



Third Session — Thirty-First Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

28 Elizabeth II

*Published under the
authority of
The Honourable Harry E. Graham
Speaker*



VOL. XXVII No. 55B

8:00 P.M. Monday, May 7, 1979

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 7, 1979

Time: 8:00 p.m.

SUPPLY — ECONOMIC DEVELOPMENT

MR. CHAIRMAN: Committee come to order. Resolution 38, 3.(a) — the Member for Transcona.

MR. PARASIUK: I'm wondering if the Minister's staff have been able to ll together that statistical information that we had asked for this pu afternoon?

MR. JOHNSTON: We had somebody take a look for some work that was done by one of our employees of MHRC two years ago. I'm told that he did it on his own. He wrote an article for a particular book or magazine. I'm also told that we have a copy over there, Mr. Chairman, but we weren't able to locate it over the supper hour. This is on shelter. The information on shelter, I would imagine we could try to go back to the CMHC, but I would like to say to the member that while I have been at the Ministers' Conferences and on the Shelter Corporation, when it would arise, the Ministers of Housing were basically, or across the country, in favour of the Shelter Program but with a rider that we would have more say in where they were placed. The Minister, Mr Ouellet at that time, had said that the federal government was . going to discontinue it, which they didn't. All the answers we ever got from them, Mr. Chairman, was that, you know, it is the Minister of Finance who decides the Shelter Corporation situation, or the bibs, as they are called, and for us to try to get the information as to how much came into Manitoba, it all depends, as you know, on the financial position of the person who is making application for the tax concession. So we don't have much on it in our corporation but we do have that work that was done by somebody who is not with us now and I've asked the staff to try to find that work that was done by that individual so that it could be presented to you.

The total federal allotment for across Canada, ours came to us on the 14th of March, I believe. Just a moment, I have the exact date here. We haven't normally been told what the other provinces would receive at that point. We don't know at the present time but I'll also make a commitment to get those figures for you as far as the allotment on the Non-profit Program across the country. Here it is — it came to us on March 14, was when we had our final figures, and we'll make a point of trying to find out what the other provinces are receiving.

On the Non-profit Program, we went into these negotiations with the federal government originally, as I mentioned, negotiations years ago and we started out negotiating with them and their first offer was 8 percent write-down to the province. In other words, instead of loaning us money and going on a 50-50 subsidy basis for maintenance and rent subsidy, they offered us an 8 percent write-down; they offered the provinces an 8 percent write-down. Manitoba was one that refused that on the basis that if we had taken our 1977 program that we put together in the end of 1977, the commitments at that time and we just did some calculation, we found that under those circumstances we would end up with a subsidy situation that would be 17 cents per unit better. None of the provinces basically accepted that program. The negotiations went on with the federal people from then on and the Non-profit Program was arrived at. The Non-profit Program — I gave you some figures on a \$20 million program — the federal government would have an increase of approximately \$500,000.00. Well, the figures really work out at the current interest rates, the Non-profit Program will be 65 federal and provincial 35 percent. Now there are percentages either way there. After eight years, the province would start to get to 50 percent. Now, the reason for that is the federal government's program always remains the same, a write-down on interest each year. Ours will increase because we are involved in the subsidy. But the agreement remains that it will never be any more than 50-50. It will never go the province 60 and them 40. So we estimated the first seven years we are ahead of the game with this program but when the units get to be eight years old, we will be on a 50-50 basis and it will never change from that.

The Member for Brandon East asked me some questions regarding how we felt, what kind of a position we were in at the present time and you have your reports in front of you. If you take Winnipeg where — on Page 9, gentlemen — where we have 3,597 units and you add to those units the Lord Selkirk Park — oh, they're included, are they? Okay. Well then, you add to that,

in Family Housing in Winnipeg the doors have opened since this March, '78, and committed units — the ones I mentioned earlier — to be built this year and come onstream this year or next, 546 units. On that basis we have approximately 4,000 units. We do have a 35 percent turnover in our units which would give us about 1300 more a year. Our waiting list at the present time in Winnipeg is 972 so we're in the position of Family Housing in Winnipeg of starting to come very close to handling that Winnipeg market. In fact, we could have an excess of about 361 units.

In the elderly persons' housing in Winnipeg we have 4,620 units. We have opened or committed in Winnipeg 580 units which will bring your figure up to 5,166, and there's only a 10 percent turnover in senior citizens' housing which would give us an extra 516. We have a waiting list of 843 and that leaves us in the position of being 327 under, but we have committed to support 300 units in the Non-Profit Program, and we have 2220 units which are units owned by Service Clubs of which half are subsidized by us now, and if you take the 10 percent turnover in there we estimate we have approximately — well, we'll have 300 coming on and another 100 available in those units and that puts us into a position of being very close to handling the Winnipeg market as far as our applications are concerned. The total number of units, put the two together, for Winnipeg is 1,126 units either opened or committed since the day of the report, March the 30th, 1978.

We have in Family Housing in the rural area — your total figure is 1920, that's if you take from south central down to the bottom, and we have committed in the rural area on Public Housing opened or committed in the rural area on public housing, 89. We haven't had as great a demand for public housing in the rural areas as we have had in the city.

In the rural area, in the elderly persons' housing, we have 2,166 — pardon me, the 89 brings it up to 2,009 — and in the elderly persons, it brings it up to — or it's 2,066, pardon me, and we have committed in the rural area, or have opened since the report, 563 units, bringing us up to a total of 2,729 (sic). We have a turnover there which would give us 273 units but our waiting lists in the rural area for senior citizens' housing is approximately 1,100. We find ourselves in a position of having to take a look at the rural area as far as senior citizens' housing is concerned. I would say part of that 300 that is committed would go there but we have to take a look at that.

So we're coming very close to being able to, as the Member for Brandon East asked me, being able to come close to servicing our applications. We will have approximately 12,200 units in Winnipeg at the end of this commitment, this construction — not in Winnipeg, in Manitoba — plus the subsidies that are available. Well, we have the Non-profit Elderly Persons' Housing, which is 2,041, so we have a fair amount of subsidy. We presently have in Manitoba, one publicly-owned or government-owned unit for every 84 people and that's the highest in Canada.

MR. PARASIUK: Yes, one little bit of clarification then I would like to make a statement. I think the Minister said something in the order of 2,220 service club housing. Did you mean 2,041, this is the Non-Profit EPH Housing, is that what you meant?

MR. JOHNSTON: Yes . . .

MR. PARASIUK: Okay, I have some comments to make about that but I would just like to ask one quick question . In just opening up the Annual Report, I see that Robert E. Lane is a member of the board; I assume he is still a member of the board.

MR. JOHNSTON: Yes, Mr. Lane has come to me and certainly he indicated to me and on mutual agreement I indicated to him that should he be elected as an MP, he would not carry on. Now, it's not unusual for a MP to carry on. I believe that there are some MPs that are on Boards in Manitoba, but he indicated to me that he would not want to carry on.

MR. CHAIRMAN: The Member for Tran scona.

MR. PARASIUK: I wasn't aware of any MPs as such being on a board. I don't know, I think this board pays a stipend . . .

MR. JOHNSTON: Yes.

MR. PARASIUK: You are indicating that he won't be on it, so there's no particular problem that will arise in that sense. When he is formally a candidate after Writs have been issued, he had been nominated as a candidate some time ago, and at that time as far as I was concerned there was no particular problem involved with his being a member of the board. Is he taking a temporary leave since the Issuance of Writs, or does he attend meetings and act in that capacity?

MR. JOHNSTON: Well, I know he's attending meetings. He brought that point when he came to me. I said, "You know, if you can't attend the meetings it has to be known." Now, anybody can miss a meeting now and then, but he has attended the meetings and I assure you if he is elected he intends to resign.

MR. PARASIUK: Well, I wonder, and I'm just not certain of instances where this might have arisen before. I know that anyone who has been on a Provincial Board, I think, who is seeking election in a provincial election probably took a leave of absence from a board, when the election was taking place, or they resigned from the board and may have been re-appointed afterwards. I don't know if this is setting a precedent that didn't exist before. It may be a grey area, but again it is rather a unique case, and I'm just not sure whether that existed before, and I was just curious as to what the situation is?

MR. JOHNSTON: Let me assure the honourable member I'll check into it. I'm sure he doesn't want to set a precedent in this area and neither do I. I think that it's something that should be adhered to, and I'll check into it.

MR. PARASIUK: I'm not raising anything one way or the other, I'm just asking what the situation is. —(Interjection)— Well no, I think I'll wait to see what happens. I don't know, it may turn out that someone's been on a board in the past, and in this connection before. People have run for federal office who've been members of provincial boards, I'm quite certain that's happened before, and I just don't know what precedent has been there. If somebody else wants to raise something of it, that's fair enough.

With regard to the question of the man, this seems to corroborate somewhere with the findings of the Social Planning Council report on housing need, which indicated that the need for elderly people wasn't as great as that for families, and on Page 36 of the report it says, "Whereas the elderly have been perceived in the past to live in the poorest housing, such is no longer the case; probably through the impact of the considerable number of public housing units erected over the past decade they are now the most favoured in terms of the quality of the units they occupy." And according to their tables, it shows that the elderly are fairly well housed. Only 5 percent of those over 65 live in poor quality units, whereas 20 percent of those under 25 live in such units, conversely 84 percent of elderly people live in housing in good repair, whereas only 59 percent of the under 25 do so. That would indicate that the Public Housing Program for senior citizens, which was a fairly massive one over the last decade, has done a fair amount to meet the need.

It would also indicate that the Pensioners Home Repair Program and the Critical Home Repair Program have certainly contributed to keeping the privately owned housing of senior citizens in fairly good repair, although where I think that a report like this didn't do well enough is indicate the need of elderly people over time. That is, elderly people are always in a situation of looking after their own homes and wanting usually to live in their own homes, if they own them, for as long as they can and then they reach that stage where they really can't keep it up. And there has been a cutback in the extent to which the Critical Home Repair Program is applied to pensioners' housing for second or third repairs, which are often required for senior citizens and their houses. That's one.

Secondly, there has been a cutback, in part the provincial level and part at the federal level, in those programs which were vital in allowing the senior citizen to stay in their home, programs whereby the storm windows of houses were changed, walks were shovelled, grass was cut, that type of maintenance program existed before in somewhat larger quantity than it exists right now. So I think that pressures are developing on senior citizens for them to seek other accommodation, because they really aren't in a position to keep up their house in good repair, nor are they in a position to in a sense just attend to the maintenance requirements of their house.

So I think that's something that this report glosses over, and it's something that I hope that the MHRC isn't glossing over either. I know, and I don't have the surveys at my disposal, but I think that MLAs have a tendency to get to know their constituency well, if they hope to get re-elected, and in my instance I have a community of people who settled in Transcona when Transcona was established in 1911, many of them have stayed there. And we have a community where the older people are in a sense coming of age together in need of senior citizens' housing and I don't know what exists in the way of the files of the MHRC as to the need for housing in Transcona. But I know that community groups that have gone out to get applications and trying to trim a need and they might not have been that detailed in determining criteria qualifications for people. Maybe some of the people were over-qualified. One group has a list in the range of about 90 and the other

group has a list in the range of about 105 to 110. There might be some duplication, although since both groups were dealing with separate ethnic groups I would think that something in the order of 150-160 senior citizens, who need senior citizens' housing, exist in a community of 27,000.

So I'm wondering about the extent to which the demand can be determined by the waiting lists on file, by the number of people on the waiting lists on file, and I don't think that's an accurate determination of demand.

And as I said on Friday, it's a strange situation where we have an advertising budget of \$218,000 in the Department of Economic Development, promoting a program which will give assistance, public assistance to corporations. And we want them to take advantage of that program that exists, and we want to take advantage of a \$1 million Public Incentive Program to companies; and yet we have a group of people — I would point out the senior citizens especially who I think are in need of housing, — government and opposition members say if they are in need, in fact that's the need that we would want to meet; who often are ignorant of the procedures required to apply for senior citizens housing, and who feel somewhat lost.

I don't think much is being done in the way of promotion. I don't think we're doing much to indicate to the older people that we believe that senior citizens housing is a wise social investment for the people of Manitoba to make, and that we aren't afraid, in fact we want to ensure that our senior citizens of Manitoba are properly housed not only today but in the future. And I don't think we've done a sufficient job of indicating to the people that that is a demand that we want to fill, and I think it requires an activist approach in this area by the government, and that's an activist approach which I don't see existing. And I think it's in marked contrast to the activist approach, which the government is undertaking with respect to the provision of public assistance to companies. I think it's just a difference in approach, and I think the need for senior citizens in Winnipeg is certainly much greater than 800. And I know, for example, that in the case of Transcona, one group, whose project was turned down ostensibly because the site wasn't good enough, were informed by letter over a year ago, that they would be contacted by the staff of MHRC in a follow-up to determine the exact need for senior citizens housing in the Community of Transcona. I have checked with that group, and with the various members of the executive, because an executive sometimes can change, and I find that that hasn't been done. That is a specific case which is true.

Now, that's the tip of the iceberg that I see, and that's the fact that I have at my disposal. Furthermore, we have the Park Manor Personal Care Home which has been going out on its own, has received an incredible runaround in my estimation from the Federal Government, CMHC, with respect to the whole non-profit housing program over the last two years. I don't know whether that's been intentional or whether it's because the staff administering the program for Central Mortgage and Housing have been completely confused by themselves, have been completely confused themselves by the machinations of the Federal Liberal Government in this respect, because they have come up with about two or three stillborn programs over the last two or three years. Their AHOP program isn't working; it's turning out to be a disaster with more bankruptcies than successes. So there seems to be a general state of confusion there.

And at the same time, in the case of that particular group, and I will say it again, they are in a superb position to provide something that would be quite different, and I think a unique bridge in providing for the needs of elderly people. Namely, we have a religious group which is operating a personal care home, which has 2.8 acres of land, and it wants to build a senior citizens project right contiguous to the personal care home so that that group will be in a position to provide what might be called, enriched senior citizens housing, which many people talk about but which barely exists in practice.

And one of the things that happens with senior citizens, especially with those who have to go into a personal care home, is that one member of the couple is in poorer health than the other member, and yet there isn't enough room in a personal care home to allow for the couple to go into the personal care home. So what I've been finding is that couples get split up. And when that happens to an elderly couple, it usually leads to the fairly quick demise of both halves of the couple. And the enriched senior citizens housing project that could be built there would enable the couple to move in, and would enable that member of the couple that requires the extra care to get it from the personal care home people, in terms of bathing, in terms of special medical attention, in terms of special diet if that's required, but it would also enable that couple to still live together in the same suite.

And it's a program that I think could be promoted. I think this is a very obvious example of a place where the potential exists for it. I know people have talked about it for about five years, but I think there have been very few instances of enriched senior citizens housing actually being put in place. Often it's because the personal care home facility doesn't have land for expansion. But here we have an instance where this group has been trying for two years, and frankly if it wasn't for the continued perseverance of this group, they would have given up a long time ago

and we wouldn't have anything. But I commend that group for persevering. At the same time, I'm hoping that when priorities are established for this non-profit housing, for example — and that's why I asked this before the supper break — I hope that we would recognize the fact that the potential for a critically needed type of housing, and if you talk to health officials, if you talk to people in nursing homes, if you talk to people in senior citizens housing, they say that there is a gap from the plain senior citizens housing project and the personal care home, and that that gap can be filled with enriched senior citizens housing.

And when I look at all these programs I see that the program which can fill that gap would be the non-profit housing with subsidies provided by the Provincial Government under a subsidy program. That group that runs the personal care home, which is very hard pressed because of Budget cutbacks on the personal care side, somehow is going to have to raise 5 percent equity and I hope they can do that. Or conversely they don't have to raise 5 percent equity, but the interest rate goes up by 1 percent, which is a type of penalty for it. And my objection to the non-profit program is that it does require a group to put up equity, and I don't think that those groups should be required to put up equity for what is going to be a universal social investment. Because what we want these groups to do, and some of them are religious groups, what we want is for these people to put up housing which is universally accessible to all.

And when MHRC was talking to groups and working with groups, regarding sponsored housing, it was always made abundantly clear to the sponsoring group, which was going to provide management and was going to provide the extra input and was going to provide volunteer effort, that people, everyone had to be admitted on a first-come, first-served basis and there had always been some questioning within communities that one religious group wouldn't admit people of another religious group but generally, in practice, that didn't hold true. There was no discrimination and that's why the Senior Citizen's Program turned out to be very effective right across the promise, because it combined the turnkey ability of the MHRC with the local interest and continued involvement of a local group in providing management.

I don't know if we are going to have that now. I think that the 5 percent equity will be a penalty. I don't know if it will turn off groups when they start looking at the detailed requirements, but I do think that we are not defining the need for senior citizens' housing as accurately as we would like. I think we are taking a very passive approach in this respect and if in fact the intent is to limit senior citizens' housing, there might be some method to that madness because we will come up with lower figures of demand. But at the same time, the only people we will be fooling on this will be the senior citizens and ourselves because we know that we have to provide a continuing investment in senior citizens' housing because we have a population that is continuously getting older. The proportion of elderly people in our society will continue to grow. For us to say that demand is decreasing for senior citizens' housing or the demand is decreasing for personal care homes because the waiting list for both of these are going down, when we find specific instance after instance at the constituency level where people have not been contacted, where they have been going around in circles trying to get into senior citizens' housing or trying to get into personal care homes and we find a contradiction and that contradiction to us has not been satisfied by the use of the government of waiting lists only. We have a survey that still indicates that some people are in need of housing, some senior citizens, even though they say the priority is for low-income families.

So I don't think that the need for senior citizens is necessarily declining; I still think we have a gap to fill. I don't think we are being aggressive enough as a government in trying to fill that gap. I find it quite ironic that we're advertising so much for business incentives and yet we don't feel that this type of assistance for senior citizens falls in the same category which might warrant some advertising and some promotion.

I finally, with respect to senior citizens, say that we have had some specific cases of MHRC not following up and trying to determine the exact demand and I find that we have had a lot of procrastination. And one example which albeit is in my constituency and I raise that not to wave the flag of my constituency, but it's the specific case that I know best about and it strikes me as having the potential of really leading a gap that exists, namely the provision of enriched senior citizens' housing. There is no reason at all why we couldn't move very quickly on the provision of at least 100 enriched senior citizens' units and I would think that right now we probably don't even have 100 enriched senior citizens' units. We might, but if we have one or 100 or 150, just think, the provision of another 100 would be virtually doubling the capacity that we have right now. I know, in talking to health administrators, that we have a need for enriched senior citizens' housing that I would think is well into the hundreds rather than just being 10 or 20.

So that's my comment on senior citizens' housing. I don't know if any of my colleagues have anything to add on senior citizens' housing. I have some comments to make with respect to low-income family housing and I'll wait for my colleagues to finish up.

MR. CHAIRMAN: The Member for Brandon East.

MR. EVANS: I wonder whether the Minister can advise me, or advise the committee whether the Non-profit Housing Program which we have been discussing this afternoon and which he has elaborated on in his opening remarks, whether the management of those units will be in the hands of the local housing authorities that have been established around the province, e.g. The Winnipeg Housing Authority if it's in Winnipeg; e.g. the Brandon Housing Authority if it's in Brandon; or will these non-profit accommodations be administered and will the people in charge of maintenance, the payment of taxes, the collection of rents, will that be in the hands of the non-profit group or will that be taken over and performed by the local housing authority?

MR. JOHNSTON: The non-profit group owns the particular non-profit unit and it's their management. If they chose to come to our housing authority and make an arrangement with them to have them assist them on management or assist them on lists or anything of that nature, we would certainly have no objection and they have every right to do so. But they are the owners and it's their decision. We have found that usually when we have a religious organization or that type of an organization, they have usually preferred to operate them on their own. They have certainly referred to us many times re waiting lists and that type of thing.

MR. EVANS: Will it be the case where the non-profit organization, let us say if it is a religious organization, will that non-profit organization, even though it is receiving public subsidies, be able to restrict access by other people who may not be of that religious denomination, whatever church group we are talking about? I'm not trying to discriminate one against the other but take church group X. If they go about the business of getting their 5 percent down payment and doing everything that is required, getting approved and so on, can religious group X prevent religious group Y, Z, A, B, C, D and anyone else from entering that facility even though they are receiving taxpayers' subsidies, as would be the case in this program?

MR. JOHNSTON: No, they can restrict them to elderly but The Human Rights Act applies. They can't do it on religious grounds or anything else.

MR. EVANS: I'm glad to hear the Minister state that because, without singling out any group, I'm not trying to single out any religious group that's not the point. —(Interjection)— Well, my colleague, the Member for Transcona, indicates now, with the units operated by the Winnipeg Housing Authority, they do it on a non-sectarian basis whereas if these groups were managing themselves and screening the applicants, would there not be an inclination for them to screen out or put on a very low priority those people who were not members of that church, let's say, or that particular religious faith and would not therefore discrimination be exercised by such organizations, by virtue of the fact that, you know, they were in the process of administering that property?

MR. JOHNSTON: If the units, the 2,041 units that we subsidize at the present time in non-profit elderly persons' housing, if there is no subsidy required, our inspectors do not get too involved, but if there is subsidy required, there is no question that we expect that there would be no discrimination of any kind other than age as far as senior citizens' homes are concerned.

MR. CHAIRMAN: The Member for Brandon East.

MR. EVANS: Well, specifically then, how would you, because I can envisage some of these as the minister's described, Mr. Chairman, I can envisage some blocks, some apartment units for senior citizens, some being subsidized, others not being subsidized; so what the minister's saying is those that are subsidized by the taxpayers of Manitoba, there must be no discrimination, but then the question arises: How can we ascertain under this program now whether the religious organization is fairly managing the process? I'm talking about those that are entitled now to taxpayers' subsidies. How will the corporation, how will they ensure that there's no discrimination even though I guess the Human Rights Act exists and I suppose you could say, "well, the individual who may be discriminated against could appeal to the Human Rights Commission on that basis." But I think it goes beyond that because quite often, you know, this can be done very subtly, very discreetly and maybe very innocently, where there's a natural inclination for particular church groups who want to seek out its own members and that's a natural inclination.

It doesn't matter which group you're talking about, but the fact is though, that if you do have subsidized tenants, that is where you're using public moneys, I think it's important that some sort

of arrangement or some sort of procedure be devised I would think whereby it can be assured that there isn't that discrimination; but I don't know how easily that can be done. Maybe the minister would like to comment on that.

