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DEBATES
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PROCEEDINGS

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LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 7, 1979

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): I should like to direct the attention of the Honourable Members to the gallery, where we have 30 Grade 9 students from the Westgate Mennonite Collegiate. These students are under the direction of Mr. Jake Pankratz. This school is in the constituency of the Honourable Member for Wolseley.

We also have some students from the Melita High School. This school is located in the constituency of the Honourable Member for Arthur, the Honourable Minister of Agriculture.

We also have 30 students from the Sacred Heart School from Sacred Heart, Minnesota. These students are under the direction of Miss Rachel Anderson.

On behalf of all the honourable members, we welcome you here this afternoon. Presenting Petitions . . . Readings and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Mines, Resources and the Environment.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, I would like to table the May 7, 1979, Flood Report prepared by the Water Resources Division.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, before the Orders of the Day, I would like to make a brief statement with respect to the deadline for filing claims for reimbursement under Pharmacare — I have copies. Mr. Speaker, the deadline for submission of claims for reimbursement of 1978 prescription drug costs, under Manitoba's Pharmacare Program, has been extended to May 31st. The deadline for Manitobans to claim has been moved back by one month from the former deadline date of April 30th in order to accommodate persons who have been effected by flood conditions in the province.

For 1978, the Program provides for reimbursement of the costs of virtually all prescription drugs in excess of \$50 in each calendar year incurred by an individual or family including dependent children. Claims for 1978 should be sent to the Pharmacare office on Empress Street. Claimants should not submit receipts for prescription drug costs for 1979 with their 1978 claims, because 1979 is a separate benefit year. Some 102,000 claims for 1978 have been submitted to Pharmacare and processed as of April 30th, Sir.

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, I want to formally table the Hydro Annual Report for the year ending March 31, 1978.

Mr. Speaker, I wonder if I might also take this opportunity to advise the House that the government's intention with regard to the Budget is to introduce it a week from tomorrow, May 15th, at the usual time of 8:00 p.m. a week from tomorrow.

MR. SPEAKER: Notices of Motion.

INTRODUCTION OF BILLS

MR. LEONARD S. EVANS (Brandon East) introduced Bill No. 44, An Act to Amend the Brandon Charter.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I'd like to direct a question to the Honourable Minister of Mines and Natural Resources with respect to his responsibility for the Parks Branch. Has the minister been made aware or is he aware of a situation at Red Rock Lake where cottage owners, who previously had access to some reserved space on the lakefront, are now being told that this access is being sold from one private person to another, and that they no longer will have the lake access which they were assured of when they purchased the lots from a private person many years ago. Is the minister aware of this circumstance?

MR. SPEAKER: The Honourable Minister of Mines, Resources and the Environment.

MR. RANSOM: Mr. Speaker, I'm sorry I missed the name of the lake that the honourable member was referring to.

MR. GREEN: Mr. Speaker, Red Rock Lake in the Whiteshell.

MR. RANSOM: I'm not aware of that situation, Mr. Speaker. I'll take it as notice.

MR. GREEN: Mr. Speaker, in view of the fact that the matter is imminent and urgent and that the residents are advised that a transfer of public reserve property or land which was reserved as public reserve property when they purchased their cottage lots is now alleged to be being transferred from one private person to another, would the minister put an urgent label on this matter and see whether the residents can be protected?

Mr. Speaker, I ask the minister to note the further question that residents have been paying the Parks Branch for years with regard to their putting of boat docks and facilities of that kind on this public reserve land. They've been paying rental to the Parks Branch on the assumption that it was public reserve property.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Member for Brandon East.

MR. EVANS: Thank you, Mr. Speaker. I'd like to address a question either to the Minister of Finance or the Minister responsible for Public Utilities Board, and I'm not sure who that is. In light of the recent report whereby an investment broker is reported as indicating that Inter-City Gas is a likely candidate for a takeover by another company wishing to enter the energy field, I'd like to ask the government whether they have any information on a potential takeover of Inter-City Gas which has its headquarters in the City of Winnipeg?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, the Public Utilities Board officially reports through the Minister of Consumer and Corporate Affairs, but with regard to Inter-City Gas which may have some energy association, we've not been advised of such a move.

