that your total foreign is 295,000 acres and, of course, people living in other provinces own about 355,000 acres in Manitoba; for a total of about 1.5 million acres owned by absentee owners or about eight percent.

Now, I think if you take into account that within the first figure — the 16 million acres owned locally — that there are people there that are not owner-operators or farmers but who live in different parts of the province so that one can safely assume that more than ten percent of our farmland is owned by people who are not directly involved in agriculture but are in the ownership of that land for other reasons. And that does represent a significant amount of our agriculture land base, Mr. Speaker, and I think it is significant enough to warrant this kind of legislation in order to protect the land for its future use. I think it is fair legislation in the sense, Mr. Speaker, that it does not move retroactively. We are talking about new purchases that shall not result in the ownership of land beyond certain specified acreages for Canadians and non-Canadians and corporations. So in that sense, it is not trampling on anyone's toes, so to speak, who now own property in this province but simply indicates and directs policy with respect to future purchases and ownership.

I would like to take a moment, Mr. Speaker, to draw attention to members of the House, the concerns that were expressed by the Legislative Committee that held hearings in 1975 and 1976 on this very subject and it might be worthwhile to recap some of these concerns just to refresh our memory, Mr. Speaker. There are six concerns that I want to mention that were expressed at that time. One of them is the need to preserve good agricultural land for food production; the second concern was the concern about the effects of investment activity in land by persons who are not farmers and the third one was the effect of certain types of absentee ownership on farmers and rural communities; the fourth concern, the effect of decreasing farm numbers in rural communities; the fifth concern was the difficulties encountered by young people to get established as farmers; the sixth concern I have listed here, as expressed at that time, the need to extend access to and to protect recreational land.

Now I want to make the final observation as a result of those hearings and that is that most people expressed a desire and a preference that agricultural land be owned by owner-operators. I think that is the operative part of the sort of feeling of Manitobans and Manitoba farmers in particular that that is the kind of policy that they would wish that we would continue with. To the extent that it is possible, that we should do all things that would gear us in that direction where the owner-operator has the possibility and the opportunity of continuing without undue influence from other sectors and, in particular, unfair influences with respect to price competition and so on. Of course, one of the big problems is how to get young people into agriculture, bearing in mind the huge capital outlays that are required these days in order to establish a new entrepreneur in the business of agricultural commodity production. One doesn't talk in terms of tens of thousands these days; one has to talk in terms of hundreds of thousands when one talks about a viable agricultural unit of any scale. So one can easily recognize the difficulty of young people having to compete with companies from outside of Canada or even from within Canada for the purchase of their land base. I think that is probably the most important consideration that one has to take into account, Mr. Speaker, the need of our future farmers, the young people who are trying to get into agriculture.

There was reference made also, Mr. Speaker, to the need for land use planning and I would suggest that that is best handled and dealt with under the Planning Act. We have introduced legislation in recent times with respect to that question and those problems and they are evolving a policy that will eventually — and I have to say that because it is not fully operative yet — that will eventually bring about some rational decision-making process with respect to how we control land use to proper public planning both at the local and provincial level. We have already provided for some options to young farmers through the Land Lease Program and through low interest loans through the Manitoba Agriculture Credit Corporation, so this measure, Mr. Speaker, simply adds to those other measures that would give greater opportunity for agriculturists of this province.

The Farm Lands Protection Act, Mr. Speaker, does seek to assure the continuation of owner-operated family farms as really the basis of Manitoba agriculture.

It seems to me, Mr. Speaker, that it is not unreasonable to place the limit of 160 acres on foreign owners or corporate owners. There is perhaps some question as to whether we have been too generous with respect to the provisions dealing with Canadian owners — 640 acres perhaps is somewhat generous and in that connection, Mr. Speaker, I really personally have an open mind. I would invite comment from members opposite and certainly we are not terribly hung-up, I think we could adjust that figure if it seems advisable to do so although my bias would not be to adjust it upwards, Mr. Speaker. I think it is overly generous as it is but I would be looking forward to some comment from members opposite and the community at large in committee as to that question. That is something that could be subject to amendment in committee.

There will be no limit, Mr. Speaker, on the amount of acreage that farmers may purchase so that as long as they are bona fide farmers or farmer corporations, they will continue as they have in the past and we think that that will make for the proper rational approach to land ownership in this province.

I think it is important to note, Mr. Speaker, and perhaps it has escaped members opposite. If they haven't perused the bill judiciously or carefully, they may have overlooked the fact that this bill also includes provisions with respect to the ownership of recreational lands. It does not exclude that land resource from the control of this legislation so that, in essence, we are moving to protect our future

with respect to our recreational lands as well. The exclusions relate mainly to the cities and towns and villages and lands that are zoned for other uses, that is other than recreation and residential development.

Also, Mr. Speaker, it should be noted that this bill will not interfere with bequests and whatever, property that is inherited, that is not going to be tampered with. We feel that —(Interjection)— Well, the Member for Lakeside says, "For two years." Mr. Speaker, I don't recall of one suggestion by anyone on that particular question with respect to any time limit or even a question whether it should or should not be exempted. We have no thoughts whatever in that direction.

On the otherhand, Mr. Speaker, I think it should be noted land acquired through foreclosures and so on, will have to be divested within a period of time. There is no way in which this legislation could function if that were not the case. We will have to make sure that at some point, people who have acquired property through foreclosures on mortgages, that they will have to dispose of those assets to conform with the legislation.

I think it should be noted and I have to say this, Mr. Speaker, in particular, because I have heard mention outside of the Chamber that members opposite have expressed some skepticism as to the implementation of this legislation and its effectiveness. I want to remind members that there will be a companion bill to this one having to do with the Real Property Act which will facilitate the enforcement of this Act or help facilitate and those amendments will be dealing with the requirement of the filing of affidavits on every purchase that takes place henceforth so that the two bills in tandem, in essence, will give full effect to the policy that we are enunciating.

Mr. Speaker, generally I want to sum up by pointing out that we believe — and I think that it is accurate to assume — that absentee landownership ultimately results in the landlord getting the full benefits of any upward price adjustments on agricultural products and certainly on the increased efficiency of the farmer, that usually under absentee landownership those benefits are passed on or are accrued to the landlord and we think that bringing these restrictions, Mr. Speaker, will ensure that farmers who operate the soil will get the full benefit of their contribution to society.

Mr. Speaker, I want to repeat that this is an important step, it is a major change in policy. It is over 100 years since we dealt with land policy in a meaningful way. This certainly does present the people of Manitoba with a new philosophy, a new policy, and I recommend it to the members of the House and in so doing, I also want to indicate that we would be most receptive, Mr. Speaker, to constructive suggestions and that we are prepared to make some changes as we move along through committee stage and third reading. Thank you very much. I commend the bill to the House.

MR. SPEAKER: Are you ready for the question? The Honourable Leader of the Opposition.

MR. STERLING R. LYON (Souris-Killarney): Mr. Speaker, I beg to move, seconded by the Honourable the Member for Lakeside, that the debate be adjourned.

MOTION presented and carried.

ADJOURNED DEBATES ON SECOND READINGS

MR. SPEAKER: Bill No. 5 second reading. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Stand, Mr. Speaker.

MR. SPEAKER: Bill No. 22. The Honourable Member for Fort Rouge. (Stand)

Bill No. 28. The Honourable Member for Rhineland. (Stand).

Bill No. 33. The Honourable Member for Minnedosa. (Stand)

Bill No. 44 also. (Stand)

Bill No. 54. The Honourable Member for La Verendrye. (Stand)

Bill No. 57. The Honourable Member for Fort Garry.

MR. SHERMAN: Stand please, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I move, seconded by the Honourable Minister of Municipal Affairs that Mr. Speaker now leave the Chair and that the House resolve itself into a 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 Public Works.

CONCURRENT COMMITTEES OF SUPPLY
ESTIMATES - PUBLIC WORKS

MR. CHAIRMAN, Mr. D. James Walding (St. Vital): We have a quorum gentlemen, the Committee will come to order.

I would refer the attention of honourable members to Page 52 in their Estimates book, the Department of Public Works. Resolution 101 Supply and Services (g) Post Office (1) Salaries. The Honourable Minister.

HONOURABLE RUSSELL DOERN, Minister of Public Works (Elmwood): Mr. Chairman, I thought I should answer some questions that were left over from yesterday concerning the telephone directory which the Member for Pembina asked about and one or two points on electric vehicles.

The readings we have on the electric vehicles, just to be more precise, on the three vehicles there's an average of 1,660 miles. One has 1,280, one 1,700 and one about 2,000 miles and we're waiting now for some new chargers which we think will improve the operation of the vehicles. They are being used by nursing sisters, social workers, etc. etc.

On the telephone directories, the Member for Pembina was interested in cost per directory and so on and the comparative merits of index versus the standard type of book. The present directory costs for 8,000 copies \$9,600, which means they average about \$1.25. Now, if we went back to the other system, it would cost you annually for one complete printing the same amount. You would have to pay \$9,600 to get all the pages done and then you'd have to buy the binders at \$2.25 a piece, you'd have to buy the dividers at \$2.00 a piece, so that if you went back to the other system it would cost you \$5.43 for the first crack and then, depending on how often you mailed out pages, you would have to spend money on that. So I would say that, comparing the two systems, if you go to the binder system it costs you \$5.40 and then you do your annual pages and so on. It would cost you more than \$1.25 a year to send well, I guess it depends on how often you change it. So I say that the other system is cheaper and, in my opinion, it is better. And it's better because I say to you that people do not make those changes. That's been my experience. They don't keep them up to date themselves. I would rather produce one new book or two new books a year rather than mail out pages which may never find their way into the binder.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON: Yes. I know we've passed the item, but if you wouldn't mind, I would like to comment on it.