MR. JOHNSTON: Well, we have Placement Officers, we have people working in the Corporation, and if there's an application for assistance in a subsidized unit — and Carman is just opening, those applications have to come in to us. We expect them to make sure that the person qualifies for a subsidy; they know the rules and the regulations that are laid down to qualify. The people running the home is a non-profit organization and if we found that it was all coming in one way, I think we would do something about it, but we have 3,519 units operating in this province that way at the present time, and of that, there's 2,041 that are subsidized and we haven't had that problem. I'm rather surprised that the member brings it up — we haven't had that problem to date. I don't want to get into people's religions, but I know of one United Church Director and Manager of some units the United Church operates is not a member of the United Church, and he operates it on the basis of a very fine operation. I just haven't run into it, and I certainly hope we don't. It's something we should watch for.

MR. EVANS: In relation to the management of the non-profit, I was glad to hear the minister say that arrangements could be made by the non-profit group for the local housing authority to manage. Would the MHRC charge a fee back to the non-housing corporation for management if it took over a project for management?

MR. JOHNSTON: Would they be charged?

MR. EVANS: Yes. Say if you had a — (Interjection)—

MR. JOHNSTON: No.

MR. EVANS: Yes, Mr. Chairman. If there was a non-profit, let's say, a non-profit group qualified built an apartment block for senior citizens and then it decided that it didn't want to be involved in all the administration, you know, collecting of the rents, the maintenance and every- thing that is involved, payment of taxes to whoever, etc., and they said to the local housing authority, we would like to turn this over to you for administration. Would the MHRC levy an administration charge back to that non-profit organization? Or just how does the Minister envisage it? Because I am talking about a new program now, A program that was announced in April by the Minister and I am not sure whether that would operate differently from the previous non-profit housing that was built.

MR. JOHNSTON: It's something that we had completely got into because I don't think it would work much different than the way it does now. The non-profit organization is allowed so much money in their operating costs for administration. We would expect that if we took over the administration, somebody was doing that, as far as our housing authorities are concerned, they do pay a director in a lot of areas. They receive so much per unit for administration in the housing authorities. I would expect — well I guess I can say as Minister, I would certainly want if we had to pay a director out of our non-profit organization, if our housing authority was paying a director to handle something for them — a manager — we would request that we receive some funds for administration because they are allowed to put in so much for administration in their operating costs that make up what is called the economic rent of the units.

MR. EVANS: Can the Minister tell the Committee how many non-profit projects now exist that are run independently of the local housing the authorities? Or is that information in report?

MR. JOHNSTON: They are shown on page 8, Mr. Chairman.

MR. EVANS: So all of these units shown on Page 8 are operated and managed by the non-profit organizations apart from the local housing authorities?

MR. JOHNSTON: Just let me clear this up . . . the ones on this page are all owned and operated by the non-profit organization.

MR. EVANS: I see the 21 in Brandon — I know of that particular project, that's the Green Acres Legion Gardens that is operating in my own constituency, which brings me to the comment that

I wanted to make and that is, there is always some danger if you will, some possibility of the non-profit organizations who are well-meaning and publicly spirited or else they wouldn't be in this in the first place. There is some possibility of these organizations through time losing the interest in continued good maintenance and operation of the units. In fact this is what happened in the case of this particular lodge that I am speaking of in Brandon whereby, in effect, the residents came to me as their MLA pleading for some help, because the Legion Committee that was charged with the responsibility of that, over the years the people had changed. You see, the leaders, the people who had started this had gone and it was left to others. Over several years some problems developed in getting people who would do the job of administration of the project and this is what I'm concerned with. Where you put public moneys in, well, all of these are subsidized one way or the other, either federal or provincial or federal and provincial and in this new program in a different way but nevertheless it is still taxpayers' money and it would seem to me that MHRC has some responsibility to ensure that these properties are well maintained, that the investment is protected, not only on behalf of MHRC but also on behalf of the tenants.

So I use this just as an example. Everyone is well-meaning, but the fact is that some of these organizations, particularly smaller organizations, through time, because people change, people come and people go and you sometimes don't have that carryover of people who are as dedicated who can take the time because it is volunteer work, who can take the time to pay attention to the financial affairs of the corporation and so on. In this particular one, the maintenance had gone to hell, so to speak. In other words, it wasn't up to standards; the snow wasn't being removed properly; it just wasn't kept up as it should be inside. The project was three years in arrears with municipal taxes with the City of Brandon. It was eventually straightened out and some other arrangements have now been made because they had some help from MHRC — the field officer in rearranging their affairs — and the matter has more or less been cleared up so I'm not complaining. I'm just using that as an example of how maintenance standards can drop through time particularly with small non-profit organizations and I think that's something that the Minister and the MHRC have to be on guard against as I say, both for the sake of the tenants, for the old folks and for the sake of the taxpayers' investment and ongoing subsidy in it.

MR. JOHNSTON: Well, the CMHC as financier, is involved. Their rentalsman is involved; the fire inspectors are involved, but that's not just the extent of what happens. If we have somebody come to us on that basis — and I'm told that the particular unit you are talking to, our regional man, housing co-ordinators that we have through the areas of Manitoba — did work with these people. Our extent of work is to try and rekindle the interest, try and give advice on what's the best way to solve the problem. In many cases, they have had a tendency not to want to raise the rents slightly and they can't find the funds to carry on.

The new programs are a straight 25 percent of income so we don't really expect that particular case. If we can't do it that way we would then try to make an arrangement with our housing authority in the area to work with them or take over the management if they want us to. Failing all else, I'm told it has been done that we have bought them out and taken over the building and our housing authority has run them. But that's not something that we go looking for. And you are quite right, sometimes a service club is only as good as the president they have in at that time and it can be a problem but we don't run away from it and we do try to solve those types of problems.

MR. EVANS: I welcome those comments by the Minister. I was going to ask a question about maintenance expenditures but I know at some point, Mr. Chairman, we are going to go down the list item by item asking specific questions and I'm not sure that it is on the list here as such, maybe it's under Administration. Well, there is Housing Unit Operations, I don't know whether that includes the maintenance costs per se? They do? I could wait until then if you want on that particular as well.

MR. JOHNSTON: Mr. Chairman, the moneys that you see under Housing Unit Operation is just that, it's the subsidies required and the operation costs of the buildings.

MR. EVANS: I'll wait until we get to that item to ask my specific question on maintenance, but I have a general question, Mr. Chairman, and that is, how do I relate the number, the figure we have at the bottom of this sheet here, 1979-80 Approved, a figure of \$56,443,900, that is the figure at the bottom, the extreme lower right-hand item, with the figure of \$21,857,700 shown in the Estimates Book on Page 26? I wonder if the Minister could reconcile these? I know there is some explanation and I wonder if he could reconcile the fact he is only asking the Legislature for \$21.8 million approximately, yet the item here is about double that. Now maybe it's because half of all this, or a large part of this includes federal subsidy, but I would imagine that would have been shown

in the Estimates as well, but there is no description of any amount recoverable from Canada as there often is in these Estimates that we have here. Yet we know that there is a recoverable amount from Canada.

So I wondered why the discrepancy in the figure? I know there is an explanation so this is my question: What is the explanation? How are those two reconciled?

MR. JOHNSTON: The reconciliation is, Mr. Chairman, that there are \$34,986,200, which is made up of incomes for Construction Supervision of \$250,000; Administration \$75,000; Property Management \$500,000; CMHC Rental Subsidies \$16,696; Other Rental Subsidies \$126,300; Rental Receipts are \$17,338,000.00. So when you take the \$34,900,000 from the \$56 million, you come up with our Estimate figure.

MR. EVANS: So the \$34,900,000 is a form of income? Is that what the Minister is saying?

MR. JOHNSTON: Well, yes, it's a form of income from rentals and the income we have from the federal government for supervision, administration, subsidies and property management.

MR. EVANS: Okay. This is a technical question which I don't want to get hung up on, but why wouldn't some not be shown as Recoverable from Canada as you show here, for instance, under your Economic Development Estimates, you know, the Manitoba Research Council — well, the Canada-Manitoba Industrial Sub-Agreement, you have a certain amount, namely whatever percentage — Recoverable from Canada. Now, this is treated differently and I know it is a technical question but I wondered why some of that wouldn't be shown as Recoverable from Canada in the Main Estimates.

MR. JOHNSTON: As a Corporation, Mr. Chairman, our vote is on a net basis.

MR. EVANS: So that's the explanation, it's a corporation. Okay, I understand, it's because it's a corporation and we're talking about a net payment to the corporation this year from the Treasury and that's the amount.

MR. JOHNSTON: That is correct.

MR. EVANS: Okay. Whereas if we want to look at the total expenditures by the Corporation this year, we look at the other sheet and that gives you the true reflection of the expenditure program of the Corporation, which takes into account not only the moneys received from the Treasury this year but also rental payments by the tenants, other income from the federal government, etc.

I have some detailed questions but I think the Member for Transcona wanted to ask a question.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: Before we get into this sheet and go through it, I wanted to refer the Minister back to Friday when we were talking about the research paper by the Social Planning Council of Winnipeg. In it, they are pointing out in fairly dramatic terms the need for some programs geared to single-parent families. What they were suggesting and what they were doing some calculations on were a type of Shelter Allowance Program but at the same time they were warning that a Shelter Allowance Program could be very expensive and required control over the quality of the unit or subsequent shelter costs and I found that part of their report somewhat contradictory. They pointed out a need; they indicated that single, low-income families and single parents were living in poor quality housing and that they had an affordability problem. They then proposed some means of dealing with the affordability problem but they didn't propose anything at all to deal with the whole problem of poor quality housing.

Now I was told last week that you have had a chance, or your staff has had a chance to go over that report; you have had a chance to meet with the staff who have done this for the Social Planning Council of Winnipeg. This is the product of some effort on their part. I'm wondering if you can comment on their findings with respect to single parent families and low-income families? I know you indicated that 102 families were placed but given the magnitude of the problem as they are pointing it out, that certainly isn't sufficient to deal with the problem and I'm wondering if you would comment on that.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Well, we have taken a look at their report and they mentioned it would cost what they suggest is about \$15 million. I can assure the honourable member that our figures are certainly in the range of much more than that. What they are suggesting is in the range of about \$30 million, as far as our figures would be concerned.

They are suggesting that we have a rent supplement program that is universal for people. I have mentioned in my opening remarks, I certainly would like to see something of that nature come in for the senior citizens but it's being looked at as far as the White Paper is concerned, at the present time. Our board has made a recommendation to have a program similar to the SAFER Program in B.C., but as I said, it is being looked at from an overall basis.

The Planning Council has some interesting figures. When we asked them the conditions of units by income groups: under \$5,000 income, 68 percent, which is 17,435 units, they claim, are in good condition; 20 percent are in fair condition; and 13 percent are in poor condition. Strangely enough — or not strangely enough — we questioned them on this. We weren't able to get the answers from them as yet. When you get up to \$5,000 - \$10,000, 67 percent are living in good conditions; and 16 percent in fair; and 17 percent in poor. When you get to \$10,500, you've got 67 percent in good and 17 percent in fair and 16 percent in poor. You've got in the \$15,000 to \$20,000 range of people, you have 71 percent in good, 17 percent in fair, and 12 percent in poor. You know, the percentage that make between \$15,000 and \$20,000 a year that live in poor housing is 12 percent and the percentage that make under \$5,000 that live in poor housing is 13 percent.

So we have people making large amounts of money living in poor conditions and we have about the same amount earning under \$5,000 a year living in poor conditions and I think those figures show that the program of the family housing in the province has upgraded the people making up under \$5,000 a year because we have a very large amount of family housing in the province of Manitoba.

But, you know, at the present time MHRC Manitoba Housing Renewal Corporation has — I told you that when these figures were taken off we would know the numbers of units we have and the numbers we plan to have. When we had 3,000 units in the province of Manitoba, we housed 2,000 single parents, and we are increasing the number of units in Winnipeg and we certainly expect that the percentage which is two-thirds will carry on, so we are working towards being able to accommodate a tremendous amount of those single parent people. Their figures kind of amazed us in that respect, that the single parents that are making a good amount of money, the same percentage as the people that aren't, are living in poor housing condition; so if you were to take that 12 percent who could afford better, you know, you're getting a much better percentage again. We are only down to under \$5,000; only 13 percent of those people are living in poor housing conditions, and we haven't many occasions had people say that "I don't want to live in a certain areas" and will continue to live where they want to live, or prefer to live where they want to live, or possibly have a rental scale that suits them.

The report really is not that critical to the housing conditions in Manitoba. We are currently housing 25 percent of all the single parent renters in 20 percent of all the single parent families in our housing units. So you know we have been moving towards trying to take care of the need; as I pointed out earlier, with all our construction that is coming onstream, we feel we're getting very close to being able to handle the need.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: Yes, I know we're continuing on with the program and, with respect to low income families and senior citizens' housing, but the point is that program is coming to a halt. It's coming to an end, and I don't know whether in fact that's been because the provinces have decided that they don't want to be trapped into long-term subsidies under Section 43 or not, but I still don't think. . . and these figures still indicate that 13 percent is fairly significant proportion of the population that is poorly housed. There's two parts to it, the quality of the housing and the affordability. There are a whole set of programs and activities that one could undertake with respect to the affordability, but I think that's often beyond the control of the Housing Minister. However, the programs that could be developed towards providing better quality housing are pretty numerous

and I haven't seen too many coming forward. I heard, prior to the '77 election, people talking about apartment renovations. I've not seen any programs come forward with respect to apartment renovations. I know that prior to October, 1977, MHRC was purchasing some blocks downtown with a view of to renovating them, adding them to the stock of MHRC and renting them out. You're keeping the neighbourhood going; you are keeping housing stock in existence, you're renovating it and you're renting it out. I don't know what's happened in that respect. There doesn't seem to be anything written up. There doesn't seem to be a continuation of that program. Are we getting out of it? I just haven't seen anything happening there.

We had had the Minister talking before about private sector subsidies for low income families. That isn't coming forward. I was never a great fan of that type of program. I gather the Minister now, having considered it in detail, is not a great fan either.

But at the same time, we get questions asked on this; the platform exists from October 11, 1977 and frankly it's not being followed. So those are concerns that we have regarding the provision of low income families, the lack of creativity that I think people said was going to come about because of a change in government. They were saying, "Well, we don't just rely on the programs that were in existence before." And frankly, what we're having is the same thing that was going on before. We have a continuation of the elderly persons' housing program that's been stopped after this year. We have a continuation of the low income family housing program. It's being stopped this year. We have the start up of a non-profit housing program which may have some very large constraints in it; constraints which I think the provincial government is recognizing in part, when they come up with their own 5 percent equity contribution. I think that's a wise thing; I think it's a necessary thing, but again I think it's just not enough. 616 social housing units as the magnitude of our program, going into the next fiscal year, is really a very very small amount, and I think when you start taking into account rural considerations and urban ones, we are probably about 1/2 of what we require. I think we probably require something in the order of 1,000 to 1,500 units yearly of social housing of one type or another, and we're just not getting it. That means that gap is going to build up again.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Well, Mr. Chairman, just on that subject, I'm beginning to get to the point that I'm damned if I do and I'm damned if I don't. We spent the \$22 million, as I said, and we spent the \$14 million. I still believe in subsidies in private units, but we have been moving along to take care of what we felt was the need, and you know, the member mentions that the program, since the report that you have in front of you came out, which is date March 30, 1978, we have built 1,778 units in this province. Now that per average is better than a lot of other years in this province. And then we now take and add the 300 units of subsidy that we will be involved in, we're going to be up over 2,078 and then the 300 can't be built unless there's another 300 units built along with it to take care of those senior citizens that can afford to pay the economic rent. You know, I don't really think we have backed off as far as the member believes, and I say to him that the non-profit program can apply to both. When we speak of the new bill, the NHA Mortgage Insurance will be available for — this I'm reading from Ouellet seeking legislation and got it. The new bill, the NHA Mortgage Insurance will be available for the purchase or improvement of existing rental properties, existing non-residential buildings which can be converted for housing purposes, will also qualify for assistance.

Now if the Federal program — they have one there for upgrading of those type of buildings. Certainly we'll be watching what is happening with that program, but I can say to the member that there was, you know, I think he mentioned Burrows Court when we were hassling back and forth on the Throne Speech debate, and I must say that our discussions here are much better than there. I think they have been. But Burrows Court was — you know, it was one that was expropriated. We have some problems with it. We had a final appraisal amount of \$45,000 on it, or \$75,000 on it. The LVAC put \$105,000 to pay on it.

We've got quotes at the present time to renovate that building and two of them are over \$400,000.00. There's some over \$500,000.00. And the units inside that building are about 240 square feet. You know, we just would not be supplying a unit as good as we would be able to build for that kind of money. And we hesitated, we put it on the market, and we got offered \$15,000 for it. Now, we're not going to accept that; we're not going to be that crazy. But you know, when you get into that renovation type of thing, it can be very very touchy. So the Federal program does allow mortgage moneys for upgrading of old buildings in the new NHA Act.

MR. PARASIUK: Well, I think that we've probably dragged this around. I wasn't intending to rag it around that far. I do have this tremendous concern with the non-profit housing program. I think

it's a good idea in concept. I think it would be good, especially with senior citizens, to have a mixture of people who are of a moderate income and people who might be of a higher income, because I knew that in many communities there were people who would like to go into a senior citizens unit and were disqualified because they might have assets that are a bit too much, a bit too high. And I think that that program does have potential. I think that was the weakness of the old MHRC program, that it just limited to people who were just below the eligibility requirements. So in concept it's an improvement. I have a great concern about that 5 percent equity requirement. I think this government — I think that your department must have some concern about it, because they wouldn't have introduced or talked about introducing the 5 percent equity contribution. Obviously the 10 percent equity contribution was a problem. In my discussions with this group, the 5 percent one still is a problem, and I see that as being the only program that's operational. It may turn out that the province may have to get more aggressive through MHRC, acting as a non-profit builder, filling in the gap that exists because non-profit community organizations that may have very good intentions may not have the dollars.

And we'll have to see what takes place over the course of this year in that, but I do know that we have put, basically, all of our eggs in a basket and I think the housing programs in the past have always been criticized for being too narrow. So again, we find that we end up really pursuing only one option, and that is in large part dictated by the Federal government. And that's a continuing problem that I think we are going to have to face.

The concern I have with the shelter allowance program, especially as it might apply to senior citizens, and you've talked about this a bit more elsewhere, and you're saying it might come out in the White Paper, is that that may in fact be a useful addition, but at the same time I hope it wouldn't be a substitute for the continued construction of senior citizens' units, which are particularly designed for senior citizens.

Because most of the housing the senior citizens live in when they live in private walk-up apartments, or what have you, isn't really designed for senior citizens' living, and I think that one of the problems that we are facing in Winnipeg has been this great surge last year of people who were terrified that the Capital Cost Allowance was going to be cut out with respect to MURBs and there was this tremendous last surge, and people could see it. It has been continued but it's done to 5 percent. But we don't have too much tax shelter housing being built in Winnipeg and maybe we're going to have to take a year or two to digest that, and I think there may be some openings there for middle income people to get some good housing and that may have some short-term impact on our ownership housing that is being built by the housing corporations.

But at the same time, I still don't see a comprehensive overview position being taken by the government. And I think that every administration has been criticized for this over the last ten years but I still don't see it happening and I do think that the piecemeal programs, by themselves, have utility but it strikes me that there just seems to be so many gaps so that when you start talking to people about their specific cases they often seem to exist between a program.

I would like to ask the Minister — I think it might be useful if we went through these sheets.

MR. JOHNSTON: Well, I just want to answer. There is one thing that I could say to him on the 5 percent. You know, I will use the example of Transcona. The land that they own could be 5 percent. —(Interjection)— Yes, I mean it does not necessarily have to be all cash.

MR. PARASIUK: Yes, I think we'd like to go through the sheets that were passed out on Friday, and when I look at them in general terms I wonder where I might ask about the experience of Oldfield, Kirby and Gardner. I could wait and just deal with it as it comes up under an appropriate sub-item, and also I'd like to ask some questions about the Land Banking Program and I wonder, again, in this breakdown that you gave us where it might be best appropriate to ask my questions there.

MR. JOHNSTON: On the housing units operation and we'll just take the land into it, if the member doesn't mind.

MR. PARASIUK: And also Capital. You talked about operations here and I'm wondering where you had Capital requirements. Do you have a Capital Authority . . . ?

MR. JOHNSTON: Yes, we have \$20 million on Schedule A, Capital Authority. It's a carry-over, Capital A carry-over.

MR. CHAIRMAN: The Member for Brandon East.

MR. EVANS: Mr. Chairman, the Minister said it was on Schedule A; was that something that was handed out or is that when we come to Capital Supply in the Legislature? Yes, okay.

MR. PARASIUK: Well, maybe, do you have any questions on this?

MR. EVANS: Yes, well, on the first item, Mr. Chairman, on Salaries and SMYs, I have a number written in here of 114 staff man years for this year, which is an increase of 21 persons. Is this an increase in the staff or is this just a transfer from contract positions into SMY Civil Service positions?

MR. JOHNSTON: It's a transfer of 21 SMYs from contract into positions.

MR. EVANS: Are there any contract positions now left in the corporation?

MR. JOHNSTON: Yes, we have 25.

MR. EVANS: So the total staffing of the corporation is 114 plus 25, for a total of 139 positions.

MR. JOHNSTON: We have permanent positions of 80 and term positions of two. We have vacant 11 positions. We have contract 25, and filling the vacant 6, which brings it over to 19, bringing us up to 112 and we have two term, bringing it to 114.

MR. EVANS: I tried to follow the Minister when he ran down the numbers. He said there were 11 vacancies. I'm not clear. That figure that we were given on the sheets of 114 — this was written in in ink, 114 — what you're saying then is that it includes the contracts but there are some vacancies, and that's why . . .

MR. JOHNSTON: Yes, yes.

MR. EVANS: So 114 would be the positions that are filled plus the contract people available on staff.

MR. JOHNSTON: It's the total positions is 114. The 11 vacant positions are vacant but we have a complement, I don't know what's the term you people use, we have provision for 114 people, total.