MR. EVANS: Would the honourable minister then take it upon himself, perhaps through the Public Utilities Board, to keep a watching brief on this particular matter,

MR. SPEAKER: The Honourable Member for Brandon East with another question.

MR. EVANS: Yes. I gather from the minister's nod of the head that the answer is yes, that through the Utilities Board or through any other vehicle at the disposal of the Government of Manitoba, they would keep an eye more or less on this possibility. Would the government be prepared, Mr. Speaker, to use its authority, again perhaps through the Utilities Board, to ensure that no takeover that might occur, that no takeover would work to the detriment of the Manitoba economy, namely no removal of the Head Office of Inter-City Gas Company would take place?

MR. CRAIK: Mr. Speaker, we would be interested in following that up. In terms of the Public Utilities Board's responsibility its terms of reference would not extend into that area, but the government then, particularly from the point of view of economic development, would be most concerned that

the head office of a group that does make such a contribution to our society as Inter-City Gas does, that it would remain here.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Thank you, Mr. Speaker. My question is addressed to the Minister of Finance, who's responsible for the Energy Council. Can the minister indicate why Polar Gas has abandoned the Interlake route and the Winnipeg hook-up in its pipeline application to the National Energy Board?

MR. CRAIK: Mr. Speaker, I think that the route that they're making application for at this time is the traditional route that they have always set from the start as being their primary route, but they have more recently designed a second route, which I understand will come before the National Energy Board as well, which in fact moves substantially further west and integrates the Beaufort Sea gas area with the mid or eastern islands, central island of the Arctic, and in fact, Mr. Speaker, comes down through the Interlake but more importantly comes down through about the corner of the Saskatchewan-Manitoba border at the 60th parallel, and comes down through a great deal of the industrial mining area of Manitoba. We are hopeful that that is the particular route that finally emerges as being the most sensible of all the ones that are being proposed, and I include with that the Dempster Route that appears to be closer to being a go-ahead than the present polar route being applied for.

MR. PARASIAK: Yes. Supplementary to the minister. In light of the fact that a Mr. McCutcheon, who is the spokesperson for Polar Gas, this morning in an interview on radio indicated that the alternative route, namely that through the Interlake hooking up with Winnipeg, has been dropped from the formal submission of Polar Gas to the National Energy Board. Would the minister undertake to look into that and determine whether in fact the eastern route, through Longlac, Ontario, isn't predicated on the exportation of more natural gas from Canada to the eastern parts of the United States?

MR. CRAIK: Well, Mr. Speaker, they're all predicated on exports to the United States on that project alone. The project which would integrate the Beaufort gas with the Arctic Islands gas has the greatest potential of leading to more use in Canada than either of the proposals that are now going ahead. I can't say anything further, we're in touch with them on it. The last discussions I had with them is that their preference was — but they didn't yet have all their studies done — to go to the more westerly route although their initial application to the National Energy Board to start their case is for the traditional route which they originally started with, which they had all their economic engineering and environmental studies done on and wanted to get it started.

MR. SPEAKER: The Honourable Member for Transcona with a final supplementary.

MR. PARASIUK: Yes, if the Minister is going to be in contact with Polar Gas or his staff is, could he look into the assessment of the socio-economic report of Polar Gas, which indicates that the pipeline construction in Manitoba will not make much of a dent on northern Manitoba's unemployment problem, as Polar Gas projects that 7,000 adults will soon be unemployed in northern Manitoba? Would the Minister or his Department look into that study which Polar Gas has submitted to the National Energy Board?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Well, Mr. Speaker, that's contrary to the information which has been made available to us which is that either of the routes in terms of the temporary employment during the construction period would be very high for the province of Manitoba, particularly because the transportation of a great majority of supplies for the construction is through Manitoba, through the Hudson Bay line and into Churchill and as far north as the railway goes, so from a point of view of the supply lines, construction, everything else, either of the routes does provide a very significant input. It's the long term employment that causes some difficulty in that if it were to come down through the Interlake you could expect some more long term employment, although I have to point out that a pipeline once completed isn't a large employer of people.