He was stating that they had to be sent out annually these whole books. If you send out the binders, where you just put the sheets into it, you don't have to send out the book each year you just send out the replacement sheets.

MR. DOERN: I realize that.

MR. HENDERSON: And so you're talking about your price of \$5.40 is where you send a whole new book. I say that your dividers and your book is made up and all you have to replace each year is the leaves. And you don't even have to replace those leaves unless there's been a change in the Cabinet personnel in particular. So I think you're using a comparison that really isn't right in talking about these two books. And if you do stay with the other books, because you seem to have your mind made up on it, I certainly wish you would get that way of indexing something like a dictionary or some of these so that you could open up at the right place without the way it is now, because at the present time there is no corners cut out or notches in and it's a real awkward book the way it is now.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. WARREN STEEN: Mr. Chairman, I find myself in agreement with the Minister rather than the Member from Pembina on this particular subject. A page in a telephone book carries more than one name, many times there might be 25 names on it. If we had a Director of a department that left the service or changed from another department, that page then would be obsolete and so we would have to reprint that whole page with the one change on it and say, 24 other names and I'm sure that there is enough movement in the personnel of a large government like we have, that almost every page even every year would have to be reprinted because of personnel changes. That is if we're going to have Public Works Project Management, Mr. So-and-so in the book, so that the elected person or anybody who is dealing with the government knows the person by name and the department that that person is responsible for.

Now if we are going to delete the names and just have say, Department of Public Works Project Manager and we don't put the name in, perhaps we wouldn't have to change the book so often, but then I think we're taking away some of the services that the general public can use and that is by having the name of the person responsible for that particular department. And, as the Minister has said, he has given us the prices today and I know from being in the Insurance business, that I am the worst person to be bringing my rate book up to date. I am sent constantly from my Head Office new sheets and if you don't do it right away, it often doesn't get done. You lose the sheet and all of a sudden you're writing back to your home office saying, "I lost sheet so-and-so, would you send me another one." I can see this problem would occur on a constant basis with that type of a book. Maybe

the Member for Pembina would be the type that would bring his book up to date. He perhaps is a very efficient manager of his desk, and I would be prepared to say that I am not and that I would think that that book would be outdated constantly if it was under the arrangement that the Member for Pembina wanted. And when the Minister says it's \$1.25 a book, in my opinion that's not too expensive to do annually. I would hope we wouldn't have to do it an on a semi-annual basis, but annually that's a fairly reasonable price.

MR. CHAIAN: Resolution 101(g)1) Salaries. **The Honourable Member for Crescentwood.**

MR. STEEN: Under salaries, Mr. Minister, in the Post Office, can you tell us the number of persons there?

MR. DOERN: Twenty-eight this year and no change from last year.

MR. STEEN: The Public Post Office. I've seen the Post Office service working here in the Legislative Building. I gather that it does a similar service in the other major buildings such as out on Doncaster in the old Fort Osborne Barracks and 1700 Portage the Public Works Building, the Norquay Building, the Woodsworth Building, etc. Is that the case, Mr. Minister?

MR. DOERN: In the larger buildings we have postal clerks and we have pickup and delivery service. I can give you some examples. In the Robert Fletcher Building there is one, Fort Osborne one, Legislative Building two, and two in the Woodsworth Building, plus there are some rural.

MR. STEEN: On Salaries that's fine as far as I'm concerned.

MR. CHAIRMAN: Resolution 101(g)(1)—pass; (g)(2) Other Expenditures. **The Honourable Member for Crescentwood.**

MR. STEEN: Mr. Chairman, to the Minister. Can he explain why this year it's \$41,200 where last year they were able to get by with \$19,900.00?

MR. DOERN: . . . two main factors where there was an increase in postal rates. In fact I might point out by way of information that my executive assistant comes from ten years in the Federal Post Office, so he has I suppose, some heavy background in this regard. But in September there was a two cent increase per letter and another two cents in March, so that's a 35 percent increase; and secondly, there is a machine purchase for \$7.8 thousand, a postal machine that we had to pick up as well.

MR. STEEN: Mr. Chairman, I perhaps need to be corrected but I would have thought that Item 3, which is our next item, would be the postage rates and when we get to that item I was going to ask the Minister why he's showing a decrease in postage if, as he said, there was a two cent increase in September from to for first class mail and another two cent increase this past March. Is Item 3, Mr. Minister, not where the actual cost of postage would be, and Item 2 would be perhaps that machine and other services relating to the 28 persons.

MR. DOERN: Correct. I'd like to revise that earlier statement. The \$21,000 increase is made up of a printing and stationery increase of \$2,000; equipment purchase freight \$11,900; increase \$6,100; travel \$1,300, yielding \$21,300, and the two cents does come under Item 3.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Under Item 2, Mr. Chairman, I have no further questions.

MR. CHAIRMAN: Resolution 101(g)(2)—pass; () (3) Postage. **The Honourable Member for Crescentwood.**

MR. STEEN: Here, Mr. Chairman, I did mention it just moments ago, but the Minister has shown a small reduction of approximately \$42,000 yet he has already stated that postage is up. Is he anticipating that the various departments will have a reduction in mail, in numbers of letters, and so on?

MR. DOERN: Well if you can visualize a symbolic cap on my head, you can visualize a feather in it. This is where I think we have done well on our restraint exercise, and basically the savings are in bulk mailings, and we are using third class mailings more frequently than first class or certified instead of registered. So for example, on the basis of 14,000 pieces a month, if you meter this, you would have to pay \$1,680 a month. If you bulk mail it, it's \$260 a month, so your saving there is \$1,400 a month or \$17,000 per year, so that's why we're into this reduction. This was a recommendation of Mr. Smith and his staff, and it was accepted in Cabinet, and we're undertaking it.

MR. STEEN: Mr. Chairman, bulk mailing is primarily between departments — is that the case?

MR. DOERN: Right.

MR. STEEN: If the Department of Agriculture sends letters and communications through the mail, is that in this particular item or do they pay their own mailing charges?

MR. DOERN: We can only do this essentially where we have clerks at either end, but there is a considerable saving as a result. Now on your second question, we pay the postage.

MR. STEEN: So therefore, Mr. Minister, mail going out from the various caucus rooms is not isolated, and then charged back to legislation in the Estimates. It's paid for out of this particular budget, out of Public Works, is that the case?

MR. DOERN: Yes, paid out of this Budget.

MR. CHAIRMAN: Resolution 101. **The Honourable Member for Birtle-Russell.**

MR. GRAHAM: Well, Mr. Chairman, we have in this province a weekly news service, Information

Services which I believe is still at a first class postal rate. I think for one year it was run at 7 and 8 cents a letter and it is now up in the 20 cent class. Is there any particular reason why that should go in a sealed envelope at the higher rate rather than the lower rate that applies to say, the Information Service of the Department of Agriculture?

MR. DOERN: I guess those decisions are hammered out between our department and the line departments, and apparently we are trying to tighten up throughout the system, and I don't know whether this has been discussed with the Department of Consumer Affairs or whether there has been heavy resistance from them, I can't honestly answer that.

MR. GRAHAM: Mr. Chairman, I raise the issue because I raised it previously, and I believe Information Services comes under the Consumer Affairs Department. I raised it 2 or 3 years ago, and I believe for one year, it did come out at a cheaper postal rate, and now we find that it's a way up again at the high rate. I would think that there has to be some reason for it because it's quadrupling the cost of sending it out.

MR. DOERN: No comment.

MR. CHAIRMAN: Resolution 101(g)(3). The Honourable Member for Birtle-Russell.

MR. GRAHAM: Well, Mr. Chairman, will the Minister take that under advisement and again bring the matter up before Cabinet to see what can be done to cut the cost of this Information Services down as far as the postal rate itself is concerned.

MR. DOERN: Well, Mr. Chairman, there seems to be some merit in the suggestion, and we will discuss it with them, and ask them whether it cannot in fact be mailed third class.

MR. CHAIRMAN: Resolution 101(g) (3). The Honourable Member for Birtle-Russell.

MR. GRAHAM: One other question, Mr. Chairman, to the Minister. In the bulk mailing service, what would be the additional time lag in delivery if you wait to collect? Is the bulk mailing on a daily basis?

MR. DOERN: It's a twice daily pick-up, and apparently frequently it's as good as first class, so although one would assume there would be a longer delivery period and so on, our experience has been very good with it.

MR. GRAHAM: Thank you.

MR. CHAIRMAN: Resolution 101(g)(3)—pass; (g)—pass; Resolution 101(h), Recoverable from Other Appropriations. The Honourable Member for Crescentwood.

MR. STEEN: Maybe the Minister can tell us what this means. It is up almost \$800,000.00.

MR. DOERN: These are two figures essentially; the recoveries come from the central provincial garage for I guess the purchase, not purchase just the , operation of vehicles at 12 cents a mile — that's a \$6 million figure 6.1 — and the office equipment branch at \$728,000.00.

MR. STEEN: Which is, Mr. Chairman, strictly recoverables from other departments. . .

MR. DOERN: Yes.

MR. STEEN: . . . that are buying a service from the Department of Public Works.

MR. DOERN: Right. Machines and trucks.

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

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

MR. GRAHAM: Could we have that identified by department? It's not necessary that we get it at this present Committee Meeting, but I think it would be information that we would like to obtain if the Minister would be willing to supply it.

MR. DOERN: I would suggest one of two things to the member, either an Order for Return — we don't have it — or each department does in fact have a break out on this.

MR. GRAHAM: Well, Mr. Chairman, it's very hard to obtain it from the department because we are dealing with Estimates for the coming year, not for what happened last year which is what an Order for Return would cover.

MR. CHAIRMAN: Resolution 101(h). The Honourable Member for Birtle-Russell.