MR. EVANS: Okay, let me put the question in a different way. How many persons are now actively employed by the MHRC, whether they be on a contract or whether they be covered by a Civil Service position; how many persons are now employed on the payroll of MHRC?

MR. JOHNSTON: 103.

MR. CHAIRMAN: 3.(a)—pass — the Member for Brandon East.

MR. EVANS: Mr. Chairman, we're not operating on a 3.(a)—pass basis; we're going down the sheet. I believe you weren't in the room when we agreed that we were going down . . .

MR. CHAIRMAN: No, no, I wasn't; I'm sorry.

MR. EVANS: . . . and this was going to provide us with a basis of discussion.

MR. DEPUTY CHAIRMAN: My Chairman never gives me any instructions. The Honourable Minister.

MR. JOHNSTON: Thank you. Mr. Chairman, this page right here, to make it easier for the members to sort of talk about the different programs, we're going down this page.

MR. DEPUTY CHAIRMAN: Right. The Member for Brandon East.

MR. EVANS: We're going down to the next line, from Salaries down to Administration, then. What

is covered by Administration? Could the Minister sort of explain some of the items that are covered by this \$1,432,000.00?

MR. JOHNSTON: Professional and consulting fees \$100,000; Board fees and expenses \$47,000; office accommodation \$125,000; office equipment and computer \$95,000; printing and stationery \$75,000; postage and delivery \$75,000; travel and mileage \$140,000; advertising — well, that's to make up pamphlets and etc. for the programs — is \$15,000; corporate publications also is \$15,000; educational assistance is \$5,000; Leaf Rapids Corporation is \$30,000; financial costs is \$125,000; other expenses is \$50,000; sinking fund requirements is \$535,000 — that's the big part of it; Publications and periodicals and conferences, etc., are taken in in the advertising and publications in education.

MR. EVANS: What was the \$125,000 figure item for?

MR. JOHNSTON: Financial costs, interests.

MR. EVANS: Interest on . . . ?

MR. JOHNSTON: Well, there is the interest. With the financial costs it's interest and the other \$125,000 figure is office accommodation.

MR. EVANS: I believe the Minister said \$15,000 for some publications and I think there was another figure in there. I'm wondering does the corporation have an information officer now, or is all of the work done by an advertising agency or a P.R. agency?

MR. JOHNSTON: We don't have an advertising officer at the present time. We have been handling that by our present staff. It has mainly been handled by the Secretary of the Board, at the present time.

MR. EVANS: There is no advertising agency, I would gather, either, eh?

MR. JOHNSTON: No, we do not use an advertising agency.

MR. EVANS: Could the Minister explain to the Committee what the item on Educational Assistance is; what are you covering by that item of Educational Assistance?

MR. JOHNSTON: It's our Housing Co-ordinator's, educational assistance to them on property management. We hold some courses for them, and we also have some work being done with our housing authorities on property management.

MR. EVANS: Are these courses where they take leave of absence and, you know, take a half-year off, or it sort of a night school sort of thing or correspondence, where there are costs involved in being enrolled in the correspondence program, or . . . ?

MR. JOHNSTON: Well, it's short-term residence courses and correspondence courses that they're involved in.

MR. EVANS: The figure on Leaf Rapids, I have forgotten what that was; I think it was something like \$30,000.00. Is that the total cost now of operating the administration of Leaf Rapids — whatever that figure was?

MR. JOHNSTON: The Leaf Rapids Corporation is no longer in existence. The \$30,000 is a space that we have had to take over when we took over the Leaf Rapids Corporation, and that's the cost of that space. We have told the Department of Public Works that it's available and we sure hope we can get somebody into it.

MR. CHAIRMAN: 3.—pass.

MR. PARASIUK: I'm sorry; I think what we're doing is trying to go through the details.

MR. CHAIRMAN: All right.

MR. EVANS: Yes, Mr. Chairman, AHOP is next. Is the AHOP expenditure here of \$125,000, is this moneys being spent on the same basis as the previous AHOP Program; is there any change in the AHOP Program or is it essentially the same program that has been in existence to supplement the federal AHOP Program over the last couple of years?

MR. JOHNSTON: It is the same program, and it's to administer the ones we have, and there are still some AHOP Program houses available on the market at the present time, and we would have the same program available for those houses.

MR. EVANS: Does the Minister see this program being phased out at some time and leaving it strictly to the federal government, or is MHRC still interested in carrying on helping people purchase their own homes?

MR. JOHNSTON: The AHOP Program is no longer available. It is only available to those houses that are on the market that came under the program so we are using that. They have a new program but we are not involved in that. We have our Mortgage Assistance Program that we announced with the Pilot Program in Inkster Park.

MR. EVANS: Fine, the federal government has made a decision really and ultimately you're out because of a decision made by the federal government. That's fine.

On the matter of Urban Renewal which is the next line \$106,400.00. Again, could the Minister just briefly explain what are the taxpayers getting for this \$106,000.00?

MR. JOHNSTON: It's a debt servicing cost for the Urban Renewal Programs that are presently in existence at the present time. There is no more of the Federal Urban Renewal Program but it is a servicing cost for the ones that were involved in it when it was on.

MR. EVANS: Yes, I'll go down to the next item. We should get the assistance of some of our banking experts across the way. They're good at analyzing financial sheets here.

The next item which I have more interest in is the CRRP Grants, the Critical Home Repair Grants, maybe I should ask how many are being performed in the constituency of Minnedosa, Mr. Chairman?

A MEMBER: All we can get. All we can get, Mr. Chairman.

MR. EVANS: At any rate, this is a bigger item — \$2 million available for the Home Repair Program. What is the basis of that program now? Has there been any change in that program, is it still available to pensioners and to low income families or is it just to one or the other? Is there any substantial change in the payout or the terms of reference of that program for the families and for the senior citizens?

MR. JOHNSTON: There's no substantial change to the payout on the program. We changed it when we announced the program would start up again from \$10,000 to \$11,000 for qualification. The CRRP Program is still available to senior citizens and people under 65 who qualify incomewise. There is no longer any provision for \$150 no matter who you are, we took that out. We have continued the program, we're still receiving applications on the program. The applications are not coming in as they did. There has been done over a period of time many houses on Critical Home Repair. We are starting to get some requests to sort of go around again, type of thing. We have presented to the Board for consideration on the program — there are some people that have assistance under the program but maybe got up to \$300 or \$600 and the limit is \$1,000 and if they come back and want to have something else done we would consider going up to that figure with those people. But there is no substantial change to the program at all.

MR. EVANS: Yes, could the Minister tell us how many applications are outstanding under this program now, and could he break it down between senior citizens and families?

MR. JOHNSTON: While they are getting me that page, I can tell that between March 1st, 1978 and February 28, 1979 there were 3,054 Critical Home Repair applications have been approved and committed for \$2,970,000.00. There are 237 to be approved under the previous year's program and there are 774 to be approved under the present year's program.

MR. EVANS: So there is something in the order of about 1,000 applications outstanding, let's

MR. JOHNSTON: To be processed, yes.

MR. EVANS: I would like to ask the Minister then where does he see this program going? Comparing it with last year's, it's pretty well on par with last year in terms of the amount of money being allocated. Does he expect that this program will eventually be phased out because, let's say, just about everyone who could qualify has had some assistance or does he see it carrying on? Is that \$2 million that's been proposed for vote in this session, more or less expect to cover the demand that now exists or is that . . . because I don't know how these applications translate into expenditures because of time lags and all the rest of it it's difficult to estimate it. But does that \$2 million that is being proposed here more or less look after the applications that are expected to be received and are being received and are on the list so far for this year and is that how you got the \$2 million? Or is \$2 million simply a decision to put that kind of a ceiling on that program for this year?

MR. JOHNSTON: We have spent on the program approximately \$2.5 million each year and the reason being — in 1978 you have the figures there, the actual was \$3,678,000 less funds carried over of \$1.4 million to give then your 1977-78 net were \$2.5 million. 1978-79 appropriation is \$1,964,000 plus the 1978 carry-over of \$1,140,000 bringing the total funds available in 1978 to \$3,104,000.00. In 1978-79 the estimated expenditure was \$2.5 million and we have a carry-over of \$604 to take into 1979-80 request of \$2 million which brings us up to \$2.6 million for this current year. The program is one, you know, if you don't get them all done we move it into the next year and we added \$2 million to it on the consecutive years. So we have been spending about \$2.5 million on the program each year.

And quite frankly to answer your other question, no, the intention has always been by the government to carry on the Critical Home Repair Program but there was some small changes made to it and there may have to be some others made to it, but it is a good program.

MR. EVANS: Well I am glad to hear the Minister state that it is a good program. I think that it's another element in a broad approach that has to be taken by governments today in improving housing stock and in making sure that our people have good housing. As we all know the people who are recipients of this type of assistance are either elderly pensioners or they are people on low incomes, families, the working poor, if you will. There is no question that there is some value in trying to sustain and improve some of the older existing buildings that we have and thereby improve the quality of life for the people affected. So I am glad to hear that there is no difference of view in this matter.

I would also mention that this program, in fact I suppose one of the reasons we got into the program, and this has often happened in the field of housing, was to help stimulate the economy of Manitoba because we were very concerned when this program first got started. At the very beginning— in fact I don't believe it was in MHRC at the very beginning, it was outside of MHRC — but at the very beginning it was to try to provide jobs for different tradesman, carpenters, painters, plumbers, the various tradesman that would be involved in repairing and maintaining homes. To me it is a very effective way of stimulating the provincial economy. You create work for these various service people and trades people and of course there is the purchase of the various materials and so on. So there is, I think a fairly good spin-off effect, a good multiplier effect from this and to that extent, I would say that the \$2 million is worth expenditure because you are getting improvement in housing stock but at the same time it is providing a stimulus for the economy.

One could argue whether the \$2 million is an adequate number or not. I would think that one could almost try to tailor-make the level of expenditure to the business cycle. When you had a drop in business activity, when you had an increase in unemployment and a drop in business conditions that you would want to see this figure go up and then perhaps bring it down when times were more buoyant because I think you have that flexibility, you could have that kind of flexibility in this element of the housing program. So I just make that as a comment that it does have that effect of acting as counter-cyclic measure, if you will, counter-economic-cyclic measure and indeed that's how it started out in the first place. It's worthy of course on its own merits but I am simply saying it has this additional advantage of providing some economic stimulus in these sectors or dimensions of the Manitoba economy.

MR. CHAIRMAN: The Honourable Member for Transcona.

MR. PARASIUK: Yes I wanted to add one point with respect to CHRP Grants and I have mentioned it in passing before. I can't recall what the exact rule is regarding applications, are people

disqualified if they have received a CHRP grant since 1974, 1975 — what is that qualifying rule?

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: If they have used the maximum grant they are disqualified.

MR. PARASIUUK: What's the maximum?

MR. JOHNSTON: \$1,000.00.

MR. PARASIUUK: My experience with the applications has been that program has been in existence for a number of years now I think it's been about 6 years — and what we are running into is we are really dealing with an old stock of housing, we are talking about older houses and what usually has been happening is that you've been having the thing that is the crisis repaired. I think it's important for the Board to not only reconsider applications if the maximum amount of the grant has not been utilized, but I would hope that the Board and the Minister would take into account that one of the objectives of this program, as well as the economic stimulus aspect of it, that my colleague the Member for Brandon East mentioned, one of the things is to try and keep the housing stock in existence and in — it's a sum cost, it's a lost cost to society. It's gone. And often this housing is of a four-room nature, it's a smaller type of house, and sometimes, people tend to look down on that and yet, I think there's a tendency for us as a society to think too large, in terms of the first houses that people often move into and that a lot of these houses that senior citizens presently occupy, if they are kept in good shape, can indeed, become good starter homes for young families.

There is a tendency for young families, young couples especially, to move into the type of home that their parents might live in after building up equity over 30 or 40 or 50 years. They want to move into four-bedroom bungalow, —(Interjection)— fireplace, the whole shebang — right, double carburettors, fuel injection, yes. But frankly, I think we've got a problem there and I think it's important for the government to try and keep that stock in fairly good shape, and I don't think that these elderly people are able to keep that stock in good shape. So, I'm asking the Minister to pass this on to the Board to consider it himself, if in fact, somebody hasn't applied for five years. It may be that over a five-year period something else has emerged with respect to the roof, with respect to the foundation, with respect to the wiring, with respect to the plumbing, which might indeed, require some type of government assistance — not just as a welfare program, but something which will be useful to society, in terms of keeping that stock of housing in good shape.

And just to leap-frog to one other item, because it's been discontinued, but I think that there is some value in it, and that's the Painting Program. In the type of climate that we have, and this is especially so, with respect to the Exterior Painting Program, but given the type of climate that we have, the house exterior will deteriorate badly if it's not painted, and most of the housing and most of the older houses in Winnipeg that are inhabited by older people are frame houses. And that's something that they might have done at one stage, but they're not in a position right now to scrape and paint their own houses and keep that house in some good shape against the climate that we have. So, I would hope that the Minister and his staff would consider those two suggestions, taking another look at the Exterior Painting Program for pensioners and taking a look at possibly enabling people to apply under this program, if they've got a demonstrable need and they haven't applied for three to four years, because surely the intent is to keep that house in good order.

MR. JOHNSTON: Thank you, Mr. Chairman. Yes, we're looking at the present time, and we've asked for a report and negotiations to try and bring the RRAP of the federal and the CHRP of ours together, and as I said earlier, we would possibly have to take a look at going around again, because of the amount that's been done already and certainly the Painting Program — I don't whether it would have to called a special painting program, but it could be part of the CHRP regulations.

MR. PARASIUUK: I'd like to move on to the next item on that list. This is the Winnipeg Rehab Housing Corporation Grant. I think at one stage, the Minister had indicated that if a million dollars was available. . . we know what happened with respect to the City. The City was in and they were out, and I guess they're staying out. At the same time, I'm wondering if there have been any further discussions with the City in this respect, and that I think that often some of our housing programs are specific, that is, you have to have a fair knowledge of the locale, in order to pick out the pockets of where housing improvements or new types of housing, or aid for housing is required. And that's

why some of the non-profit groups like Kinew, (?) I think have been affected, and that's why I think a municipal or city housing corporation could be quite effective as well. It's supposedly and theoretically and I think that's so, it's a level of government that's closer to the people. It's closer to what's actually place at the local level, and Toronto, for example, has a very viable housing corporation. I think Vancouver has as well. I think the experience in those cities, which have city housing corporations has been such, that they've had some . . . specific, excellent projects.

I'm wondering if the department has had a chance to explore what's taken place in other provinces, in other cities in this respect and whether indeed, there are ongoing consultations taking place with the City, because I think sometimes, there's a tendency on the part some of the City people to be very parochial, and not to learn from some of the good experiences that have taken place in other provinces. And I know that the Housing Ministers do get together, they do often exchange experiences on housing problems and solutions, and I'm wondering whether in fact, the Province has sat down with the City on this matter and talked to them about the possibility of getting more involved in trying to deal with city's housing problems, because I think this is something that requires input from all levels of government.

If we're asking non-profit community groups to get involved and indeed, they're responding. As I said before, there may be areas of the city, where the non-profit community groups just aren't that operational, and it may turn out that there are areas in the city which require some more aggressive action by the City of Winnipeg. And I think that the City of Winnipeg isn't doing much to help ameliorate some of the city's housing problems by, in a sense, just pulling back in this area totally. And that's the impression that everyone has now about the City of Winnipeg that it has washed its hands of the whole housing issue and it has put this back onto the Province, and back up to the federal government and yet, they are a level of government that is very close to what the real specific issues are.

MR. JOHNSTON: Well, I can say to the member that the City Council has asked the Board of Commissioners to take another look at the — or review the need for the corporation, and we have had some discussions with them as to what our views would be and our views are still the same. And we've asked them to certainly make some decisions as soon as possible, because as you say, there are other things can be done, and we would like the City to be involved in this, and that's why the offer was made to them previously. It was said, "It's there and we laid down some — we did what we thought weren't tough conditions, and we all agreed to them and then the Council didn't go for it, but the Council has asked the commissioners to take another look at it at the present time.

MR. PARASIUK: That means then, that the Province, if the City is interested in getting involved in dealing with the housing problems, that the Province which had made a commitment and continued the commitment is prepared to work with the City. Right.

MR. JOHNSTON: Very definitely.

MR. PARASIUK: I'd like to go on to the Neighbourhood Improvement Program. I don't know if we've had any new areas declared under the Neighborhood Improvement Program.

MR. JOHNSTON: As the member knows, the Neighborhood Improvement Program has been discontinued and there's now the Community Services Program that the federal government has and it comes under the Minister of Municipal Affairs, because it gets very involved into everything as far as Municipal Affairs are concerned. The \$1.2 million is the servicing costs of all the agreements, and the agreements that we have at the present time are: North Point Douglas is still in effect. . . The 1979-80 appropriation for the following are: North Point Douglas is still in effect, Midlands is still in effect, and they're both \$100,000 this year; North St. Boniface is \$250,000; Brooklands is \$250,000; William Whyte is \$125,000; Alexander West is \$125,000; and that comes to \$950,000.00. Brandon is \$100,000; Portage la Prairie is \$50,000; The Pas is \$100,000. The Pas I believe, has been added since last year, hasn't it? And William Whyte, West Alexander and The Pas were ones that were not listed last year.

MR. PARASIUK: Yes, I'm a bit far removed from this now and I'm wondering if the RRAP Program is still continuing. This is the Renovation and Rehabilitation Assistance Program, which was geared to some of the infill of housing. I think if you go through North Point Douglas, there is some very good examples of it. Is that being continued?

MR. JOHNSTON: Well, this goes back to the discussions, just on RRAP, yes. RRAP was always

available at a Neighbourhood Improvement Program area and it still is. The federal government has opened the door for RRAP to be extended outside the boundaries of the Neighbourhood Improvement Program, and that's the reason we've been discussing with CHMC, that we'd like to tie it in with our CHRP Program.

MR. PARASIUK: That means it might be possible for example, for some older houses say, in a place like Transcona, to conceivably qualify for RRAP assistance.

MR. JOHNSTON: Yes.

MR. PARASIUK: Okay, and I assume — you're still in negotiations on that and there's nothing final or conclusive on it?

MR. JOHNSTON: Not at the present time, but we would think that it's a duplication situation that could be worked together to the advantage of everybody, if we can put it together.

MR. CHAIRMAN: The Honourable Member for Brandon East.

MR. EVANS: On the question of the Brandon Neighbourhood Improvement Program, there has been some concern expressed by the local people in the area about inability to take full advantage of the program, because of some tardiness on the part of some local administrators. They weren't criticizing MHRC as such, I think it was more of a criticism of the local administration and I was just wondering, is there any danger of these people losing any of their rights under this program? Because is there a deadline that all applications for home improvement and all infrastructure that is agreed to be put in place, is there a deadline for that to be put in place, and is there a danger of the Brandon community losing some of the advantage of this program?

MR. JOHNSTON: Mr. Chairman, the City of Brandon administers the program as the City of Winnipeg or all the cities do. They set up a co-ordinating group — at least Winnipeg has always done, and Brandon has done as a co-ordinating group to administer and take care of the Neighbourhood Improvement Program. We have had the same complaints, but then I'm told we've been asking to have a meeting with them for the last three months to try and discuss these complaints with them. But it is administered by the City; we do have funds in it and so do the federal government, and if they don't come to a meeting pretty soon, we'll go to them.

MR. EVANS: Well, I appreciate the Minister taking any initiative that's necessary in this. I imagine if there was some sort of a deadline, whereby the people who could qualify for whatever grants; I think there are two elements, there are the homeowner grants or the grants to the people to improve their homes under the program. They can get RRAP grants under the program if they're in a NIP area, and then there's the infrastructure part of it. And I think some of the people were concerned that they were going to pass some sort of a deadline. Really I'm wondering, is there any deadline that the Minister knows that Brandon is facing and that it must meet, at which time, you know, no further moneys would be spent or committed, let's say?

MR. JOHNSTON: No, the Brandon Program is a total commitment of \$2,240,901, and the federal share is \$927,773, the municipal is committed at \$752,907, and the provincial share is \$560,000.00. Your total advances to January 31st, 1979, are \$121,885, and there is \$100,000 in the Estimates, estimated advance for 1979-80. The CHRP Program is supposed to be completed over a five-year period, but CHRP Programs have extended over the five-year period without loss of funds.

MR. EVANS: Excuse me, you mean the NIP Programs.

MR. JOHNSTON: NIP Programs without loss of funds because there are circumstances that may hold up plans. I am sure that this year that they would have liked to have been working right now and they haven't been, so we have had programs that extend over the five years to make the expenditure.

MR. EVANS: Just on a clarification. Those moneys, those figures that the Minister just read out, these are the infrastructure moneys, I gather?

MR. JOHNSTON: Yes, that's correct.

MR. EVANS: Yes, and then in conclusion and I just reiterate, I have the understanding that a meeting is being sought by the corporation, by the Minister, with the appropriate City of Brandon officials to try to straighten out any problems and that you've been wanting to meet for some time, and if they don't respond soon you're going to take action to try to bring a meeting to realization?

MR. JOHNSTON: Yes.

MR. CHAIRMAN: Pass — Resolution 38 — the Honourable Member for Brandon East.

MR. EVANS: Mr. Chairman, we're going down the list here, we've just done the Neighbourhood Improvement Program. Now we're down to Co-op Housing.

MR. JOHNSTON: Mr. Chairman, you're the one that made the rules. We were just trying to make it easier to go through the program because it's only one line and we're here, right at the present time.

MR. EVANS: Yes, well, just a very short question. On Co-op Housing Grants, \$110,000 this year, this has dropped from last year, this is grants towards new housing or is it grants that are for the subsidy portion of the Co-op Housing?

MR. JOHNSTON: Last year we had the Seven Oaks Program, and there has been no application for any assistance to Co-ops this year. I might say that the Co-op people, talking to the federal minister, preferred to have a program with the federal government without provincial assistance; that's the discussions that they've been having with the federal minister. But we haven't had any application from the Co-ops this year. We know that the units that they have built, other than the 25 percent we took for public housing in all of their programs, they're having a little trouble getting them all filled up at the present time, so we haven't had any applications.

MR. EVANS: \$110,000 and the \$170,000 that is shown for last year; those are grants towards the new construction. Those are not ongoing subsidy payments, I would gather?