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

MR. A. R. (Pete) ADAM: Thank you. My question to the Minister of Education, I would ask the Minister if he could advise the progress status — what the progress status is for the construction of a school at Hillridge, Ebb and Flow?

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS: (Gimli): Mr. Speaker, negotiations are still under way in that regard.

MR. ADAM: Could he give us any indication when these negotiations will be finalized and that construction can proceed? Has he any information on that?

MR. COSENS: Mr. Speaker, I would hate to say soon because that sounds a bit facetious. I would expect that those negotiations will be completed in the very near future and I am hopeful that that construction will be able to go ahead in the next few months.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'd like to direct a further question with regard to Red Rock Lake to the Minister of Mines. Can the Minister see whether the Department is facilitating another major subdivision on Red Rock Lake in an area which is now subdivided into cottage lots with the exception of the reserve area that I referred to, in such a way as to affect materially the planning that took place with regard to that particular sub-division and in such a way as to prejudice the existing cottage holders? I am now referring in addition to the three parcels which were indicated as a public reserve, another piece of land which apparently is being sold and where the purchaser intends to proceed with another subdivision of cottage lots.

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: Mr. Speaker, I'm not aware of that circumstance that the member refers to but I would be happy to take that question as notice as well.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I would like to direct a question to the Minister of Government Services. Given the fact that the construction industry is still suffering from very high unemployment of the order of 33-1/3 percent and that the forecasts indicate about a 20 percent drop in commercial, institutional and educational construction, does the Minister have any announcements of new construction planned that would give some heart to people in the industry?

MR. SPEAKER: The Honourable Minister of Transportation.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, the Honourable Member for Elmwood is aware that my Estimates will be appearing before the Committee soon and any announcements of the nature that he speaks of will be made at that time.

MR. DOERN: Mr. Speaker, I would ask the Minister whether he has any current information on The Pas Correctional, whether the government intends to tender that?

MR. SPEAKER: The Honourable Minister of Government Services.

MR. ENNS: Mr. Speaker, the The Pas Correctional Facility, or the proposed The Pas Correctional Facility and Court House is continuing to receive active consideration.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, a question to the Minister of Highways. Is it safe for me to assume that the pamphlet which has just been distributed to Members of the Legislature is a pamphlet which was printed and distributed many many years ago and is not a reprint, although it does read "By authority of the Honourable Harry J. Enns"?

MR. SPEAKER: The Honourable Minister of Government Services.

MR. ENNS: Mr. Speaker, it just so happened that in attempting to follow the Honourable Member for Elmwood in his search through the basement of this building, I came upon this carton of these admittedly old, 1968 brochures which indicate that I had indeed the privilege of being responsible for, as the Minister, the building of the Winnipeg Floodway, the opening of the Winnipeg Floodway, and I thought I would share this bit of information with honourable members.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. WARNER H. JORGENSEN (Morris): Mr. Speaker, I move, seconded by the Minister of Highways, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply, with the Honourable Member for Radisson in the Chair for the Department of Northern Affairs and the Honourable Member for Emerson in the Chair for the Department of Economic Development.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY — ECONOMIC DEVELOPMENT

MR. CHAIRMAN, Mr. Albert Driedger (Emerson): Committee come to Order. I would like to refer members of committee to Page 26, Resolution 38: 3.(a)—Pass — the Member for Transcona.

MR. PARASIUK: Mr. Chairperson, I have had a chance to read the comments of the Minister that he gave to me on Friday and I'm wondering if he could take a few minutes to indicate what the federal policy, to use a Nixon term, the operable federal policy on housing is? I mean, there has been a whole set of very vague new initiatives being discussed for about a year and a half now but at this stage, I think it would be useful for us all if the Minister could indicate what is the federal policy and set of programs relating to housing and what is being allocated for Manitoba and what its intent is with respect to Manitoba on housing, because there is this confusion as to what programs are available from the federal government in that a number of the programs that the province actually pursues or even programs of the city, if it ever made up its mind in this respect, could pursue would have to be done under the aegis of the CMHC.

So could the Minister bring us up to date as to where we are with the federal program policy intent regarding housing?