MR. GRAHAM: Well, Mr. Chairman' again I must ask the Minister . . . Annually we get before this Legislature a book called the Main Estimates of Expenditures for Government which we believe to contain fairly accurate figures. Here we find a figure of \$6 million which, as far as we're concerned, is just thrown in there with no explanation. Somehow, some way, the Minister must have arrived at that figure and we would like to know just how he arrived at that figure.

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: Mr. Chairman, it is based on past experience and therefore it's a projection. You know, we could be out, we could be under, we could be over; it is our best estimate.

MR. GRAHAM: Well, could the Minister tell us how much he expects — and it's a ballpark figure that he has used — how much he expects to recover from each department?

MR. DOERN: Well, you see what we do, is we run up the mileage on our vehicles and we don't have a departmental breakdown, we look at the mileage. So, if we try to answer that it might take some time, it might be difficult to answer but I don't have that information here.

MR. GRAHAM: Mr. Chairman, the Minister must have used some figures some place in attempting

to arrive at that figure, and this is all we're asking. He doesn't have to give it to us at this time, if he could provide the information to us in the House at some time, we would appreciate that. It doesn't have to be at this particular committee meeting.

MR. DOERN: Okay; fine.

MR. CHAIRMAN: Resolution 101(h). The Honourable Member for St. James.

MR. GEORGE MINAKER: Mr. Chairman, I wonder if the Honourable Minister could advise us how a department's vehicle is serviced and paid for. In other words, is there just a big pool that people can come in and get a car when they want, and they drive up to the gas tank and fill up when they want, and so forth, or how are they charged for this service?

MR. DOERN: There are really, I suppose, three categories, or maybe two. I would distinguish three categories but, in fact, I suppose there are two. Ministers and Deputy Ministers are allocated vehicles, that sort of goes with the position, that is sort of a sub-category of assigned vehicles. But take that as a category nevertheless, Ministers and Deputy Ministers. Then you have assigned vehicles for people who drive a fair amount and that figure is taken at 12,000 miles required in your job; 12,000 miles and over annually. Under that you get paid for mileage. The third category is a pool vehicle and that is booked out, I suppose, on a daily basis. That is, it is obviously shared by other people in your department. So you have the assigned vehicles for the drivers with high mileage; the pool vehicles for the people who require a vehicle and can access one.

MR. MINAKER: Well, Mr. Chairman, then in these recoverables, would they be primarily revenues coming from the pooled vehicles?

MR. DOERN: There is a flat charge of 12 cents a mile which is charged to the department, right across the board.

MR. MINAKER: Is this charge based on usage, or is there a . . . ?

MR. DOERN: Based on the number of miles driven and it includes all overhead costs for operations and maintenance. **MR. MINAKER:** Mr. Chairman, if I can be more explicit. If, say, the Department of Mines picks up a vehicle to use, are they only charged . . .

MR. DOERN: A pool car, or . . .

MR. MINAKER: A pool car. Are they only charged, that particular department, when they use that vehicle, or are they assigned . . . In their budget is there a certain proportion allotted to each department that utilizes the pool vehicle? In other words, this figure, is it arrived at by knowing that there is so many millions of miles put on a vehicle, or cars in the pool, and you know what your operating costs are and you multiply that by 12 cents and then you charge out as a book entry into each department, rather than the actual usage? Is this how this figure is arrived at?

MR. DOERN: It is charged mile by mile but there is a minimum of 600 miles per month.

MR. MINAKER: In other words, Mr. Chairman, if the Department of Mines has, say, four vehicles taken out of the pool vehicle operation they would be charged a minimum of 600 miles per month, if they only used that one vehicle one day and had it in their possession. Or is there . . . ?

MR. DOERN: They wouldn't have that vehicle very long if we started finding out that they weren't racking up the miles. I mean, I think we'd take it away from them. I've lost the question, if I could have the question again, now that I know the answer — like Johnny Carson.

MR. MINAKER: What I asked was that in the pool operation, are there cars or vehicles that are assigned on a monthly basis, and I guess there are vehicles assigned on a daily basis, as well, is there?

MR. DOERN: There is a permanent assigned pool and a seasonally assigned pool, in the various departments.

MR. MINAKER: Now, the seasonally applied pool, are they the pool that are drawn on a daily basis' or weekly basis?

MR. DOERN: Yes, the seasonal assignments are for specific projects which, say, last for so many weeks, or so many months. Other than that there is the sort of pool car which is on a less than three day basis.

MR. MINAKER: I see. Now in this particular revenue figure, are there moneys in there for vehicles that are assigned to each department, on this 600 minimum mile basis?

MR. DOERN: This is the size of the fleet divided, based on the number of miles driven last year, and then projected.

MR. MINAKER: I see, so that answers that question then. It's just the number of projected miles you anticipate this year times 12 cents.

MR. DOERN: Right.

MR. MINAKER: The next question is, if a department doesn't utilize the vehicles then this figure could be out, or are you guaranteed you're going to end up with that revenue regardless?

MR. DOERN: Well, again, we're just running on the basis of past experience and our projections have been quite accurate.

MR. MINAKER: My final question, Mr. Chairman. Would you have the figures available of the various departments and those cars in the pool operation that are sort of permanently assigned' not

in the seasonal pool but in the permanent pool, would you have the list of those different departments and the number of vehicles they had? We don't need the information now but could we get that information?

MR. DOERN: We have that information, yes.

MR. MINAKER: I wonder, Mr. Chairman, if the Minister would maybe make that available to the committee, if it doesn't require a lot of work, and just maybe a photostat of a single page or two pages that would show the various departments and the vehicles that are drawn from the pool.

MR. DOERN: Okay.

MR. MINAKER: Thank you.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, on the question that the Member for St. James has just asked, would the Minister think that it would be advisable to add that to Hansard, supply it to Hansard and have it printed right in, that information, or is it more convenient . . .

MR. DOERN: I will provide you each with a copy and you can do with it as you wish.

MR. STEEN: All right. Mr. Chairman, in the department's annual report it mentions that, under the Central Provincial Garage, and I know that we discussed the garage last night, but it says the fiscal year revenue was \$5.6 million which offset the corresponding operating expenses of \$5.6 million. This is an item that is part of the \$6.9 million, I would imagine, is it?

MR. DOERN: That's the actual '75-76 figure.

MR. STEEN: Yes, and that is partly how you arrived at this figure, using what was recovered in the past.

MR. DOERN: Right.

MR. STEEN: On government cars, the government does not pay provincial tax on gasoline purchases. Is that so?

MR. DOERN: Yes.

MR. STEEN: What about the two cents per gallon Public Insurance Corporation tax; is that paid when government cars purchase gasoline?

MR. DOERN: We pay the same Autopac rates as everyone else so that would include that component.

MR. STEEN: But the provincial gasoline tax is not paid?

MR. DOERN: No.

MR. STEEN: It is exempt. Well, just in answer to the Member for St. James, the Minister has indicated that they do not pay the provincial highway tax but they do pay the Public Insurance Corporation two cents per gallon tax, is that right?

MR. DOERN: That is my understanding.

MR. STEEN: Well, perhaps the Minister, if he does have an opportunity to review that and does find out differently, would let us know, otherwise we will accept his answer. Can the Minister tell us where, under Recoverables, his department receives the moneys for the cars used by the Legislative Assistants?

MR. DOERN: There are no cars used by Legislative Assistants.

MR. STEEN: I am referring to the Honourable Member from Flin Flon, and the Honourable Member from Thompson.

MR. DOERN: Sorry, I was thinking of Executive Assistants.

MR. STEEN: No, Legislative Assistants.

MR. DOERN: That's an assigned vehicle, charged twelve cents a mile in the normal manner.

MR. STEEN: And in the case of the persons that I mentioned' the two members, it is charged to the department that they are the Legislative Assistant to?

MR. DOERN: Right.

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

MR. CHAIRMAN: Resolution 101(h)—pass; Resolution 101: Resolved that there be granted to Her Majesty a sum not exceeding \$1,988,800 for Public Works—pass.

Resolution 102 Gimli Industrial Park (a) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Can the Minister tell us how many persons are employed in this particular division?

MR. DOERN: Seventy-four. I might point out for your information, I don't know if you're aware of it, but Mr. Dunlop who is seated beside me is responsible for the Gimli Industrial Park and I guess has the distinction of being the last commanding officer on the base when it was a military base, so he has an excellent background and a very fine record. In Public Works we sort of measure success by the number of complaints, because we sort of specialize in complaints, there are practically no credits given, and he really runs a first class operation. As I say, he has a unique background having the run the base when it was a base, then leaving for Alberta, and then returning to run the industrial base for the province.

MR. STEEN: I thank the Minister for the introduction of his administrator and telling us about his background. When the Minister gave me the answer that there were 74 persons, he did not give his

usual comment that that's up or down.

MR. DOERN: The same as last year.

MR. STEEN: It is the same as last year. I have no further questions, Mr. Chairman, under Salaries. I have some under (b). Perhaps other members of the . . .

MR. CHAIRMAN: Resolution 102(a). The Honourable Member for St. James.

MR. MINAKER: Mr. Chairman, I wonder if the Honourable Minister could advise, under Salaries, if there has been any contract employees that have been transferred onto permanent staff under that particular section in the recent year.

MR. DOERN: No.

MR. CHAIRMAN: Resolution 102(a)—pass; 102(b) Other Expenditures. The Honourable Member for Crescentwood.

MR. STEEN: In the Annual Report, Mr. Chairman, of the department there is a section called Gimli Industrial Park. Can the Minister tell us why there is the Aspen Lodge dining and banquet facility which is operated by the department? It says in the report that there are 19 full-time employees working in this dining and banquet facility.