MR. JOHNSTON: They're the high IMPACTE grants, Mr. Chairman, that were given to the programs, yes, one-time grant.

MR. EVANS: So then, if there's no action in this area next year, in other words, if there's no interest shown by Co-op groups, etc., it's a possibility that nothing would be shown that any subsidy payment would be under some other line, some other vote ?

MR. JOHNSTON: The IMPACTE grants that are given to this program decrease over a seven-year period, so this \$110,000 will be used towards the programs that we are involved with at the present time, the grants are given over a seven-year period, so there will be items in the budget for seven years to take care of the commitments that have been made to them.

MR. EVANS: That's fine, unless the Member for Transcona has a question on Co-ops, I'd go to the next item then: EIPH, Elderly Infirm Persons Housing Grants. Just what is that \$206,000 now going towards? These two are grants? If the Minister could just briefly explain that \$206,000.00?

MR. JOHNSTON: They are the debt servicing unto the non-profits under the NIPH Act, the non-profits that are presently in existence, that's the debt servicing to them. It's the debt servicing that refers to the units or the programs on page 8.

MR. EVANS: Okay, then we'll go down to the last item, which is the biggest one: Housing Unit Operations of \$49,174,500.00. I have two questions that I'd like to ask under this, and one pertains to the use of private rental agencies that I believe the Minister had announced about a year or so ago that there was going to be an experimentation using the private rental agencies, and I am just wondering how has this experiment proceeded, and is this a cheaper way of maintaining or supervising the operation of the housing units, or just what has been the experience of that use of the private agencies? I forgot whether it was one agency, or two, or three, but I know there was some experimentation that was going to go on.

MR. JOHNSTON: We had very good experience with the experiment. The honourable members were concerned last year that there wouldn't be input from the tenants. The tenants are still represented on the Winnipeg Regional Board. All of the applications that go into the OKG managed units must come from the applications that are on hand with the Winnipeg Regional Housing Authority. The costs are fairly similar; the Winnipeg Regional Housing Authority is 2.54 percent of income and the OKG are 2.53 percent of income as far as the costs of operation are concerned. The maintenance costs are lower under Oldfield, Kirby and Gardner, but I must say the buildings are newer as well, so.

MR. EVANS: How many units are being administered by Oldfield, Kirby and Gardner?

MR. JOHNSTON: Oldfield, Kirby and Gardner manage 146 units.

MR. EVANS: Well, Mr. Chairman, then can the Minister advise whether, in view of the fact that the cost of maintenance then, or the cost of using the rental agency compares just about even-steven, just about the same figure as the cost used in the Winnipeg Regional Housing Authority? Is there going to be any move on the part of the government to provide more units to agencies such as Oldfield, Kirby and Gardner, or is the Minister satisfied, because there isn't any substantial cost differential, no savings, that it's perhaps better just to leave it all with the Winnipeg Regional Housing Authority, or indeed any other local housing authority around Manitoba?

MR. JOHNSTON: There is a report, and I committed myself last year that there would be an evaluation done of the Oldfield, Kirby and Gardner, or an evaluation done on the basis of contract management, and the report is being presented to the Board at the meeting of May 22nd, just approximately one year after we have signed the contract with them to do it at present so that we can have an assessment of the management of Oldfield, Kirby and Gardner and how it's operated. There is an assessment being made of the operation of using contract management.

MR. EVANS: Then I gather it's an open question to the Minister and the Board of MHRC as to whether they would decide to put more units under the private agency system, or whether to carry on more or less as has been the case with the Winnipeg Regional Housing Authority, that there will be a decision based on this assessment report that's going to be considered in a couple of weeks time by the Board, I guess?

MR. JOHNSTON: Well, the Board can only make a recommendation to me and I certainly am not going to make any decisions until I see the whole assessment and I can assure the honourable members of that.

MR. EVANS: Yes, I guess until the Minister has received the assessment maybe it's not fair to ask too many questions about it, or perhaps you've received the assessment, or the Board has received it but they haven't considered it, I'm not sure, but is the Minister surprised that the cost is the same or did he expect there must have been some expectation that there was a possibility that the private agency system might be more economical than the Winnipeg Regional system, if I can use that term, or the Winnipeg Regional method, or no, I shouldn't use that term; I should use the local Housing Board method as opposed to the private rental agency method?

MR. JOHNSTON: I don't know how to answer the question: Am I surprised? We tried an experiment. These are the figures we have to date and as I say I want to have a look at the assessment of the whole program as to the operation, staff assessment, and assessment from the Winnipeg Regional; the whole thing is being looked at. Now I haven't seen the report and neither has the Board. It is to be presented to the Board at their meeting on May 22nd.

MR. EVANS: On another question of maintenance expenditures, I would gather one of the biggest — no, I'll use the term maintenance and operation expenditures — one of the biggest items has got to be the cost of energy and because the cost of gas and electricity has gone up enormously in the last few years, this cost of energy expenditure has gone up enormously. Is there some intention on the part of the government, on the part of the MHRC, to remove energy payments as a separate item? To explain I understand some rental units the tenants pay a fee, a rent, which covers the cost of heating, whereas there are other units where they pay for the rent and the tenants pay their costs of heating. Is there some policy decision in this respect or are you going to carry on with a mixed system whereby some have their . . . I'm talking about the single family dwellings and duplexes, of course.

When you're talking about apartments, it's a little more difficult to do there unless you could keep track. I suppose you could do this with electricity; if you could keep track of the cost of that energy source by apartment suite, you could do that, but the question is, is it the policy intention of the Minister, the board, to move towards having the tenants pay for their full energy costs?

MR. JOHNSTON: The people living the houses have the reduction in for heating costs off the scale of their rental payments — that's always been in effect, and there's no intention to change that.

MR. CHAIRMAN: The Member for Brandon East.

MR. EVANS: Well, I understand that we have some tenants in single family houses who pay up to 25 percent of their income in rent and the balance is subsidized. I understood that some were under that formula but paid for their cost of heating in addition to that, or is this taken into account in the 25 percent?

MR. JOHNSTON: We have had some units that have excessively high heating bills because of the construction, where we felt for construction deficiencies and on that basis, we have made allowance for the access heating costs in those units where we feel that because of that there has been a higher cost.

There was a directive given that all of the Manitoba Housing Renewal Corporation buildings would be electric heat, and quite frankly it's killing us. We have put a man on staff, and as I read in the opening remarks, at the present time we are also undertaking a large scale energy conservation program for MHRC buildings, entailing both the conversion from high cost electrical heating to gas heating wherever feasible; appropriate building modifications and insulation of energy conservation practises and proper prevention of maintenance program, which will realize savings of between \$300,000 and \$500,000 per year, at the most recent estimates, and we are well into looking at that program of conservation of heat within our buildings. We have taken over where the heating bills have been excessively high and we felt it was because of construction we don't think that they are to blame for that. We do have the program, a two-bedroom house, single \$29.00, duplex \$28.00, row housing \$24.00 is the allowance on that particular unit — that's for gas. The three-bedroom is \$33.00. The schedule has been laid down for a long time and we still adhere to it but we have moved in where we feel, for construction reasons, there has been excessive costs.

MR. EVANS: On a different item, has the Minister any estimates of maintenance expenditures as a percentage of — I'm not sure which figure you want to use — the value of the property or the investment that has been made in the accommodations? In other words, are the maintenance expenditures pretty well running on par with private maintenance expenditures? As buildings get older, the maintenance expenditures tend to rise percentage-wise in every which way. What is happening in that area? Are you maintaining a level of expenditure on maintenance per unit, or whichever ratio you care to use to describe this?

MR. JOHNSTON: Our maintenance costs are definitely going up because of the age of the buildings. Our maintenance costs are going up in some cases because of types of construction. To break out the actual costs per unit, I certainly can't do it here but I imagine we do have a cost per unit. We have a formula per unit that is paid to the housing authorities for maintenance, but the maintenance costs have been rising.

MR. EVANS: Has there been any attempt to hold the line on maintenance costs with the local housing authorities?

MR. JOHNSTON: No, we haven't — to use the statement — attempted to hold the line on maintenance cost. It is something that we haven't done. We have asked them to analyze very carefully the buildings that they have under them and if this has to be done this year, it has to be done. We ask them not to pour in everything all in one year and we have had great co-operation from them. I think I said earlier in the Estimates, we had asked the Public Works Department, now Government Services, if we could have an engineer and architect to examine our buildings and they haven't any staff available to give us some idea what our costs will be in the future, or some estimates, and we haven't been able to get that personnel from them. We may be able to get that personnel from them in the near future but if we don't, we are considering having our own maintenance people examine our buildings and give us estimates of what they feel will have to

be done in the long term.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: I wanted to get clarification from the Minister as to what the policy of MHRC is with respect to the land bank it has. Is it the policy of the government to continue to service an amount of land so that they can have some idea of what the real costs of lot development are? I really don't have any criticism to make of Oldfield, Kirby and Gardner, for example, managing 147 units; if you have some idea of what's happening, you have some check. At the same time, I think it is important for the government to have some idea of what is taking place with respect to land development costs, to have some idea of what might be a fair lot price, because so much of the housing that is purchased today is private ownership housing and the land component is such an important part of it. Frankly, there are debates going on and they will go on for many years into the future as to what constitutes a fair lot price. People have argued it is because there was a tremendous upsurge in demand and supply wasn't able to keep pace. Other people will argue that there is a tendency on the part of large developers to under-supply lots on a yearly basis because that reduces their risk and that provides for a higher profit for them and that's the way an oligopoly operates, according to any economic theory that one has on oligopolies. I think it is important for the government to have a role in land banking only if it services land. If it doesn't service land, then I don't think the program is sufficiently comprehensive. I have not seen anything in the Minister's opening statement on that. There was a little reference to Inkster Gardens. I'm wondering if he can indicate what the policy of the government is regarding the land bank and the servicing of land that it has banked?

MR. JOHNSTON: As the members know, I was questioned in the House — two pieces in Charleswood were put out for tender. We only have Inkster at the present time and the South St. Boniface properties that are within the city serviced area.

The Inkster still has close to another 250 acres that could be developed and we are going to advertise those lots in Inkster again very heavily this year. I mentioned that. We have had little ads in the paper; we are planning a large one to try to hopefully move some more lots. We don't have, at the present time, any firm plans on South St. Boniface. We just don't feel that we can go into more land development in one area if we aren't finished in another, and so if we were to develop further at the present time, it would be in the Inkster area because the roads and everything, the extension, is all set to go there. But we haven't sold all of the pieces of property in the Inkster Development as yet and as a matter of fact we have had some developers who would like to maybe reconsider their commitment to us but we intend to hold them to their commitment.

MR. PARASIUK: Well, I know that the northwest quadrant of the city has had the biggest impact of the slowdown that has taken place in the new house market, this is the northwest area. At the same time, I know that the southeast quadrant is really a prime area. I have spent a fair amount of time talking to developers in the city, trying to get a handle on that, and I'm wondering, just to clarify in my own mind before I speak more about this, do we have any figures on the Charleswood sites? I wasn't possibly in the House; I don't remember what the Minister indicated on that, what the bids came in at.

MR. JOHNSTON: The bids closed on Friday. It was a public opening. The board hasn't looked at them yet but it was a public opening. It was the parcel that was 15 acres that was advertised and the highest price was —(Interjection)— Well, if the member wants me to read them, we have them.

MR. PARASIUK: I don't need that; I was trying to get an idea of what the average price per acre was and I think that from some quick calculations I have done, it must have been the 20-acre site rather than the 15-acre site; otherwise, if it was the 15-acre site, you are talking about \$36,500 an acre for raw land and this other way it comes out to about \$25,000 to \$26,000.00. So I think it might be the \$25,000 or \$26,000 unless maybe raw land is going for that price, which is a good price.

MR. JOHNSTON: I'm " informed by the staff it's a 21-acre site; it's the Hunter Site, MHRC property. The highest price received was \$531,110.00.

MR. PARASIUK: Thank you. Which indicates that the price is around \$25,000 to \$26,000 an acre

for raw land. Do we have the cost of that land to MHRC when the land was banked?

MR. JOHNSTON: We'll have the figure for the honourable member before we finish tonight.

MR. PARASIUK: Thank you. If you take the South St. Boniface site which was formerly being developed by Leaf Rapids Corporation before it became a dinosaur, there was something in the order of 197 acres, 200 acres, and that is on the south side of St. Boniface along the Seine River, some really quite attractive land there, just to the west of the Emerson cut-off, and it's also on that approach, — I can't remember the name of the street — which is the approach to the St. Vital-Fort Garry Bridge; it really runs right off, it's adjacent to it. So there are 200 acres there just to the south of Southdale and Niakwa Place which I think is very valuable land. If I had to pick the one piece of land that a developer would want to undertake a development in, I think that would be the best piece of land in the entire city, and I think it is the best piece of land in the entire city.

It strikes me then that the province is caught with this question and that's why I was asking about Inkster Gardens. Inkster Gardens is a very slow area. That northwest quadrant is going to be slow and it strikes me that, you know, we have had something of a saturation taking place with the Maples development, that that area in the southeast quadrant really does offer the opportunity for the servicing of that land. I know that Leaf Rapids Corporation had taken a plan of subdivision through the community committee process with a fair amount of local community participation. The subdivision was approved, the development agreement was right at the stage of signing. Now when you are at that stage, even if you are going to make some modification in the plan, that land is really land that the developers say is ready to go. You don't have to worry about the delays that developers say hurt them when they try and assemble land and do development. So frankly the province is in a position to, I think, play a very important role in the supply of serviced land in the city.

It strike me it can do so in two ways. It can service the land itself and go through that whole difficult question of trying to set a price as well. Do you make a profit or do you undercut to make the market more effective and drive the price of the service land down closer to the cost of servicing and the cost of the raw land? So that's one thing that the government could do if it serviced the land itself. And I am quite certain that there are engineering companies who would undertake that on a project management basis and you don't have to hire staff and that can be done without any difficulty at all. In fact I think that one person could do that. That's one option.

The option, of course, would be to sell it. Now you've tendered it out to Charleswood property and you've received the price of \$25,000 an acre, something in that order and I don't know if the Board would accept that price but that is a good price. It's a , I would think, very good profit made completely within the market by MHRC. But when you come to a 200 acre site, I really don't know if the tendering process will work that effectively. Because when you are talking about tendering out 20 acres I think that a whole set of smaller house builders can get involved in buying that 20 acres and servicing it and then they are in a position to provide some competition to the big four land developers, house builders in Winnipeg. But I don't think that's the situation with the 200 acres. And I think it would be very important for the government to think carefully about how it might deal with that land fairly quickly. We have a short term oversupply of building lots and we've got an inventory of houses. But I would think that within the year that would go down.

There are a whole set of federal initiatives initiatives being planned in this election campaigns by various parties which in my estimation are really going to push up that demand for single family semi-detached houses again. What we've been having over the last two or three years are a set of tax incentives which have induced the construction of a lot of apartment blocks. But that is dying out in Winnipeg right now, we are not going to have too many more tax shelter apartment blocks being built in Winnipeg so . So then it strikes me that what is going to take place in the next two or three years will be a fairly strong demand for building lots. And if the government just deals in Inkster Gardens where it has some right now, where there is some slowness, because the demand is not uniform across the city, then I think we will be caught in the situation that we were caught in 1971 or 1972 when there was, again, another increase and the demand for building lots at the time and because there wasn't enough in place ready to go and because I think some of the big developers were a bit wary of overbuilding because they had run into some problems in the early 60s, there was a shortage of building lots. The price went way up for building lots. It's stabilized a wee bit right now. But we are talking about a base of something in the order of \$20,000 to \$25,000 for serviced lots, that's our base for a serviced lot right now, rather than the base that existed in 1972-73 of something in the order of \$6,000 or \$8,000, so we are talking about a fairly high base which has stabilized there. And if that is your take-off point in a period of high demand and a shortage of lots, we could end up with a situation comparable to Calgary or Edmonton where

building lots sell for \$35,000 to \$45,000.00. That's why I think it's important —(Interjection)— Good I'm glad, the Member for Radisson tells me that the lands on Bishop Grandin Boulevard. But you know the location is a very —(Interjection)—

MR. CHAIRMAN: Order, order.

MR. EVANS: You want to get that in. You want this be a bilingual Estimates discussion tonight, oui? I think that last year was a year in which we were just closing to servicing it. I still think we're very close to serving it this year and I think it's very important for the government not to keep that land out of circulation too long. But at the same time to do so in a manner that increases the competition that might take place in the land development sector of Manitoba and of Winnipeg.

I would hate to see it go to any of the big four and yet the big four are the companies with the resources to move on 200 acres. At the same time there may be some other companies with those resources so you get caught up with the problem of the tendering process. Do you tender and have one of the big four come in as the highest bidder because it is a choice piece of land? Do you exclude the big four from the tendering process, because I don't if any of them were involved in that tender in Charleswood? But I do think it would be important to increase competition. And I think that is something that we both would find complete agreement on. I think that we think that businesses work better if there's more competition rather than less competition and four large companies isn't sufficient competition.

So we have a situation where probably more through luck than good planning necessarily — I'm not going to say that's the product of good planning — there are 200 prime acres in probably the hottest selling area of the city. There's a bridge linking that area to another prime area of the city in Fort Garry, access to a number of services, a shopping centre proposed in the nearby vicinity — really a superb piece of land. And all I am saying is, make sure that we do not keep it out of supply when the demand for serviced lots is strong.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: I would like to assure the honourable member that we, also, are very aware of the value of that piece of property and the assessment in that particular area is probably the most prime piece of land there is in the city right now.

The member mentions 200 acres and we're kind of surrounded in that piece of land. We have MHRC, there's the new route going along here, we have MHRC and MHRC again — it's 400 acres we actually have and we have Metropolitan here and Ladco here. And we certainly want to see that piece of land developed in such a way that it's going to make sure that the building lots are on the market in the city but when I say that we haven't had any serious plans to move on it at the present time, I don't want to leave the member, because of what he said, that I have had. We have had meetings with the Board on the piece of property, but we are involved in one development now and it's been a little hesitant to move on another one. But I will take his advice; I'm aware of the value of that land, no question about it. I don't know whether it should just go on the open market or not; I'm a little doubtful as to whether that should. I think there should be something done to make sure that that land is developed into housing lots.

The design that was ready to go with Leaf Rapids, was not in our opinion the type of design we wanted to have in that area. It was cul-de-sacs and everything else. If the member has been involved, or as he mentioned, watching the development or the housing around it, it seems that in Manitoba or Winnipeg the single family dwelling situation is what people are still looking for and that's why we didn't proceed on that one. But it is a very valuable piece of property and I'm not too sure that I would like to see it just go on the open market as Charleswood did, Charleswood was 20 acres, and that's a big difference. I might say to the honourable member that our total costs on that piece of land is , payment and interest to March 31st, 1979, \$338,100; so we have received a pretty good price for it. But the other piece, I can't commit the member as to what is going to be done at the present time, but I'd take his advice and say that I realize it's a very valuable piece of property.

MR. CHAIRMAN: The Honourable Member for Transcona.

MR. PARASIUKE: I might just make one final comment on this because I think there's a bit of a dilemma here and I can understand the difficulty and yet I think the Minister and I have some agreement on this.

I think that when the Minister says he's a bit hesitant about it going on the open market, there

is a difference between putting 200 acres on the open market and putting 20 acres on the open market. Smaller people can bid on the 20 acres, where smaller people can't bid on the 200 acres necessarily. So I guess all I'm going to say to the Minister is that when I watch what happens here, I'll be looking to see that what is done, is done in such a way that it adds to the competitiveness of the market, and there are different ways in which that can happen and I indicated that before. You might do it through your agency on a project management basis; you might think of a new person involved; there are different ways, but I wouldn't like it consolidated in the situation that exists right now. And that is not today being an attack on the Big Four. I'm just saying that I don't think that that's a good thing necessarily and there are other ways of doing it.

MR. CHAIRMAN: 3.(a)—pass. Resolution 38, Resolved that there be granted to Her Majesty a sum not exceeding \$21,857,700 for Economic Development, the Manitoba Housing and Renewal Corporation—pass.

I'd like to refer members to Resolution 36, 1.(a)Minister's Salary—pass — the Honourable Member for Burrows.

MR. HANUSCHAK: Yes, Mr. Chairman, before we pass the Minister's Salary, just a couple of comments that I wanted to make about the Minister's Incentives Branch, and in particular about the one which offers an increase in the welfare payments to Harry Mardon of the Winnipeg Tribune in the amount of \$5,738, because really it is an increase in the welfare payments to one of the organizations in the province which probably has been on public welfare much longer than any other together with the CPR, namely, the newspaper industry and the railways have been on welfare for a long time. So I suppose a grant to it indirectly has some spinoff benefits to some of its staff,

Now, I believe, Mr. Chairman, that the Minister in answering me on Thursday night, had said that the \$5,738 was really to pay Southam Publishing for their assistance and some joint involvement between them and the Province of Manitoba in some trade fair which Southam Publishing had sponsored in Edmonton. But, Mr. Chairman, the average man on the street on reading the Industry and Commerce Report, sees that grant shown as an incentive grant. Now if that were proper expenses incurred by Southam Publishing on behalf of the province, incurred by them, then I am sure they would have sent the Minister an invoice and it would have been paid in the normal fashion and it wouldn't have appeared as a grant.

If somebody does work for the province, if Southam Publishing does some printing for the province, I'm sure that they send the province a bill and the bill is paid in a normal fashion, and it doesn't appear as an incentive grant of some kind. But in this instance we have this grant amongst many others and it's strange, Mr. Chairman, because the same report does speak of the province's involvement in 29 trade fairs. I looked through the other grants and there wasn't one that I could spot that would appear to be an incentive grant for participation in some other trade fair but there is that one to Southam Publishing, which I had referred to as the welfare grant to Harry Mardon.

Now, Mr. Chairman, what that grant really is, for the benefit of the Member for Pembina, what that grant really is, was the Minister's initiation fee to prove himself to qualify him for membership in the Bay Street Club in Toronto and the Wall Street Club in New York, because those fellows over there, they have their admission rules much like the underworld does, that you have to prove yourself before you're admitted as one of their gang.