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: Well, your Section 43 moneys is dead; there is no Section 43 money and those are the moneys that were loaned to the province on a 50-year basis — 90 percent of the money loaned to the province on a 50-year basis to build subsidized family housing and senior citizens' housing.

The Number 44 subsidies continue for the existing accommodations that are presently there under the arrangements that we have always had. —(Interjection)— Yes, 50-50 arrangements.

There was a lot of talk that there would be some change in the subsidy formulas by the federal government and they did not make any changes in theirs and we did not make any changes in ours, the 25 percent of income, or the income scale not to exceed 25 percent.

44(1)(2), it continues for MHCC operated units rented from the private sector. That is still available to us and we have authority for roughly 500 units.

MR. PARASIUK: Do you mind if I interrupt just on that particular point to get clarification.

MR. JOHNSTON: Yes.

MR. PARASIUK: Five hundred units — how many are presently being rented from the private sector? I just want to get some idea because I think this program was in operation for some time.

MR. JOHNSTON: Limited dividend and operating is 696.

MR. PARASIUK: Just to pass a quick comment here, just so that this ground swell, being developed by Mr. Silverman to get the Minister's head, doesn't get out of proportion. I think that we should be aware that there are in fact private sector units built by private enterprisers — free enterpriser — indeed being rented by the government, that this has been going on for some time and 696 units is a substantial number of units. If you consider that the Senior Citizens' Subsidized Program on a yearly basis will be something in the order of 300, so to have 696 units being rented right now is a significant number.

MR. JOHNSTON: As I said, we have the authority for another 500. The program of CMHC has allotted Manitoba another 500 approximately.

The 44.(1)(b) continues for non-profit existing units, but is not available for units financed under the new program. The other areas that we have with them, another one of the major changes although we don't expect . . . there's no 43, but anything that we have authority to or to build ourselves or we build ourselves, CMHC is not going to be involved in the approvals of construction methods etc. the way they were before; we're pretty well on our own on those particular things, according to the new agreement. The R. and N. Program is still the same, it hasn't changed.

MR. PARASIUK: Yes, when you talk about the Section 44. (1)(b) Non-Profit Subsidies continued for the old programs. Was that a 50-50 cost-shared subsidy? I thought that was the number you said, 44.(1)(b).

MR. JOHNSTON: Yes, it's a 50-50 program.

MR. PARASIUK: That means that under the new program, there will be the write-down of interest rates by the federal government to an effective rate of 2 percent or an effective rate of 1 percent, depending upon the equity of the non-profit corporation?

MR. JOHNSTON: That's correct. If the non-profit corporation provides or somebody else provides other than the federal government 10 percent, the write-down is to 1 percent, if the CMHC supplies 100 percent of the funds, the write-down is to 2 percent.

MR. PARASIUK: Has the staff of MHRC been able to calculate what that means in terms of the federal contribution to social housing in Manitoba? To make it a bit more clear, we used to be allocated a certain amount on a yearly basis for Section 43, and we would bargain with them through the course of the year depending upon what money might be available in unspent form, or uncommitted form, in other provinces, to commit that money in Manitoba if we were in a position to do so. And last year, I don't know, \$35 million — was that about the figure — \$38 million? And I'm wondering what's happening now. Is the Federal Government going to be reducing their input from something in the order of \$38 million to something in the order of \$12 million or \$10 million because of the change in program? I'd like to know if the department's done any comparability analysis in dollar terms.

MR. JOHNSTON: Mr. Chairman, I think I know what the member wants and we can have it for him. What happens, the federal allocation to nitoba is approximately 616 units. Now, the total moneys involved in the construction of those units would be in the neighborhood of, oh I guess, \$20 million or \$22 million, just a quick calculation, and of course the interest write-down per year to 1 percent on those moneys — we could work that out for you as to the approximate amount, but the other program was in direct cash loans with an interest rate — this one is the non-profit organization borrowing the money with a guarantee, with a write-down.

The other thing is the 50/50 subsidy was a straight subsidy for operating, and now the Federal Government puts their funds into that subsidy by a write-down on interest, so we would have to calculate it out for you; there is no calculation at the present time.