MR. DOERN: Well, it's really a necessary part of our operation. The CN is to me, in a way, the anchor of the base and it certainly is the anchor of the restaurant. I mean, we are required to provide them with meals. You know, they bring in dozens of employees, I guess primarily men, I don't know if there have been any women — two women — and these men come in from all across the country and they eat breakfast, lunch and dinner there. They don't do any cooking on their own. So, as a result of that, we're able to have a very good restaurant on the base which then can also provide food services to people who live on the base and I suppose catering facilities as well. Last year, for example, total number of meals served in a fiscal year were 104,000 so it is a pretty big operation.

MR. STEEN: Mr. Chairman, therefore this dining facility is there to serve the various components of the industrial park. When you in your report say dining and banquet facility, does it do some special catering to special groups in the form of banquets or is it primarily there for the breakfast, lunch and supper meals for those that live or work on site?

MR. DOERN: No, it is open to anyone, I suppose, and we do in fact do some catering for special groups or banquets as well. I can give you a breakdown, Mr. Chairman, of the number of outside events hosted at Aspen Lodge. You know, the terminology can get confusing but there is Aspen Park where people live and Aspen Lodge which is the restaurant. For example, there were 106 events or banquets, etc., that we had; 2 retreats, 4 camps, 33 banquets, 8 weddings and then I will just read you the others. There were luncheons, socials, seminars, summer programs, evacuee group — was that on flood? — workshop, graduation, supper, there were conferences, teas and accommodation packages. So it is quite a big operation.

MR. STEEN: Mr. Chairman, what is the size of the banquet facility. I mean, what can they handle up to?

MR. DOERN: Seating and so on?

MR. STEEN: Yes.

MR. DOERN: Five hundred.

MR. STEEN: They can handle up to 500. Under Salaries, Mr. Chairman, that is all the questions I have.

MR. CHAIRMAN: We are on Resolution 102(b) Other Expenditures.

MR. STEEN: Mr. Chairman, to the Minister, he mentioned the CNR training school and that the CNR training school is a prime user of the dining facility. What is the normal number of persons that are on site because of the CNR training school?

MR. DOERN: It fluctuates, the CN fluctuates from about 50 to 120 including permanent, about 26 permanent and then the numbers vary from there. I guess from about 25 to 100 students — more than that — an average of 80 students. They have about 80 people there at any given time and we have about 20 staff in the Aspen Lodge which is the meal service.

MR. STEEN: Mr. Chairman, to the Minister, in the report it says Aspen Lodge, a dining and banquet facility. Where does the CNR house their people who come in on training courses?

MR. DOERN: They are in old dormitories at present but we have worked out a package construction of \$3 million, and that is now under way and that will all be amortized and charged back to the CNR.

MR. STEEN: On some of the other items that are listed as tenants, perhaps the Minister might comment. The paint manufacturers known as Capar and Capar, what size of a facility would they be? How many persons would they be employing up there?

MR. DOERN: One full time.

MR. STEEN: The Children's Co-op Playschool, is that primarily for a day care type of facility for working mothers?

MR. DOERN: Yes, that is a day care for pre-school children and there are four full-time and five part-time personnel.

MR. STEEN: Are the children at the noon hour fed by the dining facilities or do they operate on their own?

MR. DOERN: No, they have their own food operation.

MR. STEEN: How big an operation, Mr. Chairman, is the Dawsco Industries Ltd., the manufacturers of glassware and vases, etc?

MR. DOERN: There are three full time and one part time.

MR. STEEN: With the Evergreen School Division, industrial arts classroom, is the Evergreen School Division a school division for the Gimli-Winnipeg Beach area?

MR. DOERN: Yes.

MR. STEEN: And they have just developed their industrial arts classes out at that site?

MR. DOERN: Right.

MR. STEEN: Do they bus their own students there and they are primarily responsible for their own operation?

MR. DOERN: Right. One person. It is a temporary arrangement apparently.

MR. STEEN: As the Minister may recall when we were going to school . . .

MR. DOERN: Incidentally, I think I taught in that division, I taught at Stonewall. I assume that includes that division.

MR. STEEN: Do the students get to use the dining facilities?

MR. DOERN: They don't as a matter of practise. They could but, you know, it is not convenient. I mean, you sort of have to . . .

MR. STEEN: They are brought there for about a half day and that's it.

MR. DOERN: Right.

MR. STEEN: Can the Minister comment on the Mossport Park, the vehicle race track. Is this . . .?

MR. DOERN: I wonder if I could take about a two minute recess, Mr. Chairman. The Premier apparently has some urgent matter. I wonder if I could just take a break.

MR. CHAIRMAN: Is it agreed by the committee? (Agreed) The committee will recess for five minutes.

Order please. . The committee will come to order. Since there seems to be general agreement to call it 12:30, I will leave the Chair to return at 2:30 this afternoon.

ESTIMATES - NORTHERN AFFAIRS

MR. CHAIRMAN, Mr. William Jenkins (Logan): I would refer honourable members to Page 48 of their Estimates Book. Resolution 94, General Administration, (a)(2) Salaries and Wages \$177,700—pass; (a)(3) Other Expenditures \$65,000—pass; (a)(4) Adjustment Administration \$67,100 — the Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, perhaps we could have an explanation of this particular item. I'm not familiar with the term Adjustment Administration.

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HONOURABLE RONALD McBRYDE (The Pas): Mr. Chairman, earlier on I indicated that I would say a few words on this section. This involves I think three positions that have been working with the communities of South Indian Lake and Nelson House. The original work at South Indian Lake was done in terms of assisting people to make their applications to Manitoba Hydro for compensation for individuals who would negatively be affected by Hydro Development, to help trappers make out application for compensation. I think most of them were trappers in terms of their trap line areas. Then the Adjustment Administration people got involved in assisting the community in their economic development as part of that process. Basic work has been completed at South Indian Lake so I don't think there will be any staff at South Indian Lake but the work will continue at Nelson House and that work will involve helping the individuals who have individual claims and also working with the community to prepare proposals to get assistance from Hydro in the development of Nelson House.

MR. ENNS: Perhaps, Mr. Chairman, then it would be appropriate at this time to ask the Honourable Minister to give us some idea of the actual work nature that was carried out by these people under this item. The Adjustments I take it have taken place at or on or roundabout the community of South Indian Lake. The actual impoundment of water having taken place, can the Minister give us some idea of how many new homes had to be built, how many families had to be moved, what happened in terms of the limited but nonetheless infrastructure of the community in terms of stores and things like that. I have had in the past an interest as to what was taking place in South Indian Lake. Is this an appropriate place for the Minister to give us an overview of what the claims were charged to and appropriately, you know, looked after by Manitoba Hydro as a result of their raising the waters on Southern Indian Lake. What precisely has occurred in the terms of resettlement, relocating people at Southern Indian Lake?

MR. McBRYDE: Mr. Chairman, I think the member will recall that one of the things that happened at South Indian Lake was that there were a number of community improvements necessary. There was a need, for example, for a replacement of the school and the nursing station and that existed prior to Hydro development but since things in South Indian Lake have been up in the air for so many years, that that work hadn't been done by the Federal or Provincial Government. So when it was finally settled what the water level would be on South Indian Lake, then the Federal and Provincial Governments agreed that that work that should have been done should go ahead.

I'll have to get some further detail on the figures because all I have here, of course, is in terms of the Northern Affairs dollars for those staff people that are working with the community but, for example, I think the member is aware that the approach that was taken was that assistance was given to people affected. I think for the most part in South Indian Lake there were a number of trappers that were affected and the assistance was paid out, the adjustment was paid out by Hydro but without prejudice so that the individuals could still make claims and this was in our mind, quite a fair and reasonable way to reach agreement. The Department of Northern Affairs was involved in co-ordinating the South Indian Lake townsite redevelopment so that the new facility there which is a school, nursing station and a new store facility, where the construction of that was co-ordinated through the Department of Northern Affairs with cost recoveries from the various agencies of the Federal and Provincial Governments that would normally have that responsibility. There was not, in a sense, a relocation of the community.

I think that what happened basically is that a number of things that would happen in northern communities and there are a lot of them going into sub-divisions and community planning, was speeded up in the case of South Indian Lake and the decision was made on the part of the community to in fact relocate the store from one side of the lake to the other side of the lake. The South Indian Lake store is now operated by a community organization or a community development corporation, but the assets still belong to the Provincial Government through the Department of Northern Affairs and our lease to the Community Development Corporation to operate that facility.

I believe that there were 12 new homes built by Hydro, if my memory serves me correct, in the new townsite and once the water levels were known then a community townsite plan could be prepared and then normal programs went into effect as well. The Indian Affairs Housing went into effect and the remote housing program went into effect, but I believe there were some homes that were within

the tolerance line of the proposed diversion route and those homes were replaced by new homes by Manitoba Hydro.

MR. ENNS: Mr. Chairman, I just wanted to indicate to the Minister that it was my intention and it will continue to be my intention to ask Manitoba Hydro who is currently still in front of the Public Utilities Committee much the same question as to what's the final disposition and I appreciate it can't be final in the case of some ongoing mitigating circumstances such as trapping, fishing losses perhaps for a long period of time and I think the approach taken is the appropriate one, the correct one, that is to have an open-ended situation which still allows for claims to be entered some time down the line as the full effect of flooding is made known or is experienced by people actually involved.

But I'm asking really and I suppose what I'm after is to find out to what extent has Hydro lived up to its responsibilities, has the Minister a total figure that he can give me. For instance, as far as the Department of Northern Affairs is concerned, what has the establishing of the water level, the particular level at South Indian Lake meant in terms of say dollars and cents for want of anything better. At this particular time has the Minister got a total cost involved for the relocation work, the claims settlement work, any new facilities that hydro may or may not have or may have felt itself obligated to provide in that community as a result of their disturbance of the situation at South Indian Lake prior to the necessity for changing the water level at South Indian Lake. Now the Minister may wish to take that as notice. I would like that figure either supplied through his department during the course of these Estimates or in conjunction with Manitoba Hydro. That's really what I'm after, to find out some idea of the costs attributable to Hydro at this particular stage that were brought about because of the demands by Hydro on that lake.