And what the Minister had to do, and he was told, "Mr. Minister, go out in broad daylight and take from the poor and give to the rich", and this is what happened, because on the day that I asked the question, a constituent of the Minister's phoned me; a fellow on the minimum wage. He tried reaching the Minister and he wasn't able to reach him, so he called me. And he called me, asking me, "Why did the transit fares increase by 60 percent since the Tories became the government?" —(Interjection)— Well, no, I'm not the government, but I told them that I would think that possibly the reason why the transit fares have increased by 60 percent over the past 18 months is because the province couldn't give the City of Winnipeg the level of support that its public transportation program deserves because the Minister of Industry and Commerce needs funds for his welfare grants to the millionaires owning Southam Publishing, and therefore you can't have it both ways. So therefore that poor minimum wage guy in the Minister's riding has to pay the 60 percent increase for bus transportation so that this Minister can make his welfare grants to millionaires.

Now, the Minister says it's nonsense. Because, you know, the average man on the street probably thinks of Southam Publishing in terms of the Winnipeg Tribune. And who is the Winnipeg Tribune? Well, it's Harry Mardon and it's Jack Matheson; it's the paper boy; it's the printer; it's Vic Grant; it's the people working in the Classified Ad Section for a pittance, and so forth.

But, Mr. Chairman, that is not Southam Publishing; that is not Southam Press. Southam Press, Southam Publishing is an entirely different breed of cat, entirely. Just let me take a moment or two to tell you who Southam Press is and Southam Publishing. It's St. Clai Balfour, who is a shareholder in all of the Southam subsidiary corporations and the parent corporation; it's Gordon Fisher, and he, too, is a shareholder in all of the Southam Corporations, including the Sun Publishing Company Limited of Brandon. And it's Fred Ness and it's George Crawford. And these, Mr. Chairman, are just some of the corporations in which these fellows have their fingers in: Canada Security Assurance; Canadian Utilities; Canada Western; Natural Gas; Norwich Union Insurance — and that's a type of corporation on which Board members such as this sit and receive a welfare grant, Mr. Chairman, receive a welfare grant paid by my constituents and people working for the minimum wage on a fixed income in the constituency of the Honourable Member for Pembina, whom he doesn't see, and others like that, to pay these millionaires a welfare grant. And Hugh Hallward, Argo Construction; Avon Products; Canadian Imperial Bank of Commerce; Montreal Baseball Club; 7-Up Montreal. And another Board member, Mr. Norman Highland, MacMillan Bloedel; Crown Trust; Mercantile and General Reinsurance of Canada; North American Life.

And these are the incentive grants, Mr. Chairman, being paid to small fledgling starting-up companies in Manitoba, struggling to make ends meet. Somebody comes along and says, look, if I could only have an extra few bucks to perfect a design of this gizmo or if I could have a few bucks to go and find a market for it and sell my gizmo then I will be off and running, but, Mr. Chairman, it's not to companies of that kind but it's to companies owned by people who sit on Boards of banks, of paper companies, of the Montreal Gazette, of Pigot Construction, Mr. Jacques Pigot and he also is on the Board of International Savings and Mortgage, and Metropolitan Trust, the North American Life. Mr. Adam Zimmerman, Mr. Chairman, Adam Zimmerman, is on the Board of Noranda Mines and Fraser Paper. And you know, Mr. Chairman, not too long ago when we were dealing with the annual report of Manfor we heard this government express it's desire to expand the paper packaging industry.

Well, Mr. Chairman, do you think for one moment that these fellows who sit on the Board of Fraser Paper and MacMillan Bloedel are going to be interested in this Minister's or his colleague's paper or manufacturing paper containers. After they have their own packaging companies but nevertheless they receive a welfare payment, Mr. Chairman. And also, Mr. Zimmerman is on the Board of B.C. Forest Products and Canada Wire and Cable, Canadian Copper and Quaker Oats and Royal Insurance. That, Mr. Chairman, is the Minister's way to say, "Thank you" to the corporate sector. No. 1 to say thank you for all the past assistance, and also an expression of a hope that the assistance will continue coming. And you know one could complete the circle via some of these corporations and through ' the power corporation get back to the place across the road, Great-West Life, because there's a tie-up there. There's a tie-up there and this is not, you know, from some socialist publication, Mr. Chairman. You know, it's not some research work that was done by the Manitoba New Democrats or by the Commonwealth but by the Financial Post. The Financial Post tells the Minister that type of information, it tells all of us that. And that is the type of corporation that receives a grant paid by people who can barely scrape two nickels together and have a hell of a time paying the bus fare every time they get on it because every time they get on it the price goes up because the Minister is two chintzy with his bucks for the city.

But the Minister has \$5,600 to do two things. One to say thank you to the corporate sector and No. 2 to prove to them that he can take from the poor and give to the rich and do it openly because this appears — he didn't do this in the middle of the night, you know, behind closed doors — but this appears in his annual report where he can stand up and say, here is the evidence of the fact that I went around and took 56,000 pennies from poor little old ladies, natched those pennies out of their purses and I gave them to honourable gentlemen who sit on Boards of companies like MacMillan Bloedel and Celanese Canada and Canadian Copper and Noranda Mines and etc. as if they were the poverty stricken that need that type of assistance.

And the Minister does that under the heading of an Incentive Grant. A grant of taking from the poor and giving to the rich. And that is really what this is all about. And that, Mr. Chairman, just doesn't square with the Minister's own definition and description of Incentive Grants that he provides in the same report. It doesn't wash. But I suppose the Minister is happy because he has passed the test and now he qualifies for membership in the Wall Street Club in New York and the Bay Street Club in Toronto.

MR. CHAIRMAN: 1.(a)—pass — the Honourable Minister.

MR. JOHNSTON: Just to set the record straight for my constituent and the colleagues and people that are here at the present time, it was explained to the committee before that the Southam Paper people held a trade show and sponsored a trade show in Edmonton. We chose to help six small

manufacturers in Manitoba attend that trade fair. The formula of money that each of those got was worked out by the formula that is worked out when we help people to go to trade fairs. We paid the moneys, not to the small corporations that went, we paid the moneys, after worked out on formula, to assist six people to go to that trade fair. We paid it to the people that were sponsoring the trade fair. We probably can show you the vouchers any time you want, as to the formula, as to the amount that was appropriated to each of those six industries to place their Manitoba products before people in Edmonton.

MR. HANUSCHAK: Yes. In view of the fact that other recipients of incentive grants were named in the same report, could the Minister indicate who the six small Manitoba business firms were, on whose behalf the Minister paid the incentive grants, this group of millionaires and not to them directly, because others he paid directly to small firms. Who were the six firms?

MR. JOHNSTON: I'd be very pleased to supply the member with the vouchers and everything that goes with it and the formula and the six firms.

MR. CHAIRMAN: 1.(a)—pass — the Member for Transcona.

MR. PARASIUK: I just want clarification. I assume that the Minister — there were some pieces of information that the Minister undertook to provide, both on Economic Development, and I have to check through Hansard on that. I don't know if I've received it all or if my colleagues received it all, and also I think that some staff from MHRC were going to provide something to me on the assessment of the Federal Tax Shelter Program, and you indicated that this was available somewhere, and I'm not in any rush for it. I assume that it'll be coming as it was last year.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Yes. I have checked with the staff of the Economic Development today for that information, and they are going to supply it to the member, and the report that I referred to that was done by one of the employees, I'm informed, is there. We just weren't able to put our hands on it during the supper hour.

MR. CHAIRMAN: 1.(a)—pass — the Member for Transcona.

MR. PARASIUK: A final summing up on a concluding comment I'd like to make with respect to both Economic Development and Housing, and that's that a Minister who is occasionally known for his strong partisan position —(Interjection)— That's right. You'd be surprised. I guess you aren't. I guess he isn't known for that strong partisan position. No, it's not that he's becoming a socialist, but the interesting thing is that the good programs he's carrying out are those which were in fact brought on or taken over from the previous administration. But the new initiatives that are being undertaken in Economic Development and Housing, unfortunately, possibly for him, are in partnership with the Federal Liberal government, namely the DREE Program, which I think really isn't sufficient to provide sufficient economic development in Manitoba and a Housing Program which again is something that really is the result of about two or three years of flip-flopping by the federal Liberal government with respect to its Guaranteed Home Interest Program, the AHOP Program which wasn't successful.

So that I just warn the Minister that he has got a number of his eggs in a basket which is a strange one and that we have been trying to assess what these were, what the thrusts were this year. I can appreciate the difficulty that he might have had in trying to pull those thrusts together over the last year, because all of us have been under an impending federal election and I think that has probably made these negotiations with the federal government difficult.

At the same time, I do remark that I guess politics and government does make strange bedfellows, that the proof of the pudding will be in the eating and I think the period of assessment will be over the course of the coming year, so that next year's Estimates may be less fractious or they may be more fractious, but so far I commend the Minister for the straightforwardness of the answers that he has provided us over the last few days in setting the stage for some way of assessing the performance of both the Department of Economic Development and the Department of Housing. I think a way of doing that is establishing benchmarks and establishing an idea of what people are trying to do and I think we've gotten that fairly accurately over the last week and therefore I think we will be in a position to rationally go about this next year.

MR. CHAIRMAN: 1.(a)—pass — the Member for Burrows.

MR. HANUSCHAK: Mr. Chairman, just one quick question before we pass the Minister's Estimates. I'd like to ask the Minister whether, between now and the next session, whether he would give some thought to suggesting to his colleague, who is responsible for the administration of The Companies Act, suggesting to him some amendments to it which may enable us to exercise some checks and balances on the real estate speculators, and namely an amendment to the Act which would set a time limit that any land company would be able to hold real estate, number one. Number two, make it mandatory that all real estate development companies file an Annual Report listing the land that they own and the purchase price of when they purchased.

Would the Minister consider something along those lines?

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: I would undertake to speak to the Minister, but I would like to suggest that the Minister of Consumer and Corporate Affairs' Estimates will be coming up after mine, or in the House after what's finished in the House, and I'm sure he could take it up with him. I would just say that if we set too close a time limit we'd have to sell a tremendous amount of land owned by MHRC.

MR. HANUSCHAK: Mr. Chairman, I'm talking about the private land developers and to assist the Minister, you know, I just very quickly summarized what the general essence of a legislation that I have in mind but if the Minister has the time during the summer months and if he refers back to the 1891 Statutes of the Province of Manitoba he will find that very type of legislation on the books at that time, practically 100 years ago.

MR. CHAIRMAN: 1.(2)—pass; Resolution 36: Resolved that there be granted to Her Majesty a sum not exceeding \$1,183,700 for Economic Development—pass.

That concludes the Estimates of Economic Development.
Committee rise.

SUPPLY — NORTHERN AFFAIRS

MR. CHAIRMAN, Mr. Warren Steen, (Crescentwood): 1.(a)Minister's Salary—pass — the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, I have a general question for the Minister regarding the way in which his department relates to other departments, in particular the Department of Resources, his department being the one which relates to the northern communities. He is the Minister that has the northern communities as his . . . group. Therefore I would hope that he would be an advocate on behalf of the northern communities in the government and Cabinet when he has to deal with his colleagues and to try to establish the policies of government.

One of the policies that we had adopted while we were the government with respect to remote communities is that they were to be given first priority on resources that were within a certain radius of their community that is, not that they would have exclusive use of those resources, but before any developments or harvesting took place in that resource base they would be given the first opportunity to be the developers or the harvesters of that resource base. But, Mr. Chairman, the resource base in many of the communities was not that easy to define. Generally we were using as a rule of thumb the trapline zone of the communities in the northern areas because most communities had a clearly defined zone that was the trapline area of that community and whatever resources fell within that trapline zone we considered to be the resource base of that community. Now, it was not a hard and fast rule, if there were resources outside of that trapline zone which they could identify that they wished to try to develop and utilize to be able to create employment opportunities for their residents, to provide a more stable economic base for their community, we would have worked with them in that regard.

Now Mr. Chairman, I would like to know what the Minister is doing about this as the Minister of Northern Affairs. As I say, he is the advocate, should be the advocate for the northern communities. The northern communities have little, or no, opportunities for economic development other than the development of their resource base, therefore it's very important, crucial in fact, that they have first priority access to those resources. We would like to think that the Progressive Conservative Government would continue with that policy and would, in fact, continue it not only giving it lip service but would continue it enthusiastically. And further to that, work with those communities in attempting to assist them to more fully employ the peoples that live in the northern communities

through the harvesting and developing of the resources that are available to them. In many areas the resources are not fully developed. They could be more fully developed but it takes an active interventionist type of government to assist the communities to do that. The idea that one can bring in entrepreneurs from outside the northern area to develop the resources, using the so-called trickle-down theory that if they're in there developing and harvesting those resources that some of the local people will get some jobs and they'll be important benefits to that economy, that simply has not worked in practice.

What has happened in most cases like that is the private contractor or entrepreneur who comes in from the south tends to bring his family with him, his staff with him, his key employees with him, in fact even so far as recruiting many if not all of his employees from outside the area. So the result is that the people living in the communities see their resources being developed and harvested by people who are from outside the area and they have nothing to do but sit there and watch this happen. Mr. Chairman, I think that would be a very serious step backwards if this government were to allow that to happen and I would hope that this Minister would use his influence and relying on his own experience in the north to point out to his Cabinet colleagues, particularly his colleague the Minister of Mines, who I do not believe is that familiar with northern Manitoba, to give him the advice and counsel that he needs to follow a reasonable and responsible policy in this respect. I would very sincerely like to hear the Minister's comments on that.

MR. MacMASTER: Mr. Chairman, I wondered whether the Member for Rupertsland had been eavesdropping on the member, the Minister of Renewable Resources and myself, because we've been talking about that very very thing for a good period of time and I agree that the policy has never been written. It was a general line that was, I think, followed within reason over the last number of years. I don't think we've been guilty of breaking away from that and I think I'm as big an advocate of that particular approach to development within the immediate area of a community as any person in the House, and I intend to follow that. As a matter of fact the Minister of Resources that the Member for Rupertsland refers to was making reference to me when the Member for Rupertsland was talking about documents and papers that we're putting together to try and put this more into line rather than just general thinking and general lip service. So, I can assure the Member for Rupertsland, and I was going to say the Member for The Pas, but he's not here, those two and I suppose the Member for Flin Flon and Churchill who have northern communities within their constituencies, that that line of reasoning is exactly in line with my own and that we'll be following this up very closely.

MR. BOSTROM: Well, Mr. Chairman, I can assure the Minister that he will have his policy tested in many cases by the communities themselves, at my suggestion because as I travel around my constituency I will be reminding the communities that that is the commitment I heard in this House and that they should write to the Minister of Resources and the Minister of Northern Affairs for solid backing in that area when they desire or need the resources in their area for the development of whatever economic industry which they intend to pursue. I will be telling them to write directly to the Ministers when they have difficulty convincing the staff of the various departments that this is the policy of the government.

In fact, Mr. Chairman, through you to the Minister, a case in point came to my attention over the weekend and I had requested the community council concerned to write to the Minister and to send a copy to me, and I will be following that up. TF250

There are a number of other areas, Mr. Chairman, that I believe the Estimates before us are of concern to me, particularly in the way in which they relate to my own constituency. As I mentioned in the House over the course of the debates, it is disappointing to me and to the people of Norway House that there is as yet no commitment by this government to proceed with an inter-community connection within that community across the Nelson River to join up the two parts of the community. As I had mentioned to the Minister in the debates, this is a major priority of that community. In fact, it's an absolute essential thing for them to be able to properly plan and develop their community. They must have that internal connection of a bridge across the Nelson River. I was hoping that there would be some funds within these Estimates to provide for a major reconstruction of the roads within that community. I note from the Estimates that are before us that there is really an inadequate amount to do the job properly when you consider the 35 or 40 miles of internal roads within the community. I know that the community has been requesting this for some two years at least now. At least two years in a row they've made requests of this Progressive Conservative Government to do some major reconstruction of those roads. The roads there were built in 1971 at a time when the community was not connected to the outside. They were built really for light traffic, not for heavy traffic. They were of a municipal standard. Now that the community is connected with by an all-weather road to the outside, there is a need to upgrade those roads to a PR standard.

Really that is what is required because with the connection to the outside there are 80,000 lb. semi-trailer units rolling into that community now, two or three every week, and at least those roads where those vehicles have to travel should be upgraded to the PR standard. Otherwise the existing roadbeds will be hammered out of shape and really there will be not much left to reconstruct.

The other thing that's of very great concern to the community of Norway House, and perhaps the Minister is aware of this, is that the style of construction in the first place on those roads resulted in their being very deep, large ditches which have been filled with water and, because of their proximity to the edge of the road, they have resulted in several deaths in that community where people have driven off the road into those water-filled ditches and, having no way of escaping from the cars, died as a result, so that the community is very much concerned about that and they would like to have the roads reconstructed in such a way as to remove the ditch from right beside the road in those cases where it is a major problem and guard against this unfortunate problem in the future.

As I've mentioned, they are very desirous in that community of knowing what the sewer and water program is going to be for this government for the future. So far they've been informed that the only policy Northern Affairs has is to have a policy of establishing one stand pipe in the community, a pump house with one pipe, one faucet there where everybody can go and fill their pail and carry it back to their house.

Granted, that is a very necessary thing, as the Minister has mentioned, a safe water supply is an absolute essential in every community; that should be a first priority. But those communities like Norway House and others want to know what is going to be the long-range policy or program of this government for the introduction of sewer and water into the communities. They want to know, is the government going to proceed with a program of eventually putting in the sewer and water system to each house in each community and therefore are they encouraging the communities to build their homes in such a way as to have them accessible to a centrally-supplied water system, or are they going to leave that sort of thing up to the initiative of the individual person in the community? Because if they are going to follow one or the other of those two possibilities, the communities should know that so that they can properly plan from that standpoint.

If there is not going to be any kind of centrally-supplied water system with a properly backed-up sewage system to handle that kind of volume, then the communities should abandon this scheme of building on small lot-type subdivisions in their communities and they should follow their traditional patterns of spreading themselves out along the water systems in their communities, where they each could have access to the water by way of a water line built from the river or lake up to their house, and they could install their own sewage system either by way of a septic tank or pump-out system or whatever may be the best in the terrain involved.

But the communities are entitled to know that, Mr. Chairman. They are entitled to know what this government's intentions are. It's not enough to tell the community by a letter or memo that the only policy of Northern Affairs is to provide a standpipe in the community because although that may be the immediate policy of the government, that is not good enough for the communities for purposes of long-range planning.

I was disappointed to see that there was nothing in these Estimates, Mr. Chairman, to provide for even a study on the relocation of the airstrip in Poplar River. I know that this has been a concern of a number of people in that community for a number of years now. The airstrip that is in the community is located too close to the homes. I believe it is in partial, if not complete, violation of the federal regulations and it is important to that community that the Department of Northern Affairs start looking at possible relocation of that airstrip, at least allocate the funds this year to look at that possibility with the intention of relocating it to a safer location in the future.

I was also disappointed, Mr. Chairman, to note that even though there had been a commitment to Berens River, as well as Norway House — at least the people in the communities believed there was a commitment by the Progressive Conservatives to build a bridge, at least some kind of permanent access across the river systems in those communities — that no moneys are yet provided for in these Estimates. We have gone through three Sessions now of Progressive Conservative Estimates without any indication of any commitment to fulfill what the communities believe to be commitments in that regard, to have bridge accesses in their communities.

Mr. Chairman, we note that contrary to what the Minister is saying and has been saying today, that the resources are being allocated to outside interests near the communities. And I can state the example of Bissett, Wanipigow — which is otherwise known as Hole River, and Manigotagan, where resources near the communities at the present time are being allocated to outside interests; that is entrepreneurs from outside the area, timber quota holders and so on, that could be allocated resources in areas that don't have to be right beside those communities. They're being allocated cutting rights within easy commuting distance of those two communities — three communities, so that the local people in those areas are largely unemployed. I believe if you take a close look at

those communities, you would find 50 to 60 percent at least unemployed, and they're having to sit by and watch the resources being hauled out of the area by other outside interests.

In this winter alone apparently, from what I understand, there was three million board feet of poplar timber taken out of that area by an operator who is not from that area whatsoever. Now, those communities do not want to ban anyone from being allocated their justified cutting quotas, or whatever you call them; that the government has a responsibility to allocate timber to certain quota holders. They're not trying to say that those people should not have the rights to cut timber. All they're saying is that at least don't cut right in our immediate area, where we live and where we hope to be able to make our lives, and to be able to have a permanent or fairly permanent economic base for our communities. Don't rape all the resources right around our communities, and then when we, as community residents want to go out and develop the resources, we're going to have to travel 50 or 60 or 70 or 100 miles away. If the outside entrepreneurs and outside interests have to travel 150 miles or 200 miles in any case to cut, why not put them into some area that's outside of those immediate community boundaries? And I bring that to the Minister's attention because, as he indicated, he would like to hear about cases like that, where outside interests are being allocated resources that are essential to the long-range economic well-being of those communities.

It's also unfortunate to see, Mr. Chairman, that the main highway link which is leading into that area, the three communities I just mentioned — Bissett, Hole River and Manigotagan — is in the worst shape that it has ever been in the last 20 years, and I've brought this to the attention of the Minister of Highways in this House. I'm disappointed to see that neither the Minister of Highways nor the Minister of Northern Affairs, nor the Minister of Tourism has taken any interest in this area; at least not enough interest in this area to ensure that that highway link is complete and permanent so that people can travel back and forth.

Several times in this spring period, Mr. Chairman, the area has been virtually cut off by the bad road conditions, and in several locations people have been stuck with their vehicles right in the middle of the road leading into that area. And it's unfortunate indeed, that we have to go back to these days. As I say that's the worst that road has been in the last 20 years and there is absolutely no corrective action that has been taken by this government to date.

I believe the Minister of Tourism has received a letter from one of the businessmen in that area representing the people in that area who are in the business community who have pointed out to her that that depends to a great extent on the tourist business. And because that road is in the condition it is right now — and it will probably remain in that condition for the next couple of weeks; it is a crucial time of the year when the initial surge of tourists come into that area for the fishing season opening next weekend and the weekend after that, the long weekend — when they see that road in that condition, Mr. Chairman, those businesses will lose at least 50 percent of those people. They will just not come back into that area for the rest of the summer. And, Mr. Chairman, the blame for allowing that road to get into that kind of shape must be laid at the doorstep of this government because they knew full well that that road was going to be in that kind of shape and it should have been properly gravelled last fall before the spring conditions like this were able to destroy it more.