MR. PARASIUK: Yes, if the staff could give me some detailed calculations on that, I'd be interested; and if they probably have some of these figures available, what the total allocation for Canada is from the federal government regarding housing. They used to make that type of announcement before in the past, and I'm wondering if they've done any comparable type of analysis to determine what their commitment is to social housing in Canada today, in that it's my suspicion that the federal government is really trying to cut back its expenditure on social housing for medium and low income families, while at the same time continuing its extravagant subsidy program for high income families through the Tax Shelter Program that is continuing. And I think this is very deceptive on the part

of the federal government, and I think it's something that has to be detected and brought to the attention of the public generally, and frankly, I think condemned because the housing needs of the lower and middle income people are not being properly met by the market and, at the same time the federal government is crying poverty.

And I'm wondering again if the staff has any calculations as to the amount of subsidy that has gone into the Federal Tax Shelter Program.

I know that there is a Research Department within MHRC and I know that they try and keep abreast of changes that are taking place in the programs, and I would think that that Research Department would have done that type of analysis. I don't think it really is a condemnation of provincial policy, but it certainly would be, I think, a condemnation of federal policy and I think that's important because if, in fact, we find that the need isn't being met in Canada generally, in Winnipeg specifically, and in Manitoba specifically, I think sometimes it might be a bit unfair to level our guns completely at the provincial government, or to level our guns totally at the municipal government for inactivity, when at the same time what's happening is that the federal government, very deceptively, is pulling out of the area. I don't have figures on that, but I do think it is a very serious problem, and if the department has done some work on that, I think it would be very useful for the minister to share that information with the committee because this really is the most appropriate time in the legislative proceedings for that to happen. So maybe the minister can indicate whether his departmental Research staff has done any work on who the subsidies from the feds are going to and whether in fact need is being properly met.

MR. JOHNSTON: I'll ask the staff for those figures' Mr. Chairman.

MR. PARASIUK: Just to recap then: we have a non-profit program, conceivably for community groups, service clubs, religious groups, groups that might come forward with 10 percent equity or 5 percent equity, but there is still a requirement for equity on the parts of these non-profit community groups.

We have, I assume, a co-op housing program as well under the federal program. Does the province have a role to play in that and if so under what federal program is that taking place or is that taking place under the general non-profit program with a sub-section there for co-op housing? It strikes me that those are the two major thrusts, if you could call them thrusts, of the federal government with respect to the provision of housing for low income families or senior citizens.

MR. JOHNSTON: The co-op program comes under the same non-profit program as 56 (1) which is the non — well the non-profit program we were speaking of, the co-ops can work under that program. The provincial government as you know participated in the co-op programs for I think it's 4 or 5 co-op housing projects. We haven't had any plans for participation in any of the new co-op formations at this particular time because the ones that have been opened are still sitting with a fair sized vacancy rate at the present time. We haven't had, and I'd ask my staff to correct me if I am wrong, any applications for new co-op housing, have we?

MR. PARASIUK: Then to get clarification on this in terms of this present fiscal year that we are in, does the Department or the Agency have projections for the number of non-profit community group housing units that it expects to see committed this year? We used to have projections for the number of low income family housing units that MHRC would commit, we had projections for the number of senior citizens units that the MHRC would commit as well. So if in fact it's being replaced by this non-profit component or non-profit program then I would hope that we have some projections now so we can determine next year whether in fact this has been on target or not on target and how that might compare to last year's figures since this is a program which is replacing in a sense, Section 43 Housing. So, I think that type of statistical information would be very pertinent and also does the province itself, and I think you mentioned this on Friday but I didn't bring Hansard in with me, does the province through its Non-profit Housing Corporation intend to construct units this year?

MR. JOHNSTON: The province has plans this year as far as our Non-profit Housing Corporation is concerned, we wouldn't use the Non-profit Housing Corporation. We've been informed by the federal government that the Manitoba Housing and Renewal Corporation could be used from that point of view. Yes, we have projections for three of the rural areas on our own but the projection, the amount of units that the federal government says that they will have for us or that we can have in the province of Manitoba for this fiscal year is 616. As I mentioned 300 of those will be subsidized units. The province will put in 5 percent of the 10, and we will subsidize those people that qualify for rent subsidy in those units up to 300. Now the 300 is a figure that we announced

but it's flexible in that we estimate that half of those units will be — people will be paying the economic rent or better.