In addition then, of course, are some of the other inputs which it would be difficult to separate out as being totally the responsibility of Hydro. I think that what the Minister is telling me that other and normal ongoing community development programs, planning, improvements in townsites, etc. would have been and should have been and will continue to be the responsibility of different agencies such as Indian Affairs or indeed, Northern Affairs. But I think it would be of interest to committee members to have some concept of the costs, social costs, if you will, attributable directly to the Hydro Project at South Indian Lake.

MR. McBRYDE: Mr. Chairman, . . . get for the honourable member is the direct Northern Affairs input into South Indian Lake, the same as we can break out for any community but it takes you know, it's the matter of going through the process ' of breaking out the total dollars. The other information we can get from Hydro, that is, Hydro's figures of the dollars that they have spent there.

The Member asked about social costs which is something that you don't measure very well in dollars and cents. South Indian Lake, I suppose that my attitude and our attitude was that this development is taking place and going ahead. How can the people of South Indian Lake not be harmed by the project and how can the people of South Indian Lake take advantage of the project for their own benefit? I think the member will recall yesterday I talked about, for example, Easterville, where the relocation — of course, in that case we're talking about total relocation of a community, in this case you're not talking about the relocation of a community, but I suppose it would be more similar to Moose Lake where there were some new houses put in because houses were close to the severance line but the effect was fairly dramatic on the community and it was not a positive effect. It was a very negative effect on the community and how it functioned. I think that two years ago things socially didn't look very good at South Indian Lake, there were all kinds of indicators of the social problems of the community starting to sort of fall apart at the seams and I think it was because the change was so rapid that they couldn't quite deal with it.

I think that South Indian is the only place where we had to take the step for awhile to have one person relate to South Indian Lake and have other agencies go through that one person, where we had to make special effort so that the council could meet more often and be involved in the decisions that were going on at such a rapid pace that a weekly meeting or a monthly meeting certainly couldn't deal with the situation. As a result of those efforts, the community did then start taking control of its own redevelopment and I think there was quite a turn around in terms of what was happening socially to that community.

Now things are not perfect there and they're not perfect I suppose in any place in the world but the most negative possibilities were avoided and the community attitude there right now is fairly good. When I was in there, for example, for the opening of the new school which the community set up, ran, did the whole thing themselves and decided the name of the newschooletc., the community attitude was very positive and the people felt that they weren't just being pushed by events, they had some control over what was happening in their community and were able to effect what was happening in their community. So I think that the worst effects were avoided and things are going reasonably well. There are still problems, but things are going reasonably well.

MR. CHAIRMAN: Resolution 94(a)(3)—pass. Resolution 94 Development Resources, (1) Salaries and Wages \$357,600—pass; (2) Other Expenditures \$100,800—pass. Canada-Manitoba Northlands

Agreement (a) Salaries and Wages \$347,500—pass; (b) Other Expenditures \$329,700—pass; (3) in its entirety—pass; (c) Administration, (1) Salaries and Wages \$420,300—pass; (2) Other Expenditures \$180,200—pass; (3) Canada-Manitoba Northlands Agreement (a) Salaries and Wages \$23,700. The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, just briefly. Is there built into the agreement that we were just apprised of yesterday, a specific program that will report on a regular basis. The tenure of the agreement, I understand, is for five years. Will there be an annual review of the agreement? Will it be published? Will it be made available to the public and to members in particular that shows (a) the flow of funds, the expenditures of dollars, alongside the rating of accomplishment with respect to the programs undertaken as a result of this agreement.

I remind the Minister that that certainly was an aspect of the developmental program in the Interlake. It was, in fact, provided for right within the agreement that a small portion of dollars would be, in fact, set aside to issue annual reports. I can just give the Minister an indication of what I mean. For instance, I note here in the FRED Agreement, this was a report called FRED IV that was outlining the progress made under the agreement in its fourth year of the ten-year agreement that was signed. . . . What I'm asking the Minister for is will we be able to judge the performance of this agreement on the two basic things that count: (a) is the money being spent in the appropriate way and at what level and what progress are we making with respect to the actual programs undertaken?

MR. McBRYDE: Yes, Mr. Chairman, there will be annual progress reports made on the agreement and I think in line with those progress reports there are also annual meetings between the Ministers involved to review that progress and see if they are satisfied with that progress. interest,

MR. ENNS: By way of can the Minister indicate if similar agreements of this nature have been signed with other jurisdictions, particularly our sister prairie provinces who have much the same kind of northern problems, who have the same kind of situations in our isolated communities who also have large native populations to which this particular program is particularly directed. Is he aware of any similar agreements that the federal authorities have signed with, say; the Provinces of Alberta and Saskatchewan?

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: My understanding, Mr. Chairman, that Saskatchewan is on its third interim agreement, and they haven't reached final agreement on a longer term agreement yet. The member will recall that we went through two interim agreements first before we signed the long term agreement.

MR. CHAIRMAN: Before we proceed I'd like to draw the attention of the honourable members to the gallery on my right where we have 33 students of Grade 5 and 6 standing from the Riverton Elementary School under the direction of Mrs. Gudmudson. This School is located in the constituency of the Honourable Member for St. George, the Honourable Minister of Municipal Affairs. On behalf of all the honourable members I bid you welcome here this morning.

MR. CHAIRMAN: Resolution 94(c)(3) Salaries and Wages — \$23,700—pass; 94(d) Grants — \$345,000—pass. The Honourable Member for Lakeside.

MR. ENNS: Would the Minister indicate to us what is covered in this rather substantial amount \$345,000. Can he list some of the specific grants that this item covers?

MR. McBRYDE: There are three grants that are divided into four different types; there's the *per capita* grant that goes to the communities, and I think the member understands this — this is in the area of the municipal responsibility. Some extra dollars are made available directly to the community councils, and that's \$3.00 *per capita*, and that grant goes out along with the unconditional grant that these communities are eligible for as well. The amount of that grant this year will be a \$135,000.00. Then there is the grant to the Northern Association of Community Councils, and that's divided into two parts; the Corps and Conferences grant, which is made directly available to the organization, and the amount of that grant is \$70,000.00. There is the NACC, The Northern Association of Community Councils community grants, that is, we send to the communities an amount of money which the communities can use to affiliate with the organization, and this gives the communities, hopefully, some control over the organization which is supposed to represent them. The amount to the communities is \$40,000, and those amounts are the same as the special grants, the NACC — both grants are the same as last year. The fourth grant is to the Native Communications Incorporated, the grant for the last number of years has been \$75,000 — it's a cost-shared grant with the Federal Secretary of State who pay an equal amount to native communications. We have in our budget this year \$100,000, because there was indication that Secretary of State may increase their grant, and we would match them in that increase. We have nothing confirmed yet so we may not in fact, need the hundred thousand but we have the authority.

MR. CHAIRMAN: Resolution 94(d)—pass; Resolution 95 Special Programs, (a) Canada-Manitoba Special ARDA Agreement (1) Salaries and Wages — \$261,600. The Honourable Member for Lakeside.

MR. ENNS: Well, Mr. Chairman, I think we'd like to give the Minister an opportunity to explain

some of the special programs that his department is involved in under this item.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: The special programs now basically cover the Manitoba-Canada or Canada-Manitoba — I'd better not offend my honourable friend — the Canada-Manitoba Special ARDA Agreement. The basic goal is to facilitate the economic development and social adjustment of disadvantaged people in rural areas particularly those of Indian ancestry, who previously have had little or no access to regular earning or employment opportunities. There are 16 staff working in the special program section. —(Interjection)— One thing that I will do, and I should have got, is a copy of the Special ARDA agreement that was recently signed, and nobody boycotted the signing of the Special ARDA agreement, although the press had to go around and try and find a negative comment because they couldn't very well report on a signing that affected native people without a negative comment so they had to go seek one out.

The primary producers' grants or assistance is to assist fishermen and trappers. There were forty projects or forty groups assisted — nine hundred individual fishermen and trappers were assisted by the program. The anticipated payout this year will be \$1.2 million. The agreement is in basically three parts; Grant assistance to primary producers, fishermen and trappers, and we are hoping to expand that somewhat, in terms of forestry, but that's being worked on right now. The second part is the grants to private commercial enterprises in Northern Manitoba that employ people of Indian ancestry. The commercial part of it is administered by the federal authorities, and this year it's anticipated there will be 36 projects for 180 jobs approved under that section of the agreement. There is not a dollar amount shown in our budget for that part of the agreement, that would appear in the federal budget.

The third part of the agreement is the training and counselling part, and basically it's where there is a commercial development. That commercial development is given the go ahead, then assistance can be given to train the people that are going to work on that new development. Last year for example, 131 individuals received training under that program and the cost of it was \$160,000.00. It's anticipated this year that 168 individuals will be assisted and that the cost will be \$250,000.00. It's a fairly detailed program, the Special ARDA books, I think the member would appreciate that a proposal comes in for training of people, and these are normally ones that receive the commercial assistance, and a detailed proposal is drawn up — there will be two waitresses and one cook, and they'll receive so many hours of training for so long and get so many dollars for providing that kind of training. And if the honourable member wishes. . . I don't want to table, but I could show him a copy of the agreements, he at the agreement, could just look but since it does affect one private company, I'd rather not table it, but just have him look through it, and see the nature of the detail that has gone into those training packages that are proposed. I was caught off guard when there was some questions about provincial assistance to the Thunderbird Lodge, because there was in fact, a training grant given through the Special ARDA Agreement, through the department, and I do not approve all of these grants — they do not cross my desk. There is a committee of federal officials, provincial officials and native representatives that form the Special ARDA committee who give approval to the projects that are passed. So there was a provincial input, to the extent that there was this training package approved for the Thunderbird Lodge.