I believe that the Minister of Highways, the Minister of Parks is also aware of another road that travels into that area which is through the Nopining Park. I brought to the Minister of Park's attention last summer that a road that had been built into the Bissett area from another direction through the Nopining Park had been washed out since the fall of 1977 since the fall of 1977. Talk about Conservative efficiency, they never got around to even looking at the road until the fall of 1978. So the community in that area which depends on tourism as a economic base was not able to take advantage of that road connection through that park for the that whole summer of 1978, because of this government's lack of action in that respect.

Mr. Chairman, I was pleased to see there is some funds in the Budget this year for taking a look at that access road into that community. But, Mr. Chairman, nevertheless it took a lot of effort on the part of local people and their member of the Legislature to point this shortcoming out to the government in the hope that action will be taken early enough in the season this year so that that community will not be cut off from using that tourist access for another whole summer. They will lose two summers of business unless this government takes action and rebuilds a proper connection across the headwaters of the Manigotagan River.

Mr. Chairman, in discussing the department's Estimates generally, there are some that we have discussed where I am pleased to see that the government is taking action. I would say to the Minister, however, that regardless of his optimism about how the communities are responding to the Department of Northern Affairs and their activities, the feedback that I receive from the communities is much the same as the Member for The Pas mentioned this afternoon. There is a lot of frustration within the community councils at the present time.

I am not trying to preach doom and gloom when I say that. There is a concern among the community councils that the freedom and opportunity they had in their initial stages of being able to grow and develop and to make more and more decisions at the local level is being cut off, and that the departmental people are starting to lay down the "law", so that they are simply not able to have the same latitude, the same opportunity, to make decisions about the areas of prioritizing expenditures for their community.

I brought to the Minister's attention one specific example where the Community of Norway House had requested of Northern Affairs that they be allowed to use the tax money that they collect themselves locally from their own taxpayers, moneys that are paid by the residents of Norway House, and that they be allowed to use that money to develop at least the beginnings of the kind of sewer and water system that they want to see in their community. And they were told by a memo from the department, that no, they couldn't do that, because that wasn't a policy of the department, that the policy of the department was that there was going to be one standpipe for each community and that's it.

Now, there is the difficulty there in establishing too rigid policies for the department, too rigid a set of policies that are so inflexible that the communities feel a severe sense of frustration because they are not able to negotiate with those departmental staff for the things that they would like to do with the funds that are available to them. And, Mr. Chairman, if there's a very rigid set of policies, it takes away from the opportunity of the local community councils to make decisions at their own level. And I'm warning this Minister that if that is the way in which his department is operating in that community and in other communities, he will see even a greater sense of frustration at the local level. Because there is nothing worse, and I am sure some of the members in here who have had municipal experience, there's nothing worse than having to explain to your constituents a decision that was taken, that is not your decision; it was somebody else's decision that is completely against the wishes of the community, as far as the priorities of the community are concerned. And yet that locally elected politician, municipal politician, has to try to explain to his electorate the fact that he can't do this with the funds that are available to the council, because the provincial government has told him he can't.

Well, Mr. Chairman, the Minister knows full well, in his own experience, that it's vry difficult to explain to his constituents, trying to rationalize some decision that Ottawa made, and trying to say, well, it's not my fault; it's Ottawa's fault. Well, he knows full well, that his constituents, very few of them would believe him. And it's the same with the municipal people at the local level with the community councils. If they have to try to explain away the decisions of the provincial people and they're not able to make decisions on their own, then there is going to be serious frustration in the communities, he's going to see more councils just throwing in the towel and saying, "What's the use of this? If they're going to make all the decisions at Thompson, or in Selkirk, or in Dauphin, or at The Pas, or wherever the Northern Affairs office is, we may as well pack it in. Why should we have to explain to the people in our community the mistakes that the provincial government people are making? If we make the mistakes, we're willing to live with them, but we're not willing to live with the mistakes that the provincial officials are making."

And, Mr. Chairman, that is why there are a number of community councils, I believe, in my constituency and in the constituency of the Honourable Member for Churchill, and the Honourable Member for The Pas, and the Honourable Member for Ste. Rose, that have been brought to this Minister's attention —(Interjection)— and the Honourable Member for Flin Flon. They are not attempts to grandstand and make political hay out of the concerns that the northern people have. It's a sincere effort to point out to this Minister that unless he takes a personal role in the operation of the community councils there is going to be great difficulty.

And it's one of the reasons, Mr. Chairman, that I mentioned at the beginning of the Estimates that I was disappointed that the Premier of this province saw fit to load down the Minister of Northern Affairs with another more onerous portfolio, and that is the Ministry of Labour. We all know what a heavy responsibility that is, regardless of the capabilities or the desires of this Minister. He's just simply not going to have the time that a Minister should have to be able to deal with 40-odd communities in northern Manitoba that relate to Northern Affairs, the Department of Northern Affairs. It's simply not possible and it's going to cause serious problems, Mr. Chairman, because in order to be able to develop the kind of democracy that's necessary, the kind of democratic spirit or philosophy that is necessary to allow the community councils in northern Manitoba to grow, and to have an opportunity to develop as municipal governments at the local level, the political person that's elected as head of the Department of Northern Affairs has to play a personal role in that. It's too important a job to be left to the bureaucrats. It is a job that must have the personal attention of the Minister.

So that, Mr. Chairman, I would hope that this Minister would play as fully a role as he can, and I would hope and I would expect that he would recommend to his First Minister that perhaps

some of his load could be lightened or that that portfolio be transferred to another Minister who could devote full time to that task, because it is so important a position and a responsibility that it demands and deserves full-time attention, Mr. Chairman.

MR. CHAIRMAN: (a)—pass — the Honourable Member for Churchill.

MR. COWAN: Yes, thank you, Mr. Chairperson. I took note that the fisherman's freight subsidy had been discussed under the Department of Northern Affairs, and I had a call today from a constituent in regard to it, and I just wanted to bring it to the Minister's attention and perhaps allow the Minister some time for some feedback on it, although I'm not certain whether this problem would fall under the jurisdiction of the Department of Resources. I'm just taking a cue from the fact that we did discuss the fisherman's freight subsidy, and it has to do with the Savage Island Plant in the Island Lake area. And the Minister will recall very well that last year we had a bit of a problem with the Savage Island Plant and that it was forced to close down for a very brief period during the summer because of lack of money, at which point, the federal government, through the Department of Indian Affairs, came in with \$159,000 and another \$23,000 at a later date to keep it open, and the province, through its subsidy on pike, I believe it was, and I could stand to be corrected on that, came in with \$20,000 and then put forth another \$40,000 subsidy towards the fall operation, and that quick action by both the province and the federal government enabled that plant to stay open and producing.

This year it seems we have a problem of a similar nature, and we have the Department of Indian Affairs committing itself to \$159,000 for the continued operation of the Savage Island Plant, but we have the province coming through once again with its subsidy for pike to the amount of \$20,000, but there has been no indication that the extra \$40,000 subsidy will come forth.

And the reason I bring this up is that, if that is the case, then given the circumstances in the Island Lake area, the Savage Island Plant will only be able to operate from July 1st on to the end of the season. And that presents a problem to the people in those communities because what they then run into is the possibility of not being able to work long enough — and that is the only employment that's available to them right now — not being able to work long enough to qualify for unemployment insurance benefits, because it only gives them a 14, 15 or 16 week period. And if they should be socked out by weather for some reason, for a week or two, then they lose their benefits, so it will have an impact on them, not only the summer but throughout the winter. Although I'm not fully cognizant of all the details of the problem, I have talked to the people in the Fresh Water Fish Marketing Corporation, and they have assured me that if this \$40,000 is forthcoming, that they would be able to, or that they should be able to — let me rephrase that, because I don't want to put words in their mouths — that they should be able to increase the season a bit to build in some latitude so that the fishermen in that area will not run the risk of losing their Unemployment Insurance benefits because of bad weather.

I am just, at this point, wondering if the Minister is aware of the problem, as I am certain he is, and what reaction the province is taking to it. Are they intending to provide that supplement so that the Savage Island plant can get back into operation perhaps two or three weeks earlier than had been anticipated, and also so that certain lakes in the area which are not being fished now, and I'm thinking in specific of the Rorke and Kistigan Lakes, because of financial problems, might also be enabled to be opened up to the fishermen in that area.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: We're aware of the problem, Mr. Chairman, and it's being actively looked at right at this very moment, hopefully the situation is in hand better than it was last year. There's no question last year that everybody's back was to the wall and you had to sort things out. I hope that we've learned something from that.

MR. CHAIRMAN: The Member for Churchill.

MR. COWAN: Yes. I'm pleased, Mr. Chairperson, that the Minister is aware and working on the problem. I would ask him if there is any intention or if there is any discussion; perhaps that is a better way to phrase it — if there is any discussion right now, ongoing, as to the advisability of — or the possibility of that \$40,000 subsidy being given to the plant so that it can get into operation a bit sooner, and these lakes, which are very important to certain fishermen in that area. You see, the problem is that certain fishermen have historically fished certain lakes, and when those lakes are closed, their nets are there, their boats are there, and for them to have to move operations is costly to a certain extent, although some of that is subsidized by the corporation, the government.

But the other problem is that they grow to know the lakes and they know where the fish are, and they have a better season than they would on a lake that they don't know, that they haven't had time to develop an awareness of.

So my question to the Minister is, is the government considering providing that grant, either that amount or another amount; I wouldn't want to limit him to \$40,000, but that amount or another amount so that there may be a possibility of these lakes being opened up and the plant being in operation a couple of weeks earlier than is presently anticipated?

MR. MacMASTER: I can't guarantee that particular amount, Mr. Chairman. It's part of the discussions. There's other problems relating to that whole operation, which I would guess that the Member for Churchill was aware of. There's been some long-term, many-year problems in there. There was a time, of course, when everything worked well in there, but that isn't the case today. I can just simply inform him that the entire fishing area is being looked at at the moment. There are some pretty major problems in that area.

MR. CHAIRMAN: The Member for Churchill.

MR. COWAN: Yes, thank you. Well, there certainly have been a number of problems, some of which have been dealt with over the year, some of which have escaped solution, some of which will probably be ongoing for some time. With that in mind, I would ask the Minister if he could clarify his previous statement as to the number of problems, and just what specific problems are looking at at the moment in regard to, and I'm talking about in specific now, the Savage Island fish plant.

MR. MacMASTER: I thought I answered that, Mr. Chairman. I said the entire situation is being looked at right now.

MR. CHAIRMAN: (a)—pass — the Member for Churchill.

MR. COWAN: Yes, thank you, Mr. Chairperson. That builds in a bit of apprehension. Is it the case then that they are looking at the Savage Island fish plant with the intention, or perhaps the possibility of that plant being totally closed, or are they looking at it from the perspective of upgrading the plant? Are they looking at it from the perspective of closing down a number of lakes so as to reduce the subsidy moneys that are necessary to be paid out to keep those lakes in operation, although the program is a good program and is working to its purpose. And I see that there was more money given to it, which is an indication that the government shares my faith in that program, and in the fishermen in the north, faith in that program. But what I would like to know is, is the Minister, what perspective, what bias — I hesitate to use that word — what perspective is the Minister approaching this from, that they have to increase the efficiency, that they have to modernize the plant so that it'll be more efficient and be more appropriate to the needs of the area, or that perhaps they will remove that plant entirely from the operation in that area and try to work out a different procedure?

MR. MacMASTER: I know of no thoughts at the moment in relationship to removing the plant, Mr. Chairman.

MR. COWAN: Okay, that's encouraging, Mr. Chairperson. To go back to a number of things, and before that I would just hope that the Minister would make the decision very soon on what subsidies will be going into the area, if any, so as the people in that area can finalize their own fishing plans, because we are getting late into the preparatory season, and if they are going to be forced to abandon lakes that they have fished on traditionally, then they should have as much pre-awareness of that as possible, although I'm not encouraging the Minister to make that sort of decision. My encouragement definitely is that they make provisions so that those lakes, and in specifics, Lakes Rorke and Kistigan, can be kept open.

The Minister mentioned in his replies that, under the section of grants, that the \$3 per capita grant last year was \$135,000 and this year it was \$129,000 because of the census, and I assume when he's talking about that, he's talking about the special census that was done in '78, a census conducted in 48 remote or northern communities, which was for the purpose of overcoming supposed short-comings in the application of the general census results for northern Manitoba. The Minister at that time said that the census will be conducted on a triennial basis, or more often if needed, and I'm reading briefly from a news service release of July 24th, 1978.

I note, and I don't have it right before me at the moment, but I'm recalling this from memory

now. I note that when the census results did come in that they showed a 3 percent growth in the area for the year 1978 over, I believe, it was 1976, 1976 being the latest Federal census results and the provincial census showing — oh, here it is here — showing that it was 3 percent higher. My question to the Minister is, does that growth, that 3 percent increase, does that take into account the natural growth rate of the communities in northern Manitoba, which is approximately, I believe, around 4 percent a year, 4.7 percent a year perhaps even, which would show a percentage decline in the number of northern residents in these 48 remote communities? The question is, does it take into consideration the annual growth rate of the communities?

MR. MacMASTER: I understood it to take all considerations at that particular time. I don't have the criteria for the study or the census in front of me, but I don't believe it was — well, I believe it was acceptable at that particular time. I haven't got that material in front of me; how those conclusions were reached.

MR. COWAN: Yes, thank you Mr. Chairperson. Well, the problem here is that I, in having perused the census results when they came out and the Minister was trying not to provide me with a copy of them, showed what seemed to be a substantial loss in the Metis communities of population, yet an increase in the reserve communities or the communities bordering on reserve areas. My question to the Minister then, is the drop in the grant, is it justified on the basis of '78 census; in other words, did this census that was conducted in '78 by the department act to the detriment of the people in those communities, reducing their per capital grants by a sum of some \$5,000 — \$10,000, in between there?

MR. MacMASTER: That type of philosophy applies to every type of grant in all municipalities. Mr. Chairman, if the population is up, then established grants are up if they're following this line of reasoning, the one we're particularly talking about, and if it's down then the grants are down.

MR COWAN: The Minister says that he doesn't have his materials before him on this particular program. I would just ask him if he is assured that the procedures used by his own people in this census, were more accurate than the procedures that were used in the federal census and that the decrease in moneys is justifiable by a natural population decrease, or is it as a result of different methodology that is used by the federal government and the provincial government in this regard?

MR. MacMASTER: Mr. Chairman, the census were taken in conjunction with the people who lived right in the communities, and I think that's as accurate a personal type census as could be conducted.

MR. CHAIRMAN: (a)—pass — the Member for Churchill.

MR. COWAN: Yes, I would just like to take this time to clarify a few other matters having gone through the Manitoba Information Services News Releases from the previous year. I have one here dated May 12th, 1978 where it talks about a Youth Employment Program for the north and students get priority in remote communities. It's a program that was funded jointly by the Federal Indian Affairs Department and the Manitoba Northern Affairs Department, which would, according to the news release, provide eight weeks of summer employment to about 800 young people in remote communities, the Minister of Northern Affairs, Ken MacMaster had announced. And on July 21st, 1978, another news release where we talk about north youth program, where it says a total of 275 people have been employed in seasonal jobs through the province's Northern Summer Youth Program. My question to the Minister is, are these two programs one and the same? In other words, do we have the initial News Release on May 12th commenting on a program that we have the News Release of July 21st, of the same year directed towards?

MR. MacMASTER: I have to take that as notice. I don't recall the specific News Releases, but I'm certainly not in the habit of putting out, or blessing or initialing something that says 800 one week and a few weeks later, 275. I just don't remember what the differences were, but I'll get that answer for the member.

MR. COWAN: I wasn't clear enough in my explanation, Mr. Chairperson. The one that said 800 was the projected amount on May 12th, and maybe I'll just read the beginning to refresh the Minister's memory. It says: "A Youth Employment Program funded by the federal Indian Affairs Department and the Manitoba Northern Affairs Department will provide eight weeks of summer

to about 800 young people in remote communities, Northern Affairs' Minister, Ken MacMaster has announced. He said the federal government will provide \$500,000 toward the program, while his department will make \$300,000 available." It goes on to talk about 50 eligible remote communities — the persons employed will be employed at the minimum wage of \$2.95, will earn about \$1,000 over the program. And he said that provincial government Student Employment Programs, staff and departmental hirings in the north will provide work for other people and bring the total number of northern youths employed to about 1,000. That's May 12th — the press release; in the May 21st press release it says, "A total of 275 people have been employed in seasonal jobs through the province's Northern Summer Youth Program, Northern Affairs' Minister, Ken MacMaster has announced. The Minister said the program provided summer jobs for six to eight persons in 11 projects in the Thompson-Churchill area; 29 jobs in 3 projects in Leaf Rapids area; 115 jobs through 15 projects in The Pas area, and 63 jobs in 8 projects in the area on the east side of Lake Winnipeg. The overall cost of the program is roughly \$298,000.00." My question to the Minister then, are we talking about the same program in both press releases?

MR. MacMASTER: Well, the second one that has been read I'm certainly familiar with. The first News Release, I'm going to have to check that out and just see what that encompasses.

MR. CHAIRMAN: 1.(a)—pass — the Member for Churchill.

MR. COWAN: Yes, thank you, Mr. Chairperson. Also, another item that I had taken special interest in last year and I know the Minister had followed and taken an interest in also, and that is the methodology by which the federal government determines unemployment statistics in northern Manitoba; and as the Minister is well aware, they don't take into account Treaty Indians. So what happens is they give a distorted impression of the actual levels of unemployment in the northern part of the province at any given time. In other words, if we have on a reserve community, which is not unusual 50, 60 and 70 percent unemployment, and yet in the industrial communities, we have a very low unemployment rate — 2, 3, 4 and 5 percent. I'm not certain, I'm giving you the spread that it could be, but it's very low in industrial communities because when people lose a job in Thompson, or Gillam or any of the northern industrial communities, as we've seen most recently, as we've had an example of in the past number of years — two years, they leave the area. They don't stay around, so that unemployment that is created in that area is transferred to another area, and if they don't take into account the more stable communities and the communities that are more directly impacted by unemployment, then we have a distorted picture which in itself is cause enough for concern. But when the federal government indicates that it's going to rely upon the unemployment statistics for certain areas as a means of determining the waiting period, and they come up with a very low unemployment level for northern Manitoba, northern Saskatchewan and northern Alberta, they thereby increase the number of weeks that a person has to wait before becoming eligible. And yet, it is not indicative of the actual circumstances; that is a penalty on the people, because the department itself is not taking into consideration the full unemployment picture.

So I, at that time addressed a letter to the Minister responsible, I believe it was the Honourable Minister Cullen, and I believe that the Minister of Northern Affairs addressed a letter to the Minister also. And at that time, it was my perception and perhaps I was wrong, and I would ask the Minister to clarify it and to bring us up-to-date on the situation, it was my perception that something was being done by this — that the federal government did indeed, agree. Minister and myself this was unfair to with both the northern Manitoba; not only to northern Manitoba, but also to the other three provinces because as well off as Saskatchewan and Alberta are at present, their north still suffers a fairly high degree of unemployment — greater than what one would be led to believe by just centering in on the industrial communities.

So, I would ask the Minister to indicate to us what has happened since November of last year when this matter was brought to our attention and consequently brought to Honourable Minister Cullen's attention, and if there is any negotiations going on at this point for the purposes of using a system that would build a better picture of the actual unemployment in the north of those three provinces previously mentioned?

MR. MacMASTER: Mr. Chairman, I can't report anything concrete, except that I understand the federal government is reviewing the effects that their incorrect assessment of the unemployment situation in northern Manitoba has, in relationship to the people that are qualifying now. I don't get a regular document on it, but I have seen the document in the last month or two, which stated that X number of people did not qualify because of the difference in opinion, difference in qualifying times, and difference in qualifications.

I don't know if it has got buried in the federal situation. We're all reasonably familiar with a great number of things that's taken place in the federal scene, but quite possibly, somewhere after May 23rd, we can get some of the federal people back on track and get a little more of their attention than we've had in the last two or three months. But I know that they did agree, agreed that we were right, and what the Member for Churchill says is correct, that I'm not sure whether he received correspondence, but some place I read a document claiming that they felt that I had a case, and I assume that the Member for Churchill must have got a similar letter saying that it would be actively considered, I suppose, as a term.

So that's all I can report at the moment, except to say that I'm not prepared to let it die. Once things are back on track in Ottawa, then I'll be pursuing that particular matter.

MR. CHAIRMAN: (a)—pass — the Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Chairperson. It's so seldom that the Minister and I can work together on a problem, that —(Interjection)— The Member for Flin Flon says it looks suspicious; not indeed, because this is a problem that the correct — how to phrase it — the correctness of our interpretation is self obvious, that there is indeed a problem here and that it is not a matter of convincing the federal government that they are doing it incorrectly. It is a matter of convincing them to do it correctly. They know there's a problem. I can assure the Minister that, for whatever it is worth, I'm certain that both of our letters had some impact on the Honourable Minister Cullen, that I will sit down and write off another letter encouraging whoever the Minister is after the next election — and indeed we have to wait until the 23rd — encourage him to make haste in solving this problem because it is acting to the detriment of northerners who have the unfortunate circumstance of being unemployed in areas where there aren't many jobs.

Last year the Minister gave to the Inland Commercial Fishermen's Association, a grant of \$17,900, and in a quick perusal of this year's listing of the grants available, I didn't see it. Now that may have been because it wasn't appropriate. I note that it was announced in June of last year, but I would ask the Minister if they are planning on giving a similar grant this year to the Inland Commercial Fishermen's Association.

MR. MacMASTER: There is no moneys for that particular association and no consideration is presently being given to it. I understand that that association has just about fallen apart, for a variety of reasons, and I just have heard some of them.

MR. COWAN: Yes, thank you, Mr. Chairperson. I am disappointed. I had not known, to be perfectly honest, that the organization was on the skids, so to speak. I'd ask the Minister, perhaps he can bring us up-to-date on what the problems are with the organization, and if anything is being done to step in and to help that organization right itself, if it has turned upside down for the time being, because I think it's important that that organization continue. I think it was, so to speak, a union, although I'm using the term in a loose sense. It was a union of the 6,000 commercial fishermen in Manitoba, Saskatchewan, Alberta, and Northwest Territories, and I'm reading from the press release of June 9th, 1978. And I have had the pleasure, and it was an informative time, to have attended some of their meetings, as I'm certain the Minister has attended, probably more than I have, to be quite frank about it. And I felt that they were going quite strongly and that they were acting on behalf of their constituents, the 6,000 northern fishermen.

The Minister himself said in last year's press release that the province was supporting the organization because of the quality of advice and assistance it is providing on various aspects of the fishing industry. And I know that they were integral in helping the Minister make himself more aware, increase his own awareness of the fishing industry in northern Manitoba, and that they did serve a purpose, and I can't personally see them having outlived that purpose in the past year.

So it then occurs to me that there must be something that is tearing this the Minister, having more organization apart, and I am certain that opportunity and more time to examine the situation for himself, and having more access than I do to the Commercial Fishermen's Association, has had opportunity to bring himself up-to-date on what some of those problems might be. And I would just ask him if he could indicate to us what it is he feels that is causing this breakup of this very valuable association.

MR. MacMASTER: I can simply say to the member that, for whatever reasons, the fishermen, for which I very selfishly have a keen interest in, the ones in Manitoba, seem to have lost desire to affiliate themselves on a continuing basis. Now that isn't in written document, but it's certainly by action and conversation, and if the fishermen of Manitoba choose to run their own system in Manitoba, or work in a corrective manner in the forthcoming year, then I'm prepared to work with

them in the direction that they want to go. And I think we have a great number of problems here in Manitoba that quite possibly the fishermen and the Fishermen's Association, and the various lake organizations and advisory councils, that I was a part of establishing during my time as Minister responsible for that, I think what they're really doing, Mr. Chairman, is addressing themselves to the major problems here in Manitoba, of which there are many. And that's maybe why it has fallen apart. There are some very distinct interests and differences between our provinces and maybe they felt at this particular time they have to get our own backyards in shape before we start looking yonder. That generally, I think, sums up what the feeling of the fishermen is, that I have talked to, about the other organization.

MR. COWAN: Yes, Mr. Chairperson, now this is bad news to myself because I'm a strong believer, as I'm certain the Minister is, that when you deal with an organization you try to deal from the basis of the strongest strength possible. And that as the areas of Manitoba, Saskatchewan, Alberta, and Northwest Territories are lumped together for the purposes of the FPMC, I believe, or at least there is a loose co-ordination — I could stand to be corrected on that — then if you had those fishermen lumped together as an association to deal with that corporation and with some of the problems that they share jointly; not to say that they don't have specific problems in specific areas that they could lend some of their time to deal with on an individual basis, but when you destroy that overall organization, then you take away some of the effectiveness of those fishermen to be able to deal with the problems that confront them.

The Minister mentioned that there are numerous organizations in the province that will pick up the slack where the Inland Commercial Fishermen's Association has created by it's, and I hate to use the word "unfortunate" demise, because I'm not certain if it has completely been eliminated yet, but by its downturn in activity.

My question to the Minister is, can he specify as to what particular agencies will be working on behalf of the Manitoba fishermen to deal with their problems and to take up some of that slack that has been created by the downturn in the Inland Fishermen's Association?

MR. MacMASTER: There are numerous organizations in Manitoba representing commercial fishermen that I think are very, very capable, and always have been, of voicing their opinions and their thoughts and their suggested direction to this particular government and past governments, Mr. Chairman.

MR. COWAN: Yes, Mr. Chairperson, and again I may stand to be corrected, I am in some territory that I am not, perhaps, as familiar as I should be with, but I do have a certain awareness of the whole evolution of the Inland Commercial Fishermen's Association, having been close friends with some people who are closely associated with that group's activities and I know that the Extension Services provided tremendous support for the Inland Commercial Fishermen's Association in numerous different ways and that part of the reason for its existence was that support, that the Extension Services was there to help them when they needed it. And it only brings to mind the fact that there is no longer any Extension Services, that the Extension Services Division was one of the first that was chopped by the Minister in his early days in the portfolio, along with a number of other programs which I felt were doing a service to northern Manitobans.

It would seem to me that the Minister, in that case, has to take a certain amount of responsibility for the troubles that are confronting the Inland Commercial Fishermen's Association today, because by eliminating the Extension Services he pulled out the support services of the Commercial Fishermen's Association. Right now I shouldn't be surprised — I am surprised but I really, given all the facts, shouldn't be surprised — that they are in trouble because when you do pull out that sort of support service then you are going to have an operation that flounders about; you are going to have an operation that loses track of where it's going momentarily; you're going to have an operation that can't function effectively and efficiently, and when it can't function effectively and efficiently it has trouble righting itself when the first problem comes along. And I think this is probably what happened. I would have to question whether the Fishermen's Inland Commercial Association's problems and what seems to be their decision to self-destruct was taken because the Manitoba problems were so pressing, although there are many problems in the fishing industry in Manitoba, not all of which the Minister is responsible for. There are some historical problems that have been around for a long time, but the Inland Commercial Fishermen's Association was attempting to deal with some of those historical problems and when you take the support services away then it is going to be in trouble. When it is in trouble, then the fishermen are in trouble because, believe me, Mr. Chairperson, the Association was there to do a job and it functioned and it did a job, and some of the advances that the fishermen made throughout the previous years were because of the activities of some very dedicated individuals in the Inland Commercial Fishermen's Association.

I'm not to say that they were the cause of all its progress, of all the progress of the fishermen in northern Manitoba, but they certainly were a contributing factor, and they are no longer; they are no longer, and that, Mr. Chairperson, means that the fishermen in northern Manitoba have lost a very valuable ally.

And I need only quote once again the Minister's statement: He said they were providing assistance to the Association because "of the quality of advice and assistance it is providing on various aspects of the fishing industry."

Now, I assume that they were providing some of that advice to the Minister because they were certainly providing advice to our previous Ministers, and they were providing advice to myself when I tried to make myself more aware of the problems commercial fishermen have. And I valued that advice and it was, to use a colloquial, it was coming from the horse's mouth; it was straight shooting. It was good advice. They were the people, the front-line people, that were out there fishing the lakes; they were the front-line people that were out there having to cope with the problems.

And I'm certain that the Member for Rupertsland will take this opportunity to speak on this subject because he knows it full well better than I do and he has a far better basis; he knows the historical aspects of the building of the Association and the work the Association did. And now that is not available to the fishermen and that is also not available to the Minister, and that means that the fishermen in northern Manitoba are going to run into problems that wouldn't normally be that much of a problem, because they had an Association to deal with it.

They are now a number of small groups — and the Minister said there are many groups — there are a number of small groups trying to perform the function of this one large group and, to me, it is more appropriate to have that large group made up of small groups, where they can get together and speak in one voice. It is the whole principle of unionism; it is the whole principle of collective bargaining; it is the whole principle of co-operativeness, and it's gone. And it's gone, I think — and I'm only guessing now because I have just found out about it this evening — but it's gone because its main support was withdrawn, was cut back, was restrained by the Minister. And for that reason he has to assume some of the responsibility for the unfortunate, what appears to be, self-destruction of the Inland Commercial Fishermen's Association.

MR. MacMASTER: Well, Mr. Chairman, I don't think that the Inland Fishermen's Association was in position for too many years in the first place. At one time there was a provincial fishermen's association, which the fishermen chose themselves to wrap up and let go and form their own organizations geographically throughout the province, and I think we still receive very good advice from those particular organizations. And it's too bad if the only reason that the Inland Fishermen's Association could not function is if they had government granting. I don't really think that was their total need of falling away, and it's too bad if that was, but the fact of the matter is there are good, solid fishermen's organizations in Manitoba that are quite capable of advising this government and advising others on the problems and their prospective solutions and I think we're increasing the support to them, not decreasing it.

MR. CHAIRMAN: 1.(a)—pass — the Member for Churchill.

MR. COWAN: Thank you, Mr. Chairperson. Well then I would ask the Minister to specify what they are by name and what grants they are getting this year as opposed to what grants they got the last year, in order to prove that there are many and that they are receiving more assistance this year than they did previously.

MR. MacMASTER: Well, the first particular point, there is substantial increase in the Estimates which are under consideration. Lake Associations themselves, a multitude of small groups that were scattered throughout the lakes, have now been formed into large major Lake Advisory Boards, which is certainly supported by this government and initiated by this government, and they are doing a very, very credible job.

MR. COWAN: Mr. Chairperson, then I would ask the Minister — he has given us one of many; I would ask him to give us the rest of the many and also to indicate dollar amounts, to save us the trouble of going through what was said in the Estimates, because I don't see it in a brief glance at it, and also to indicate what lakes those associations are representing. To make the matter easier, I would ask him what were the lakes in northern Manitoba they are representing.

MR. MacMASTER: Well, I will wander from my own Estimates because this isn't even in my Estimates, Mr. Chairman, but to try and conclude the conversations on it, the major lakes in southern Manitoba, the three big ones, all have their own association and northern Manitoba has its own

Northern Manitoba Fishermen's Association, which I think the Member for Churchill is familiar with.

MR. COWAN: Yes, Mr. Chairperson, I am familiar with the Northern Manitoba Fishermen's Association. My question to the Minister — and I know that we are straying a bit and I will just ask this one last question on this matter. Perhaps he has the information and perhaps he doesn't, fair enough if he doesn't because I don't want to put him at a disadvantage if he says they aren't in his Estimates, but can he indicate what increase in government money went to the Northern Manitoba Fishermen's Association this year over last year?

MR. CHAIRMAN: 1.(a)—pass — the Member for Flin Flon.

MR. THOMAS BARROW: Thank you, Mr. Chairman. I think I should say a few words on Northern Affairs, being the northern member, and you are kind of out-gunned when you have two former Ministers of Northern Affairs and my friend from Churchill, who, of course, . . . the leadership, but I will try and get a word in edgewise.

Mr. Chairman, the best speech I ever heard in this House on Northern Affairs was given by my good friend standing across there; it was Sidney Spivak, and he put the whole thing in a nutshell. He knew the problems of the north country; he knew the problems of the natives, not because he was familiar with them but he had heard about them. And he said in no uncertain terms that to cure the problems of the north was going to take a lot of money, millions of dollars to cure the problems. This was the gist of his speech and he spoke for 40 minutes, but what he said made a lot of sense, that it's going to cost a lot of money and it's going to take a lot of time, and it's going to take a lot of perseverance and patience. I don't think anyone knows all the problems and I know no one has all the answers.

We have five northern MLAs at one time, before the Member for Thompson —(Interjection)— five northern MLAs belonging to the government side, and we often got into discussion and debate. We all knew the problems; the only trouble was we all had five different sets of answers. And after a lot of debate, we realized, we all realized, it would cost money. But we decided we would have a northern task force, and of all the things that happened in this House in my span, in ten years, that was the most progressive thing that we did. We went to every settlement, reserve in Manitoba. It was tough going; it was wintertime; it was cold but it was well worthwhile. And we didn't tell them what they wanted, we asked them questions. And we made some inroads. Not as far as I wanted to go, but we did establish a better phone system for them. There were places there had 20 people on one line and this didn't make for good communication, of course.

Another important thing was fresh water, and if you can imagine this winter getting water from a lake with three feet of ice, you know, it isn't the best way to lie, with the luxuries that we take for granted. But we did put in, in a lot of places, a pump system so they did they have fresh water.

Mr. Chairman, they make a lot of mileage on employing natives in the mining area, and this sounds terrific. It's really beautiful. The Hudson Bay Mining and Smelting has had 30 years to employ natives; they didn't do it. They didn't do it because they was an influx of people who were needing jobs. During the depression there was no depression in Flin Flon. It was just an ordinary life there; everyone worked.

As time goes on, Mr. Chairman, they can't any longer get employees to work mines. If you look in today's Free Press or Tribune they are advertising for miners at \$7.09 an hour, and a good miner can double that on bonus, if he has the opportunity. And they're bringing them from Cape Breton, Mr. Chairman, from Cape Breton. Last Friday I had the opportunity to speak with two Cape Bretoners. They were phoned three times in one week to get up there and get to work. They were quite frank about it; they were going to work there to get a stake and take off. The shortage is there.

We are a little too late with this kind of an effort, but it is a step in the right direction and hopefully these people will be trained and take the place in the task force.

One thing I must say, Mr. Chairman, I don't agree with, is the native historical background, their ways. I think we have to do away with that attitude and just be Nanadians the same as anyone else. I work at a school there and they often say, it comes up, just because we're native; just because we're Indian and I say, "Look, I know friends of mine that go to Florida, to Bermuda, to Honolulu to get a brown skin like yours. So what, you have got a brown skin but you're still a person and you have everything going for you that anyone else has."

I'd like to ask the Minister one question before I go any further, Mr. Chairman. Would he consider a follow-up on the northern task force by members from both sides of the House, and have the same kind of opportunity to sit, to listen, tape it and come up with some answers? That's my first question, Mr. Chairman.

MR. MacMASTER: I don't like answering a question with a question but I wonder if the Member for Flin Flon has the documentation that flowed from that Task Force that they initiated. Not probably in the next couple of weeks — I try to be rather busy — but I would certainly like to have that particular literature that he is talking about, the documentation, I'd like to review it and see what the criteria for it was.

MR. BARROW: . . . a book, a whole book. As I said, it was taped and it was put into script and came out in book form, Results of the Northern Task Force. It's available, I'm sure, anywhere you want to . . . It would be easy to pick up in the library, Mr. Chairman.

Another thing that we did that affected the natives as well as other people was the LGD system. I spoke long — not long; I never speak long — but I spoke very emphatically and bitterly against this system because I lived under that system in Snow Lake, a system where we had an administrator and an Advisory Committee. The Advisory Committee was in name only. He was the boss; he was a dictator, and any question I ever asked him, I always got an answer, and it was always "no". And we did the same thing again, Mr. Chairman, we went on Special Committee; we went to every place that had this system and, luckily, or fortunately, I think, we were successful in converting some of them, the majority vote, into Mayor and Council system, and I think it's very effective. I think this should be followed up, too, Mr. Chairman.

I would like to just say a few words about one of my areas; it's going to be shifted now into The Pas Area, but that area is Cormorant. Cormorant is a little, not isolated but they had a road going up to Mile-32 and that was 18-20 miles from there to the town, 18 miles of water or dogsledding it in the wintertime and water in the summertime and they wanted in a road in there badly, really badly. The men in Council wrote letter after letter to me and to the Minister of Highways, and I pursued that to a great extent, and it was negative at first. Finally I wrote one letter to the Premier with a copy to Mr. Burtiak and a copy to me, and it went like this: Look you — I won't say it — down there in Winnipeg, who sit down there and you have everything going for you. You have your railroad; you have your airport and we haven't even got a road. Here's what we'll do. The six miles of that road, of the 18 in muskeg, high water, that we can't possibly touch. It's impossible for us. But if you will do that six miles, you can go to hell; we'll build the other 12 ourselves. This is very impressive, and we built the road. We built the road to the railroad track; the town was 200 yards over a bay to the town. But they get along with this, and after two years it was offered, they had to carry everything, oh, two or three hundred yards from one side of the culvert to the other, park the cars there, they were unprotected, no parking lot. Fortunately there was a place they could park their cars.

But again they came through with this, Mr. Minister. They said, "Look, we'll supply the labour. We have a mill; we'll supply the timber. We need very little finances and we'll do that ourselves too." And they did it. They built a causeway across there, one car. But they did it. They did it themselves. What I'm getting at, Mr. Minister, these people will do it. They will do it given the opportunity, the encouragement. They will do it. It's been shown. And I would hope the Minister will pursue that angle, of letting these people do things themselves instead of us telling them where to do it, how to do it, when to do it.

Mr. I could go on at some length on different places, but I would like to say, since 1966 — I've had the opportunity to meet all these children from the northern areas, from the reserves, isolated areas, and they go to school. They go to school at Cranberry Portage, a residential school, and it's a big improvement. A school built by the Conservative government. It was a good effort, a real good effort. The fact now, it's getting outdated, the enrollments going down. By that time we had as high as 450 students, and when those students come to that school, Mr. Speaker, they come from Manigotagan, my colleague's area, grade 9 students, from a long distance. They couldn't go home on weekends. They went home at Easter and Christmas. And the first year those kids are lost, Mr. Chairman. They're lost because of strange surroundings, white teachers, white people, away from home. It was wonderful to see how they adjusted that one year, adjusted to a different way of life completely. It can be done. The second year they have it made. And these kids, Mr. Chairman, I was fortunate enough to have them in Phys. Ed., and not only native kids, not only Indian kids, but white kids, who showed to be competitive, to have stamina, to have the will to win. And also they could lose. Now with these qualities, what more do they want to go further in the life and, you know, maybe get the things they want with some help. I think it can be done.

Mr. Chairman, when you look at the whole situation, one of the places that we went to was Shamattawa. I was amazed that people live in such an isolated area and you realize the troubles there, the alcoholism in Shamattawa, it's out of control. The glue sniffing. Why do kids sniff glue? Let me tell you, if they can't get glue, they get gasoline. Do you know why they do it? Because they're very unhappy of what they are or what they're doing. That's a form of becoming unconscious

to get away from it all. You see it in Skid Row in Vancouver. You see it every day down there, if you ever go down there, people who haven't got the guts to commit suicide or drink themselves to death on Skid Row. Much the same. That's how low you can get and, Mr. Chairman, the head of the Indian Bureau; you were there, Mr. Minister, and he impressed me very much. Not only was he good at telling you about the problem, he had a good sense of humour. He said, "The white man tells me I'm nomadic. Where the buffalo go, I go. So I'm nomadic, because history tells me I'm that way. It also tells me after the day's work, we get together, we drink wine and we get drunk and we fall down. Because the white society tells us we do." And if you tell anyone enough — you see it with kids. You can tell a kid he's no good, he's stupid, and that kid will be that way, and we're doing that with the native people in many instances.

Mr. Chairman, I could go on at great length and I could tell you what I think of the answers, and I know I'll be wrong because I haven't got the answers. But I'd ask this Minister to take a long deep look at a problem that we aren't going to solve. This problem will never be solved in this Legislature. My friend from Thompson won't solve it, or my friend from Churchill, or Rupertsland, won't solve it. But if hopefully, hopefully we can make an inroad into this. You've got to start somewhere, and to start, Mr. Chairman, is to go in and let these people tell you what they want and give them opportunity and spend a few bucks. If Joe Clark — well, you've practised restraint on one hand — will promise \$7 billion in give-aways on the other hand, surely we can spend a few bucks and a little time, a little effort in helping the problems of these people. Thank you, Mr. Chairman.

MR. CHAIRMAN: 1.(b)—pass — the Member for Rupertsland.

MR. BOSTROM: Well, Mr. Chairman, I would hope that the Minister would respond to some of the questions, indirect and direct, which I posed in the comments that I made earlier. One was, to be specific, the relocation of the air strip at Poplar River. I wonder if the Minister could indicate if his department is planning to do any relocation investigation over this fiscal year, and if so what area of his Estimates would relate to that kind of research work.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: Mr. Chairman, it's my understanding that our people have been talking continuously with the people from Poplar River and that there seems to be an internal debate taking place within the community itself as to whether it could not be upgraded rather than relocated, and we're as aware as the Member for Rupertsland of some of the problems of upgrading it, but again discussions are taking place with the community of Poplar River on that particular item.

MR. CHAIRMAN: 1.(b)—pase Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, to be more specific to the Minister, on that question, I'm aware that the community of Poplar River is going through a sophisticated community planning study, which hopefully will come up with a very specific set of recommendations as to the future development of Poplar River. One of those will be, as I understand it, the community's desires as regarding the air strip, and I believe they will be having community meetings and they will come up with what will be not only a location of the air strip, which will be what the community has as its desire, but a location that will be suitable in terms of the future development of that community. And in the event, and when they do come up with that recommendation to the Minister, and I expect they will have this by, probably the fall of '79, will the Minister consider at that point introducing into his Estimates an expenditure to accommodate the desires of that community?

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: I think, Mr. Chairman, as I've outlined and as I suggest is our policy, and I've been — I don't think chastised, I've certainly been criticized, and it's been brought to my attention to keep in mind that the priority is that the community will have to be established during the next few months, and I can't assure the Member for Rupertsland that the airport will be the thing that we're looking at relocating or upgrading next year, though there is a need, to a certain degree, to look at doing that. That particular community may have some other priorities at that particular time.

I can assure the member that we will continue to talk to ' the people in Poplar River, and as their priorities surface, and I think the Member for Rupertsland is aware that, not only in communities or in reserves, but in cities and villages throughout our provinces, we've witnessed what appears

to be a high priority today, or we may — certainly not be the priority of that community or that city or that village come fall when they know that priority number 1 is the one that's going to get the major amount of funding, at least to get started or finished or partially started or whatever, those priorities will be looked at very seriously.

MR. CHAIRMAN: The Member for Rupertsland.

MR. BOSTROM: The other concern I brought to the Minister's attention, and I hope he will have the opportunity to discuss it soon with his colleague, the Minister of Resources, is the allocation of resources near the communities of Bissett, Hole River and Manigotagan to outside interests, and I would hope that the Minister would work with his colleague, the Minister of Resources, in assuring those communities that there will be a certain radius around their community that will be protected for purposes of their long-term economic base, and I would like to hear the Minister's comments on that.

MR. MacMASTER: Mr. Chairman, I don't know if the answer is to put X mile of a radius, be it 10, 12, 15 or 20. I think that what has to be done and maybe more of it has to be done, is making communities aware of the type of activity that's possible within their particular — I think the Member for Rupertsland used "the easy day's travel" — and keep them informed of the type of development that there is a possibility of taking place within that particular area. I'm not really hung up on whether it be a 12 mile limit or 15, and that means that somebody can come in on the 16th mile and do what they wish. I think a lot of common sense has to be displayed, and I think a lot of community commitment has to be displayed, and I think a lot of effort on behalf of Renewable Resources people and ourselves has to be displayed.

MR. BOSTROM: Well, Mr. Chairman, I hope that the Minister will give it that commitment and that he will assure those communities when they communicate with him and his colleague, the Minister of Resources, directly, that they will give them the option of having the benefit of the policy of having a resource base guaranteed to them. And by way of guarantee, I mean they are not requesting exclusive access to the resources, but they are asking that they be given a first priority access to those resources.