MR. ENNS: Mr. Chairman, perhaps this is as good a time as any to, once again, I believe we started last night to indicate to the Minister the concern that I think is being felt by us, certainly it has been expressed to us by northern residents, that it seems difficult to flush out the programs. You know the words sound good, and the agreements look good and the money is being spent, but when we ask the Minister for the specific details of the kind of longer term developmental programs of economic nature or of social nature he finds it difficult to spell it out to us with all the nuts and bolts in place. To tell us that the programs provide nets for fishermen or perhaps boats or engines for fishermen, I'd have to tell the Minister, of course that was done by the private fishing companies many years ago. They need the help there's nothing wrong with that, but nets have a way of getting lost in ice floes, and boats have a way of disappearing, and five years down the pipe we still haven't got a serious effort to maximize both the very substantial contribution of the federal authorities and the provincial authorities, in trying to bring about long term development in the north.

I've taken the trouble to look through the Annual Report of the Communities Economic Development Fund, and I find it breaks down to something like this, and this is according to their report. During the year 1975-76 only 14 new loans were made for a total of \$298,470. This is little more than one loan per staff member that the fund employees during the period of an entire year. Now in order to make that money, \$298,000 worth, to fourteen applicants, the fund incurred an administration cost of \$394,781 of which \$233,433 are salaries and employee benefits. This means that for every dollar that is approved in the form of a new loan, there is an additional administration cost of \$1.32, and, Sir, these are your figures. Worse still, in addition to the administrative grants covered by the Manitoba Development Corporation, there is an additional grant given to the fund directly by the Manitoba Government in the amount of an additional \$193,883, for the purposes of

covering losses during the fiscal year. So this makes the true cost of running this particular fund during this past fiscal year something in the order of \$394,781 plus the \$193,000 provincial grant for a combined total of over half a million dollars, 588,664.00.

You know this is the whole question that I want to bring to the Minister's attention, this brings the relationship between new loans and the two administrative costs in the range of — for all practical purposes, one to two. For us as government, to loan somebody; a small businessman \$1.00, it costs us \$2.00 in administration costs. If you went to any bank or you went to any lending source, they'd shudder at that kind of ratio of costs, and it underlines what I've been trying to say, that in far too many instances the biggest proportion of dollars, that we are approving in these Estimates, stay in the hands of southern Civil Servants. It's worth clarifying that the fund needs \$2.00 to cover its cost of administration for every single dollar that is recorded in a new loan. I end up with a comment that this really is not ~~tt~~ much of a program for the people — that happens to be a damn good program for those people administrating the program, and that's a common complaint that we hear in the north. Yes substantial dollars are flowing into the north, but two out of every one dollar is sticking, not in the north, it's sticking to the salaried people that we are sending up there. And then Sir, the question of course has to be asked; what success ratio is there in the economic programs that this fund involves in.

Now, Mr. Chairman, it's not my intention to individually look for any Wabowden affairs or to individually look into the operations of the 14 projects that are being helped to develop in this program. My argument, my complain and my anger is directed at the administration that purports to be doing great things in the north, and is really feeding itself very well in the process. And, Sir, that is the complaint of the northern residents.

Now the Honourable Minister raises the matter of Thunderbird Lodge, and I'd like to raise that matter with him, recognizing as I do that he hasn't got total jurisdiction and authority in the matter, but he is the Minister of Northern Affairs, and I want to refer just briefly to a transcript of the W5 television program that was done with respect to the development at Thunderbird Lodge, and it contains some pretty serious allegations. The Minister cannot shrug off these allegations, particularly as it pertains to the comments that he just made, that surely this kind of development is there to improve the opportunities for the local people in the area. Mr. Nicholson, of the federal department was asked: "Most of the people employed there appear to be close friends and relatives of one Mr. Dave Courchene who do not live in the area." To that the response was "boloney". The transcript carries on that most of the people that we talked to don't live in the area, they come from a hundred miles south. But surely the purposes of this kind of a project — this is the interviewer asking the questions — would be to employ people in the area. Well the situation at Thunderbird Lodge seems to be that most of the people that were employed during the construction, and it should have been a training program for the local people, did not come from the area. Native people living in these areas closest to the Lodge wonder what boloney Mr. Nicholson had in mind. They haven't noticed any great employment opportunities, in fact, Thunderbird is very much all in the family operation. Working with Dave Courchene are his wife, four sons, two daughter-in-laws, one brother, and two nephews. Even three of the guides were cousins. Out of the fifteen native people employed, he is obliged to employ, under the terms of the agreement under which he got the substantial money from the federal authorities and from the provincial authorities, he is obliged to employ fifteen people, none of them come from the immediate area. They all come from southern Manitoba. So Mr. Chairman I ask the Honourable Minister, he cannot really simply say that he doesn't approve of all of the things that may be happening at Thunderbird Lodge, what's he doing about changing it. We are obviously still funnelling money into it, we're building airstrips into it, his department is involved in the continuing maintenance of that lodge and perhaps should be as a training jump-off point for native guides, for people that are interested perhaps in learning some skills and crafts in the operation of a lodge, the kind of staffing that . . . what I hope will be a successful lodge, requires. But, Sir, the allegations that native people within the area have little or no opportunity of availing themselves of employment opportunities at that . . . what has come on line to be a very expensive and exclusive kind of a lodge, surely has to concern the Minister. It concerns me also very much, Mr. Chairman, that it would appear that after the initial project got under way and the initial agreements were signed, then just two months before making his application or two years later, Mr. Courchene persuaded the officials to change the name on the application for that project to that of his own private company.

I would like to hear the Minister explain to me that he is (a) either satisfied that the operation of Thunderbird Lodge will have a beneficial impact within the immediate area; will provide training opportunities for native people in that area and can he in fact justify the rather substantial amounts of moneys that have been dedicated to that particular lodge.

MR. McBRYDE: Mr. Chairman, I think the member is deliberately trying to leave the impression that the province is heavily involved in that project, and this is not correct at all. The loan that he is talking about, the applications he is talking about, are all with the Federal Government, with the

Government of Canada. —(Interjection)— Mr. Chairman, here we go again because it's the fact, if you don't want to hear the fact, then maybe you should leave.

The administrative responsibility of the Minister of Northern Affairs and the Department of Northern Affairs is whether or not the conditions of a training grant are met to that operation. We did not approve whether the thing went ahead in the first place, what are the economics of it or not and there is within the Special ARDA Agreement which I am getting a copy off for the honourable member, fairly specific provisions for the training aspect of it, but basically it is that they must be people of native ancestry that are employed and trained. Those conditions have been met and that is why the training grant was approved and that grant I believe was \$25,000 for the training package and that is the cost-shared amount with the Federal Government.

There are not, I think the member is aware, communities immediately adjacent to that lodge location but the criteria that are set out under the Special ARDA Agreement which we administer the training section have all been met. There have been cases in the past where agreement has not been made by the applicant and the training grant was in fact withdrawn. In this case, this table . . . I just have the one extra copy at the moment for the honourable member of the Canada-Manitoba Special ARDA Agreement, but the matter for which we have administrative responsibility, we are satisfied that the conditions of that agreement are being met.

The Communities Economic Development Fund — and I have no way of knowing if the member's figures are anywhere near correct or not, I haven't divided the number of staff by the amount given out and it could be that the member, you know, has missed some facts in his calculation in how that works. I know that the Communities Economic Development Fund spends a considerable amount of time giving management assistance to people who they do give assistance to and I wouldn't be surprised if there is a considerable administrative cost in giving that management assistance.

As I pointed out to the honourable member, that is one of the keys if you are going to have the economic development in the northern area, is very intensive management input to assist that operation to be viable and to be managed in an effective manner. So the Communities Economic Development Fund which reports to the Minister of Mines and also reports directly to the Legislature through the Economic Development Committee would be an appropriate time for the member to get all those details. But it does fit within the overall package or plan for economic development because it is one aspect of a manner which development can proceed with, and basically it is assistance to private or community based companies that is available on a loan basis to assist them to start their development and in that way it is an important part of that overall package.

The pay-outs last year in the section we are talking about under the Special Programs Provision was \$1,090,000 in terms of direct pay-out of primary producer assistance or training assistance and the administrative cost, as the member can see here is \$307,800.00. So that's a little bit better than the figures that the member quoted, I am not sure how accurate those figures are.

The role of the staff in this with the primary producers which is the main part of the program is to meet with the local Trappers' Association, Fishermen's Association, then to help individuals prepare their application and to do a thorough review with the individuals and with the communities of those applications and then to bring those forward to the committee which, as I mentioned before, is a committee that gives the approvals to those projects and then to do some follow-up to see that assistance was used in a proper and appropriate manner and this, again, fits in with the overall discussion that we have in terms of you have to help to make the fishing and trapping industries viable as part of your economic development package. There is not much sense creating a lot of new jobs if you are losing a whole bunch of jobs in the primary producers area at the same time. So this is one way that we were able to get federal cost-sharing to give direct input into the fishing and trapping and to try and make those viable.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I have some questions for the Minister arising out of his comments. Considering the question of Thunderbird Lodge and a seeming disavow of any responsibility, I would like to ask the Minister whether there is not first a series of joint committees between the province and the Federal Government that relates to advice on these projects and provides the kind of commitments because of this shared agreement, setting priorities and the kind of projects which are supported and funded and that the provincial government has an involvement in those advisory groups. In fact, I believe that the person who owns Thunderbird Lodge in fact was one of the consultants to that group to suggest the kind of priorities that might be made. But perhaps more critical than that is the fact that, in that particular case, you had what I suppose lawyers would call a "somewhat unorthodox arrangement" where the original proposal was for a lodge that would provide a weigh station for native hunters and fishermen and so on, on their way up and down the lakes and provide a place for them to use, and it was set up as a non-profit company run by those people, I think the name was Kee-Noe-Zae, if I remember the name correctly, and that somewhere along the way that non-profit lodge which was to provide a service facility for hunters and trappers

and fishermen in the area, all of a sudden became a private corporation owned by an individual and at the same time the agreement that had been made with a non-profit group remained the same and, in fact, it was the province which has direct responsibility for assigning the licensing for that to become a private fishing lodge for, I guess primarily American hunters and fishermen and so on to come up and use it, and it was the province that provided the agreement and license even though there is already within the immediate area another lodge providing the same function. So there seems to be a number of unanswered questions concerning the involvements of the different levels of government and their preparedness to support that project even though both the objectives changed, the nature of the tenure and ownership changed and that there were some very strong objections by people in the immediate community, in fact objections raised which I gather government officials on both levels were not really prepared to listen to with any great degree of openness.

So, therefore, Mr. Chairman, there are some serious questions related to that particular project. Again, maybe because of the question, is it performing the function that is most suitable in that area and to again say that it is totally federal, again is just not right, that it is the provincial government that gives licensing for that kind of project. I think the Minister should know that. If he's talking about facts, that's a fact and I expect he will have to acknowledge it to be a fact.

Furthermore, Mr. Chairman, I am also interested under this program of the objective that's to provide employment opportunity for native people. What intrigues me a little bit is how many native people are employed by the Provincial Government, either in the department itself or throughout its own organizations. I would expect that if there is to be any leadership shown it would be on the part of the Provincial Government itself, to demonstrate its commitment to the concept of giving those minorities which have had disadvantages some chance to recover them. And I would be surprised, Mr. Chairman, pleasantly surprised frankly, if the Minister could suggest to me that there is more than 100 or 150 native people employed throughout the total provincial government network which, when you compare that there is a hundred . . . Well, better than a hundred and some odd thousand people of native ancestry in the Province of Manitoba, it is not a very large percentage. It would strike me that one of the questions we should be raising with the Minister is to what degree, either through his own organization and through the efforts he would make with his colleagues in other departments that are working up north, to provide for very specific opportunities for native people to become employed within the Provincial Government and therefore to get that initial step forward in training and experience, that they could perhaps employ elsewhere. And I say I would be surprised but certainly pleasantly surprised if it was more than the number I have indicated out of a total population of 120,000 that now exist.

So those are the two questions that I would like to raise with the Minister.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, I'll deal with the last question first. I explained, I think, when the Member for Portage la Prairie asked a similar question, two questions, one about the decentralization and the other about the employment of northern people or native staff. The Department of Northern Affairs, Manitoba, I think has had a more intensive program than any other level of government in Canada and has been fairly successful in that . . .

When we discussing within Northern Affairs the best way to make sure that we are employing native people, we looked at two options. One is to pretend and hire a native employment person, and then say, "Well we've done the job, now we have a native employment service." Which is what the Federal Government did in the Territories and, you know, it's really sort of a token effort. What we developed through the Native Advisory Committee, and through myself as Minister, was a program with that advisory committee and the executive of the department, a detailed program, almost say a management path or a management program, and each branch within the department has set itself goals, established what kind of positions could be made available, and set itself targets to meet in that regard. So within the Department of Northern Affairs now we have about 200 native staff filling our staff man years, which is about 40 percent of our staff at this time. We have targeted goals to increase that amount. I think that the department should reflect, in some ways, the people it serves and that is the majority of people we serve are people of native ancestry or non-treaty people in the communities, and that we should reflect that in our numbers.

Now this is not an easy and a simple program because sometimes the training is not there; sometimes the experience is not there. As I mentioned yesterday, or before, that I think we probably spend more on training, more on staff development than many other departments. And I think that that is the main reason. And, you know, the native staff has moved through the department in terms of promotion, etc., quite rapidly and are doing quite well but initially there is extra problems and extra cost involved as you bring more and more people into the department that might not have some of the background or some of the experience necessary. So in the field staff level in the Northern Development Corps there is a high percentage of native staff. In the Local Government services there is a high percentage of native staff because those are the field services that relate directly to the communities where people can be trained to fill those positions. In our administration accounting

section it's a little bit more difficult because it's not a direct community-related activity. In our engineering services — I mentioned this yesterday, I don't want to repeat myself too often — that we are training and bringing people into that aspect. But right now I think the percentage in that section would be fairly low compared with the other field services sections of the department.

There are unanswered questions with the Thunderbird Lodge or there are many insinuations floating around. And, you know, I personally do not know all the financial feasibilities, etc., of that lodge. I know for what I am responsible, that we have a training grant in there and that training grant meets all the conditions and all the conditions are being met. But basically the criteria is the training of native people, and it doesn't say whether they're . . . I think that they should be drawn from as close to that area as possible but one of the members mentioned south and I am assuming that most of the trainees come from the Fort Alex area which is, depending whether you define that south or north, but in terms of access that is probably the closest access point in terms of native communities. For example, if they go in there in the wintertime Fort Alex has easy access as compared with Little Grand Rapids which has much poorer access. —(Interjection)— Yes, in the criteria which I administer in the federal-provincial agreement it doesn't say you cannot be a relative to receive this training program. —(Interjection)— Would the member want us to put a provision in there that you cannot be a relative to benefit from that training program? You know, that provision is not in there now, in the federal-provincial agreement and I'm not sure whether it would be a wise provision or not. I don't think we've run into that problem, in fact, in other areas.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I just want to give the Minister an opportunity to refute the suggestion that Mr. Courchene has a great deal of influence. In fact, it is suggested that he even can deliver 13 seats to a particular party from time-to-time at election time, that that has nothing to do with the Minister's somewhat closing of his eyes to the goings on at Thunderbird Lodge. And I'd also like him to tell me, even though I see an opportunity later on in the Estimates to ask him specifically about it, but in December of this year the Minister brought forward to Management Committee of Cabinet and the Management Committee of Cabinet concurred in continuing a contract, consulting contract, for some \$28,786 for the period April 1st, 1976, to March 31st, 1977, payable to the same Mr. Dave Courchene. Could the Minister perhaps indicate what are the particular services, consulting services, that Mr. Courchene is providing the Department of Northern Affairs under this contract — particularly when I see the item that the Order-in-Council refers to, the Pimadjihowin Project, where I see in the Estimates no dollars allocated for it during this year. It would appear to be dropped from the program of the department for the coming year but they have hired Dave Courchene as a \$28,000 a year consultant.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, Mr. Courchene, or Grand Chief Dave Courchene has been an employee of the department through contract through Project Pimadjihowin. The Project item which we're not onto yet was a project on the east side to bring in, I suppose, the kind of economic study and analysis that the member was talking about that they did in the Interlake, is to work with the communities in that area and to prepare in a general way, the development package for the east side. That phase of the development is now completed and Mr. Courchene and others on that project, employment terminated on March 30th of this year. So come the new fiscal year those persons are no longer employed on Project Pimadjihowin. There are some staff that applied for other positions or came back to other positions they had previously occupied before they went to work for that specific project. Mr. Courchene, himself, is no longer an employee or a consultant to the department.

The member, I think, asked for some detail of what has actually happened in the communities. I would just like to report on the Special ARDA Program and what has happened and I believe that the list I have here goes back since the Special ARDA Agreement was brought into effect. Now this reports all the federal and provincial, and I think that because of time I will just go over the provincial assistance grants that have been laid out.

The South Indian Lake Fishermen's Co-op received a total grant of \$739,000 for the creation of 30 jobs. The provincial cost in that grant was \$55,000.00.

The Grand Rapids Fishermen's Co-op received assistance in the amount of \$28,700.00. The provincial cost was \$10,900 and 19 persons were affected by that grant.

The Norway House Nursing Home received assistance in the amount of \$515,900, of which \$30,000 were a provincial cost; 23 persons were assisted in that project.

The St. Laurent Fishermen's Association received assistance in the amount of \$41,500.00. The provincial cost was \$20,700 and 22 persons were affected by that.

The Lake Manitoba's Fishermen's Co-op, again, St. Laurent, received a grant of \$6,000 with no provincial cost and it affected two people.

The Fisher Bay Fishermen's Association in Koostatak received \$5,800 in which the provincial cost was \$2,900, the persons affected were three.

The Crane River Feedlot received assistance in the amount of \$129,000.00. The provincial cost

was zero and the jobs created were three.

The Pinetree Inn at Richer received \$62,600.00. The provincial cost was zero; the jobs were nine.

Arctic Grain at Churchill, Manitoba, received \$188,800.00. The provincial cost was zero; the jobs created were five.

E. Monkman at Loon Straits received \$66,400.00. The provincial cost was \$2,000; the jobs created were five.

A. MacAuley received \$14,900.00. The provincial cost was zero; jobs created were five.

The Northern Meat and Sausage at Scanterbury received \$105,800; provincial cost was zero; jobs created five.

Interlake Custom Killing at St. Laurent received \$94,600; provincial cost was \$5,600; the jobs created were five.

Mr. Laubmann at Pikwitonei received \$40,000; provincial cost was zero; jobs created were three.

The Yellow Quill Co-op at Swan Lake received \$109,900; provincial cost was zero; jobs created were five.

The Barren Land Band at Lac Brochet received \$12,000; provincial cost was zero; jobs created ten.

The Hole River Trappers Association received \$34,200; provincial cost was \$6,400; persons affected were 18.

The Moak Lodge at Grand Rapids received \$119,200; provincial cost was zero; jobs created were nine.

Nikkels Action Centre at Marchand received \$148,800; provincial cost was zero; jobs created were eight.