Moving on to another area, Mr. Chairman, I believe in the Estimates, as we discussed, there is an item relating to an all-weather road access to Cross Lake. In the event that the Minister is successful in obtaining the funding and the road construction is complete in one, two or three years, whatever it may take, does the Minister have any long-term plans for the vehicle ferry which is operating in Cross Lake at the present time? I would like to take this opportunity to make a recommendation to the Minister. Seeing that in one, two or three years, with an all-weather road access to the community of Cross Lake there will be a surplus ferry, at least in that area. There are a number of communities yet operating in Manitoba with no, little or no road access, that is, perhaps they have a winter road connection and that's it, where it would be possible to give them virtually all year round connection with only being cut off from surface transportation in the breakup and freeze-up periods, by introducing a ferry access to the communities. And I'm talking of two on the east side of Lake Winnipeg at the present time, that could be accessed quite easily with a ferry such as the one from Cross Lake, and that is the communities of Berrens River and Poplar River on the east side. And I would hope that the Minister would be considering those two in the event that these ferries that are operating in Cross Lake and I believe also the one in Split Lake, become surplus to the government's needs in those areas, because the communities on the east side of Lake Winnipeg are being serviced less frequently at the present time than in the past, because the lake transportation industry has not been operating as fully as it has in the past. With a shutdown of the major construction activity around Lake Winnipeg, there has been a lessening of the amount of lake boats operating on the lake, consequently these communities have suffered from a reduction in service.

One example, Mr. Chairman, is with the shutdown of the 8-mile channel and 2-mile channel and near the Jenpeg site. The number of barges that are operating on Lake Winnipeg has been severely reduced. And with the introduction of an all-weather road into the community of Norway House there has been less demand for service on the lake. Because Norway House was a major supply centre serviced by Lake Winnipeg, it has now meant that there is really less economic justification for having an enterprise operate a service to these communities. And in any case, Mr. Chairman, these communities do not enjoy a ferry type access, that is giving them the opportunity of being able to bring their vehicles into the community and travel out from their communities via vehicle traffic. So, Mr. Chairman, those two communities could be connected to the road system in Manitoba by the introduction of one ferry service on a schedule basis or perhaps two if the two ferries in

the north could be surplus to the government's needs and moved into that area. I would ask the Minister if he is considering that possibility or has some other alternatives in mind for those ferries which will presumably become surplus.

I know that one other possibility in the north and I would not want to sound parochial in this in asking for my own constituency, because I know that there other areas in the north that require a vehicle ferry service. One of them is South Indian Lake, which I believe the Minister should be considering. The road connection to Gillam could be extended further on with a ferry service across the Nelson River which could provide a connection to Gillam. So those are two other possibilities that the Minister should be considering.

I would think that even within the Canada-Manitoba Northlands Agreement that all of these possibilities could become reality if the government so desires to make them a reality. Because those two ferries that have been already financed under the Northlands Agreement could fill the vacancies or two of the possibilities I mentioned and one or more ferries could be built under the Manitoba Northlands to satisfy the other needs that I have identified. I would like to hear the Minister's comments on that.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: All the particular areas that the Member has talked about will be under consideration when that ferry become redundant, Mr. Chairman.

MR. CHAIRMAN: (1)(a)—pass — the Honourable Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, just following up on some items that my colleague, the Member for Churchill, was discussing earlier, the Freshwater Fish Marketing Corporation. I was a bit concerned to hear the Minister saying that he would consider perhaps doing away with The Freshwater Fish Marketing Corporation. I am not exactly sure that those were the words he used and I apologize if I am misinterpreting him. But I wish to comment on this because it is a very serious concern of the fishermen in Manitoba. There are some fishermen who are completely against the Freshwater Fish Marketing Corporation. I am aware of that and I am sure the Minister is aware of that. There are some very vocal fishermen who are completely against the Freshwater Fish Marketing Corporation. But I would say that the vast majority of fishermen are completely four square behind the Freshwater Fish Marketing Corporation. They may be somewhat concerned about some of the operations of the corporation. They will be pressing as hard as they can and they will want the Manitoba government to press as hard as it can to improve the operations of the corporation and make it possible for them to earn a better income through better fish prices and better administration of the corporation. But, Mr. Chairman, the vast majority of fishermen do not want the corporation tampered with in any major way. And they certainly do not want to go back to the old days of having the private fish companies competing against one another to purchase the product the fishermen worked so hard to harvest.

And I am speaking here with my knowledge of having talked with a majority, I believe, of fishermen on Lake Winnipeg, a large number of fishermen in northern Manitoba and other areas of Manitoba where they may be a vocal minority who are speaking out against the Freshwater Fish Marketing Corporation. But the vast majority of fishermen are concerned when they hear comments which have been expressed in this House and in other places by politicians who say that they are seriously looking at making changes in the corporation to the extent of even doing away with it and replacing it with something else.

There are people who the honourable Minister is familiar with operating on Lake Winnipeg, the President of the Northern Co-operatives Limited, Bill Bennett, who has been a long time fishermen fisherman on Lake Winnipeg. You take the fishermen from Princess Harbour, the agent there, Franklin Magnusson and Ed Anderson and other responsible intelligent-minded fishermen on Lake Winnipeg who are very seriously concerned about negative comments about the corporation because they can see the very good deal which has been brought to them as a result of marketing their fish through one desk, wiped away and lost through irresponsible actions. So I would want the Minister to be very careful in the statements he makes in that respect and the actions which he takes in that respect. Because the fishermen that I mentioned and many others are very concerned about this and would want to be assured that the Manitoba government is not going to be taking any action to jeopardize the concept of the Freshwater Fish Marketing Corporation and in fact to go further than that, they would not want the government to be tampering in any major way with the corporation. They would want the government to take action in pressing the federal government to make the Freshwater Fish Marketing Corporation a more effective agency. They would want them to sharpen up their administration so as to cut down the costs which the fishermen have to bear

collectively for the operation of that facility and that company. But they certainly would not want the government to do away with it. They are firmly in support of the Freshwater Fish Marketing Corporation.

I would want the Minister, if he would, to clarify his position on that. Because I believe that some concern has been left in the minds of the fishermen in Manitoba because of the lack of a specific position or comment on the part of this Progressive Conservative government.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: Mr. Chairman, I think it would take us hours to talk about some of the problems of the commercial fishing industry which, again, isn't directly under my jurisdiction as the Minister of Northern Affairs would certainly have a sincere interest in it. The entire FFMC has to be reviewed and is being review and many of the things that the Member for Rupertsland says, there's no question there is fault there and I think it's a continuing pressure that has to be applied to them to get that particular agency working more favourable on behalf of the fishermen in this particular province. This isn't a new problem, it's a problem that has been with us for a good many years.

MR. CHAIRMAN: 1.(a)—pass — the Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, with respect to the overall Canada-Manitoba Northlands Subsidiary Agreement and I refer to Table 1 in the third year review of the Manitoba Northlands Agreement which has been presented and signed by the federal co-manager, Gene Edmonds and the provincial co-manager Merv McKay.

They indicate the original allocation for the Canada-Manitoba Northlands Agreement for the three years it has been operating is \$138,749,000.00. They have recommended by review a revised allocation of \$155,000,416.00. I wonder if the Minister could indicate how his Estimates this year of \$24,742,000 approximately for 1979-80 fiscal year compared to the original allocation which works out to, if you divide it by 3, some \$40 million and how it relates to the revised allocation which if divided by 3 is \$50-some million. I wonder if the Minister could indicate whether or not the \$24 million that is being allocated in the Estimates before us represents a reduction from the original allocation or am I making some error here in terms of interpreting the information before us? I would like to hear his comments on that.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: I gave out this afternoon the specific amounts that had been allocated over the last period of years. There is \$34 million worth of cost sharing that this particular government is in a position to take advantage of next year in that particular agreement and I can get the figures for the member I don't have them with me. There are X number of million attached specifically to the Indian Affairs department which we have no say as to the manner in which that is expended. If the member wishes I can get that breakdown of those figures but there is in fact \$34 million of cost shareable benefits that we can derive next year and that will be the limits of our participation in the program.

MR. BOSTROM: Mr. Chairman, I am wondering if the allocation of moneys to Manitoba as a province from the federal government through DREE has somehow been changed in terms of the priorities this government is putting on the expenditures of those moneys. And my concern here is that the moneys that have been allocated to Manitoba that previously were prioritized to be spent in northern Manitoba may now be partly spent in some other area. I wonder if the Minister has any information on that or is that a question that would be more properly put to the Minister of Finance? My specific question is, how much money is allocated to Manitoba by DREE? And of that total amount, how much is spent on items related to the Manitoba Northlands? And how much is spent in other areas, perhaps, such as the Enterprise Manitoba or other cost sharing agreements that the Manitoba government may have signed with the federal government?

MR. MacMASTER: I am sure that the Member for Rupertsland appreciates that I do not have those figures and I would suspect that in his statement when he said the Minister of Finance is the exact place for that type of major expenditure, in particular, provincial allocations and participation in DREE should be directed.

MR. CHAIRMAN: The Honourable Member for Churchill.

MR. COWAN: Thank you, Mr. Chairperson. While we are on the Minister's salary I think that it is only appropriate that we review an incident that occurred not too long ago in the province and I am talking in specific about the Manitoba Metis sit-in at the Canada Manpower office on Lombard Street — and during that time, Mr. Chairperson, the Metis people gave to the Premier of the province a list of suggestions in a letter dated April 17, 1979, and as part of that they suggested 5 clauses of an economic development agreement. I would just like to get some response from the Minister on how his department is dealing with these suggestion that have been put forth by the MMF. It is a letter that was signed under the signature of the President of the Manitoba Metis Federation.

And the second clause talked about legislation and they use the term, "affirmative action" and by that they meant in the employment disadvantages for individuals that are caused by attitudes towards their ethnic or racial origins. And I assume what they are talking about in this respect, although I haven't the details of their plan, I assume they are talking about the type of legislation that would ensure preferential hiring for say, northern Manitobans, people who have lived in northern Manitoba for a certain number of years. So that the jobs that are available in that area would go to residents from the area. And I would like the Minister to, at this time, acquaint us with his own particular philosophy on the matter of affirmative action legislation.

MR. MacMASTER: Mr. Chairman, I'm not sure where, in society, it has ever worked that you legislate people to work. I think what we have demonstrated under the Northern Affairs Budget is a good amount of opportunity that will be available for people in northern Manitoba to participate and, of course, better themselves and better the plight of themselves and their families, and I think that's really the direction to go rather than legislate the affirmative action type of approach that the Member for Churchill was talking about.

MR. CHAIRMAN: 1.(a)—pass — the Member for Churchill.

MR. COWAN: Yes, Mr. Chairperson, to set the record straight, it's the affirmative action approach that the Manitoba Metis Federation people have suggested to both the Premier and I'm certain the Minister of Northern Affairs.

He says that you can't legislate people to work. Well, I'm not certain that's how we should be phrasing it, but he says that they are going to create opportunities that people in northern Manitoba can take advantage of, yet those opportunities aren't happening. At least, they aren't happening fast enough for the Manitoba Metis Federation and the Metis people whom they represent in northern Manitoba, because they are telling us that out of the nearly 33,000 Metis people who can be classified as part of the potential labour force, nearly 22,000 of them are currently unemployed, and a large percentage of those in northern Manitoba.

So we're talking about unemployment rates of 66 percent of the Metis and non-status Indians, where we have localized unemployment rates in northern communities of 80 and 90 percent even, of Metis and non-status, and including status Indians also; I don't want to build a differential in here that doesn't really exist. Everyone in those communities are unemployed, regardless of their status, or at least great numbers of them are unemployed. And so they aren't creating the opportunities.

I think it's common knowledge, and I don't think that it can be argued again too strenuously, that unemployment in northern Manitoba has increased under this government, that there are less opportunities for the people in northern Manitoba to find gainful and productive employment.

So when the Minister tells us that his government is creating opportunities, I have to question his statement and I have to just bring to light the fact that the unemployment is increasing and that the opportunities for work are decreasing under his restraint programs. It's a natural effect when you have that sort of restraint coupled with other circumstances which his government has chosen to allow to be out of their control, such as the cutbacks at INCO, which occurred shortly their election as government. When you have those sort of restraint and cutbacks then you're going to have less opportunities. And I think it's that industrial climate and job climate that has been created by his government that is forcing people into public postures such as they have taken at the Manpower Offices and other public postures that have occurred in the past few months, and probably will continue to occur. I'm not one to say, but I don't see the situation becoming any better for these people. As a matter of fact, I don't see the situation becoming much better for any Manitoban in respect to opportunities to gainful and productive employment under this government. But only time will tell, Mr. Chairperson.

What we do have here is we do have a positive move by the Manitoba Metis Federation and the Metis people asking for the government to recognize the fact that there is 66 percent unemployment — and I don't think the Minister can argue too strenuously against those statistics

— and recognize the fact that they don't have the opportunities and so to write into legislation affirmative action that would enable them — and it could be something as simple, I'm certain, as a preferential hiring clause which says that a person has to be a resident of northern Manitoba for 10 years or 15 years or five years, or whatever the limit they want to make, and they would get preference as to job opportunities that they are capable of handling, as they occur.

The Minister tells us that he doesn't want to do that, that he doesn't want to legislate people to work. And again I take offence to that term. But that seems to indicate the philosophy of the government. And given the fact that they don't want to take that course of action, which is one course of action out of many, and given the fact that opportunities are not increasing, what sort of proposals does the Minister have to deal with the frustrations that the Metis people and the status Indian people and many people in northern Manitoba are feeling when they are confronted with a lack of any sort of opportunity for gainful and productive employment?

MR. CHAIRMAN: The Honourable Member for Churchill.

MR. COWAN: Yes, thank you. Well, then, lacking an answer to that from the Minister, I understand that the Manitoba Metis Federation has put forth before the government a document, a five-year stabilization plan, which would work to create some of the opportunities and create long-term job employment programs in some of the industry that would come out of the Metis communities, that would be run by Metis people and the Metis people would quite deservedly gain the profit from, either on a community basis or an individual basis; that they have put forth a five-year stabilization plan. They may have opted the terms of it somewhat in the past couple of weeks, but that they had come before the government, the Premier and the Minister, with this plan, and I'd like right now the Minister to take the opportunity to provide us with his response to the general idea of a five-year stabilization plan, as incorporated in the proposal that was, I believe, first put forth in December of 1977. I could be out by a month or so on that, but December, 1977, it was first put forth before his government and has been rejected consistently and constantly ever since.

MR. MacMASTER: There have been a variety of proposals put forward and I understand that some of them are being revised and will be coming back to us, Mr. Chairman.

MR. COWAN: Yes, thank you, Mr. Chairperson. Well, I would ask the Minister, then, revised in what respect? What is it that the government has found in those proposals that they consider to be necessary for revision?

MR. MacMASTER: The MMF themselves are revising them, Mr. Chairman.

MR. COWAN: Yes, a question to the Minister is then: Is the MMF advising him upon the suggestion of his government?

MR. CHAIRMAN: The Member for Churchill.

MR. COWAN: Yes, thank you, Mr. Chairperson. Not receiving an answer on that, I would just ask the Minister if this would be the appropriate time or perhaps it would be during the Labour Manpower Estimates. I would seek some direction as to whether we should be discussing the various relocation programs such as the Tawow Programs under this particular item, the Minister's Salary, or should we be waiting for the Labour Estimates on that?

MR. MacMASTER: I think it would be more appropriate under the Labour and Manpower Estimates, Mr. Chairman.

MR. CHAIRMAN: The Leader of the Opposition.

MR. PAWLEY: Mr. Chairman, I would be remiss, I believe, if I did not offer a few comments in connection with the Minister's Salary, pertaining to these Estimates.

I can recall when I was first elected in 1969 the presence of Mr. Gordon Beard, who was then the Member of the Legislature for Churchill. Gordon Beard had represented Churchill in this House for a goodly number of years, and I believe had represented northern Manitoba in a very effective manner. And it was some time in 1967-68 that the then Member for Churchill realized the fruitlessness of attempting to obtain benefits for northern Manitoba within the confines of a Conservative government.

And I can recall many, many speeches in the Legislature by the then Member for Churchill, as

well as comments that he would offer afterwards privately as to the frustrations which he had felt attempting to ensure some benefit for northern Manitoba from the then existing Conservative government. And it was with a great deal of dismay and, I'm sure, sadness that the then Member of the Legislature for Churchill departed the Conservative benches and sat as an independent.

Then, Mr. Chairman, there was a period of time in which I believe that a great deal of initiative was undertaken insofar as northern Manitoba was concerned. There certainly was a move to ensuring that the colonial type of system which existed throughout the remote communities, insofar as the attitude of the provincial government toward the remote communities, was changed and through the Department of Northern Affairs I believe that great progress was made in this respect.

I believe, Mr. Chairman, great progress was made insofar as the development of job creation and various Manpower training programs. There was great progress made, Mr. Chairman, insofar as ' using the instrumentality of the Crown, through various Crown corporations and through the co-ops, and, yes, through the Community Economic Development Fund in encouraging private sector to develop job creation in the northern parts of the province. Mistakes were made, but in any undertaking in which we are confronted with immense problems, mistakes will be made if effort is undertaken to correct some of those problems.

I believe, Mr. Chairman, that what is most distressful — and certainly I have found in my conversation with northerners to be most distressful — is the present direction of this government. The efforts and the progress that had been made in order to ensure some level of local self-government in remote communities appears to be in the process of being reversed. The self-governing process in which northerners were more and more undertaking responsibility for their own local affairs, appears to be in the process of being transferred more and more to decision-makers in Winnipeg under the present Minister of Northern Affairs. And you know, Mr. Chairman, that that wasn't sufficient. There seems to be complete retreat insofar as any innovation in attempting to ensure job creation.

It was only approximately a year ago that the First Minister made reference to those that were unemployed, rather than the creation of jobs that they could draw Unemployment Insurance. Mr. Chairman, we have seen from the submissions and the demonstrations by the Manitoba Metis Federation that they want, not welfare, they want jobs. They had made proposals to this government, many many proposals and proposals which appear to still await the attention of a government that I fear has really no get-up-and-go insofar as attempts to do something about the mounting problems that are being faced in the various remote communities among our Metis and native people. I believe that is the reason that the Metis people attended and indicated their concern right within this Chamber, in their attendance some months ago, was the lackadaisical attitude and approach by this Conservative government. And we see, Mr. Chairman, a reversal insofar as any efforts to use and to develop economic agencies so that people themselves can develop their own destinies and their own communities. We also find that — and it's rather paradoxical that during the period of this government, within days in fact, of the 1977 election, mass layoffs at Thompson, and really no initiative on the part of this government to try to moderate the injurious effects and to try to find solutions to the layoffs in Thompson, with the consequent social and economic results to the city of Thompson.

We have seen insofar as — the Member for Churchill was only just dealing with this matter, the fact that there is no attempt to develop some solution insofar as ensuring that northerners receive some form of job opportunity, preferential treatment is not considered to be wise by this government. Let them propose some other solution so that we can commence along the road to ensuring that northerners who wish to work, and the vast majority do wish jobs; they want to produce and want to contribute to their provincial community, have opportunity to do so. But there appears to be no strategy, no strategy of any major proportions outside of tokenism on the part of this Minister, this government across the way, in order to bring about job creation, training, in the northern areas. I know the Minister referred to programs involving 40, or 50, or 60 individuals that will be relocated and given job opportunities in some mining communities, but the effort is nothing short of tokenism on the part of this government.

I believe, Mr. Chairman, as a result of my most recent visit to northern Manitoba, that there is a general reaction setting in against this government in northern communities. I believe, and I believe I must state this, that possibly that reaction to some extent will be translated in the results in the forthcoming federal election. It's possibly unfortunate that the sitting incumbent in Churchill finds himself campaigning with the yoke of the present provincial government around his neck. But more and more people in northern Manitoba are saying, "Look, we have seen what has happened to us job-wise, opportunity-wise, future-wise, under this government, in a short space of eighteen months under a Conservative Government. We're not going to jump from the frying pan into the fire by electing a Conservative Clark Government in Ottawa, which has already boasted that it will eliminate some 60,000 jobs. It hasn't indicated where those jobs will be eliminated from. And

know that there are to be layoffs, and then those layoffs will in all likelihood occur in northern communities, out in the field. They're not going to take place in the offices, in the centre; they're going to take place in the fields, and particularly in northern Manitoba, northerners have found has been the result of layoffs and cutbacks, as a result of this provincial Conservative Government's actions in Winnipeg.

So I believe, Mr. Chairman, that further has to be said. Really, it's unfortunate this department appears to have shrunk to a department that in fact is no longer as meaningful as it was a few years ago, and because of the program and the effort in this department, it doesn't appear to warrant any longer the time that once used to be spent in this program when formerly the department had many programs, many initiatives to offer, many challenges to propose, some of which may have been mistakes but at least, Mr. Chairman, there was a genuine effort to accomplish, and much was accomplished. And only great things can be accomplished through effort and through sometimes experimentation, in order to ensure that people leave welfare rolls and the lists of the jobless and join society in useful employment.

I believe that this government has deserted northern Manitoba. I believe this government does not prioritize northern Manitoba. I believe that this government has really demonstrated very little interest in northern communities. I say this, Mr. Chairman, as a result of the expressions of concern that I hear and that I received on the few occasions that I've had to travel north. I've been in the Minister's constituency, I've been in the Member for Churchill's constituency, the Member for The Pas' constituency, all in the last little while. I have spoken to hundreds of people, particularly in the last few days, and certainly, there's a very clear and obvious impression that is quite current and I believe, quite justifiably current insofar as the present views of northern people toward this government.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: I appreciate the fact that the Leader of the Opposition came in in time to make some comments on my particular salary. I also appreciate the fact, Mr. Chairman, that he has dragged out an old speech that he's made several times. He's made reference to a man who has passed away, who was a very very personal friend of mine, and as far as I am concerned, his contribution was absolutely negligible to this particular discussion.

MR. CHAIRMAN: 1.(a)—pass. Resolution 100: Resolved that there be granted to Her Majesty a sum not exceeding \$198,200 for Northern Affairs—pass.

That concludes the Estimates of the Department of Northern Affairs and by the rules, I am told we can't revert to the other department after 10:00 p.m.

Committee rise.