The Oak Point Hotel received \$149,000; the provincial cost was \$1,500; jobs created were four.

The Lac du Bonnet Trappers Association received \$13,200; provincial cost was \$6,600; persons affected were seven.

Tri- Star Construction Company Ltd. received \$39,600; provincial cost was zero; jobs created were three.

Wabowden Trappers Association received \$30,000; the provincial cost was \$12,600; persons affected were 13.

The Camperduck Trappers Association received \$7,400; the provincial cost was \$3,700; persons affected were seven.

The Dodge Trading Company received \$29,900; provincial cost was zero; jobs were five.

The Indian Rice Producers received \$167,600; provincial cost was zero; jobs created were six.

The Cormorant Fishermen's Co-op received \$6,400; provincial cost was \$3,200; persons affected were three.

The Oak Point Fishermen's and Trappers Association received \$77,900; provincial cost was \$38,900; persons affected were 23.

The St. Ambroise Fishermen's Association received \$45,500; provincial cost was \$22,700; persons affected were 17.

The Brochet Fishermen's Co-operative received \$20,000; the provincial cost was \$3,200; the persons affected were 25.

The Molson Lake Lodge received \$29,600; provincial cost was zero; jobs created were three.

Grand Rapids Service Station received \$253,100; provincial contribution was \$6,300; jobs created were 12.

The Cormorant Local Fur Council received \$28,800; the provincial contribution was \$14,400; persons affected were 13.

The Nelson House Local Fur Council received \$36,200; the provincial contribution was \$1,000; persons affected were 34.

The Split Lake Local Fur Council received \$62,900; provincial contribution was zero; persons affected were 37.

Shamattawa Local Fur Council received \$10,800; provincial contribution was zero; persons affected were seven.

The Red Sucker Lake Local Fur Council received \$47,400; provincial contribution was \$2,700; persons affected were 56.

The York Landing Local Fur Council received \$9,500; the provincial cost was zero; persons affected were seven.

The Pikwitonei Local Fur Council received \$35,000; provincial cost was \$11,900; persons affected were 17.

The Nor-East Enterprises Ltd. received \$81,100; provincial cost was zero; jobs were three.

Einarson's Trailer Court and Store received \$39,000; provincial cost was zero; the jobs created were three.

The Louis Riel Co-operative, St. Laurent, received \$150,000; the provincial contribution was \$44,000; jobs created were eleven.

The Fisher River Fishermen's Federation received \$67,300; provincial cost was \$1,300; persons affected were 45.

Cross Lake Fishermen's Association received \$26,700; the provincial contribution was \$3,200; persons affected were 17.

The Masikeesk Inn received \$5,400; provincial contribution was zero; jobs created were three.

Lake Manitoba Narrows Lodge received \$169,000; provincial contribution was \$1,500; the jobs were eight.

The Delta Local Fur Council received \$47,600; provincial contribution was \$21,300; persons affected were 146.

The Delta Fishermen's Federation received \$120,400; provincial contribution was \$60,200; persons affected 39.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: . . . or if he couldn't just follow the practice of other ministers and table this document for each caucus. I wouldn't want to interrupt this interesting exposition but could he not table that material rather than just reading it out?

MR. McBRYDE: I think, Mr. Chairman, that we could table a document, not the specific one that I am quoting at this time.

MR. AXWORTHY: Mr. Chairman, if I can try to pick up what was said 20 minutes ago concerning the answers to the questions that were raised first about the Thunderbird Lodge proposal. One thing that did strike me right off is that the Minister indicated that he could only answer for that portion of the contribution that comes specifically from his department. It appears that other departments have also been involved and certainly the Federal Government has been involved. Considering that there has been a number of allegations, certainly the nationally broadcast television program highlighted that and probably brought in to some dubious account the full question of that kind of economic development, whether there is any intention for the Minister or his colleagues to begin to examine what in fact has taken place to determine if there has been any forms of impropriety involved in order to clear the air and certainly to determine whether there's a problem of having so many departments getting involved in so many different ways. Also, the question raised by the Member for Lakeside, if having a gentleman who is a consultant at the same time he is receiving a specific grant for a profit making organization is something that is considered within the rules. I don't know, maybe that is something that is considered to be a "Kosher" way of operating, but it does strike one as a little odd. That those kinds of questions I think do need, as he agrees, some examination. I just wonder if that examination is going to be made or whether we are just going to leave it hanging up in the air. I think it should be cleared up one way or the other so that if everything is being done according to proper procedures then any lingering suspicions could be eliminated. If in fact there were practices that lead to some abuses, abuses economically or politically or whatever it may be, again that should be brought to light so that those procedures could be altered and changes made so that it won't happen again.

I think that the admission of the Minister himself that he has questions in his own mind would seem to indicate that that would be the proper step to take, considering that he does take into account general responsibilities for what is happening in these areas, that he should be dealing that the Minister of Tourism and Recreation or Renewal Resources or the Department of Highways I guess for that matter, the Northern Roads Program I gather has been involved in the Thunderbird Lodge issue in terms of the connecting road links. That strikes me as something that should well be done.

I would also like to know that if the Project Pimadjihowan has now come to an end what has been the result of it. When do we see the report? When do we get an analysis of what, in fact did they find out? What are we going to learn from that expense of two-hundred thousand, some odd dollars, in terms of the economic opportunity in that area. I gather there is some conflict between the proposals put before that area and the present discussions for a northeastern natural wilderness park in that area. Again some static has been created as a result of the conflicts apparently, and the objectives in those two areas. And again, we would like to know what was found. Can that kind of analysis be made available so that the public generally will have an understanding of what the opportunities may be and how effective that planning that has been going on in the economic development field in the Pimadjihowin Project has been?

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, there have been no improprieties in terms of the Special ARDA training assistance given to Thunderbird Lodge. All the criteria are being met and we are satisfied that the terms of the agreement have been accepted. If there is to be any investigation of the Thunderbird Lodge investment by the Federal Government, then the Federal Government is going to have to do it, it's their money. They should do the investigation, I don't intend to do it.

MR. AXWORTHY: Mr. Chairman, this Minister has a very poor memory. The fact of the matter is, I raised only thirty or forty minutes ago, the Provincial Government has other responsibilities. The

whole question of licensing of the Lodge is a provincial responsibility. Now is that going to be bypassed, is he still going to stand on the claim that this is simply a Federal matter? I agree fully that the Federal Government is involved, but so is your government. And he says, at one time I have questions in my own mind about it. Now he says there is no questions in my mind. Surely to God we can maintain some consistency within half an hour.

MR. McBRYDE: Mr. Chairman, in terms of the Department of Northern Affairs, training grants through the Special ARDA Program I don't have questions. In terms of how the Federal Government spent and administered their money, I may or may not have questions, but that is their problem. The Department of Northern Affairs does not grant the land use or the permits and therefore you will have to address your question to who does grant the land use permits.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: You know I don't find myself on all that many occasions, working in tandem with the Honourable Member for Fort Rouge, but the answers the Minister is giving simply aren't good enough. It is all our taxpayers' money, Federal or Provincial, and he is the Minister of Northern Affairs. He is responsible for how that money gets spent in our jurisdiction, and specifically in the jurisdiction of his Department of Northern Affairs. And from all past experience that I have had in dealing with Federal authorities, and I have had some, there has always been an onus put, and ample opportunity provided for, no matter how generous the funding is from a different jurisdiction, in this case the Federal Government, there are always mechanisms built into the agreements that provide for a great deal of local and provincial input into the administration of these moneys. And if that, Sir, is no longer the case then that only supports the case that I made in my initial statements, that it seems to me, Mr. Chairman, that the Minister has been, and this government has been, particularly negligent in living up to their responsibilities as, in this case the people responsible for, in many instances, handing out dollars whether they are Federal or Provincial. But simply to stand up on several occasions now to say let the Federal authorities investigate this, let the Federal authorities worry about how their money is being spent, that's not good enough, Sir, for me as a Canadian, it's my dollars. It's our dollars. And I think the Federal Government has, you know it's not for me to express an overly great concern, although I don't mind doing it on behalf of the Federal Government, but they had best become worried about the substantial amount of dollars they are allowing to flow through this Minister's hands, and through this Department's hands. And I would like to see the Minister begin to accept some responsibility for how that money is being handled.

MR. McBRYDE: Mr. Chairman, if you follow the member's argument to its logical conclusion, then I think I should be explaining to this House how the Atomic Energy Commission gave commissions to somebody in South America, because that is all Canadian dollars, taxpayers' money and I am not able to do that. I'm sorry. —(Interjection)— Right now the member, as the Minister for Northern Affairs, who has the responsibility for administering a training part of the Special ARDA Program, that training part has been administered properly, the taxpayers' money of Canada and Manitoba has been accounted for in that training agreement, and that is all I can answer. If the Federal Government spends some money in the Northwest Territories and you doubt how they spent it, don't ask me about it. If they spent some money in Thompson, as a Federal Program, I can't explain and justify their program. The dollars that have gone through our hands, the Department of Northern Affairs, can be detailed, justified, explained and the taxpayers can see that they got their money's worth. The amount that comes directly from the Federal Government I cannot account for it, I am sorry, but I cannot account for their money that comes directly.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. BANMAN: Yes, when the Minister was referring to grants, I understand that he was reading off with regard to the list that he gave to us. He mentioned two that are in my constituency and I wonder if the Minister would be prepared to answer some questions.

These moneys, have they all been forwarded or are there some moneys pending? In other words, he mentioned the one in Marchand, has that particular individual received that money? Has that community received that money? The other one I would wonder about is Richer. These moneys that have been advanced, I understand that there was a facility, have they loaned money for that facility to open again or where have these moneys gone?

MR. CHAIRMAN: Order please. The hour being 12:30, noon hour recess. I am leaving the Chair to return at 2:30 this afternoon.