MR. PARASIUK: That means that what the Department is projecting for this fiscal year is the commitment of 616 units which could be low income family units or senior citizens units and those will be spread out some how through the province. Is that correct, is that what the projection is?

MR. JOHNSTON: That's correct on that program, yes. The balance — I have some figures that I can distribute to you but the number of units we have coming on stream this year and the number we have coming on stream next year that are committed for construction — then of course there's the 35 percent turn over in senior citizens and the 10 percent turn over in the public housing.

MR. PARASIUK: It would be useful if we could get that statistical information in that the annual report that we got was for March 31st, 1978, and you know we're into 1979 now, so if you have an updating of that statistical information it would make the comparisons much more up to date for us in this Estimate's review. Well, if that's going to be distributed I won't raise that any more I can come back to that later.

Then the non-profit subsidy for senior citizens that the Minister announced in the House recently and is on Page 3 of his introductory remarks, that is being funded totally by the provincial government?

MR. JOHNSTON: That is correct. The provincial share of subsidy is the interest write-down.

MR. PARASIUK: Is there an estimate on that, an amount?

MR. JOHNSTON: Well, yes, the 5 percent would cost us \$675,000 in capital, Schedule A capital, and I believe it's \$360,000 estimated for subsidy. And when I say believe it's the figure I announced isn't it. —(Interjection)—

MR. CHAIRMAN: The Member for St. Vital.

MR. D. JAMES WALDING: Thank you, Mr. Chairman. When we adjourned on Friday afternoon I was discussing the matter of insurance with the Minister. I hadn't quite finished the remarks that I was making. The Minister made a statement on Friday, February 23rd, in Hansard, page 205, that \$286,000 less we will pay in the Manitoba Housing and Renewal Corporation for our insurance when we put it out to private tender. Now, I understand from the figures that the Minister gave us that he arrived at that figure by subtracting this year's premium of \$222,000 from last year's premium of \$508,000 and gave as the reason for the saving that it was put out to tender. Now I don't quarrel with the figure of \$286,000 less, certainly that is the difference between this year's premium and last year's premium, but I would take issue with the Minister that the only reason for the saving is the fact that it was put out to tender.

I would suggest rather, to the Minister, that the reason that the premium is less is because of changing competitive conditions within the general insurance field, and I would support that, Mr. Chairman, by some other figures that we have received from the government and from MPIC, having to do with the same two years, 1978 and 1979, and that was the insurance coverage for fire protection for government buildings. For 1978, the lowest bid when the contract went out to tender was \$44,900, that's for 1978. The highest tender was \$67,000 for that year. The following year, when the 1979 insurance went up for tender, the winning bid was something like 60 percent of the previous year, at \$31,900, which incidentally was from MPIC. Their bid for the previous year, I believe, was \$54,000, so they had been able, because of the conditions within the industry, to reduce their rate quite considerably. The Minister himself said that he didn't understand why MPIC was able to quote a figure of 7 cents for this year where it was 16 cents for last year.

So what I'm suggesting to the Minister, it is not the tendering process that has reduced the amount, it's conditions within the industry that have accounted for the change this year. The Minister might also note that the fire insurance coverage rates from companies other than MPIC for this year were considerably down from the previous year too. So just looking over the figures of 7 cents this year as against 16 cents last year would indicate that MPIC was prepared to provide the same coverage for approximately 50 percent of their premium for the previous year, which would indicate somewhere around \$500,000 rather than the Minister's projected figure from MPIC of \$576,000.00.

So what I'm suggesting is that the Minister shouldn't be reflecting upon MPIC when he talks

about a saving of \$286,000, that it would appear at a rough estimate that the saving from MPIC was perhaps in the region of some \$30,000.00. Now I realize it's hypothetical that MPIC didn't get the full contract this year where they did the previous year and I don't wish to make, you know, too big a fuss about it. I'm just suggesting to the Minister that his reason for the saving of \$286,000 is arguably not for the reason of putting it out to public tender.

MR. JOHNSTON: Mr. Chairman, the member is quite right when he says it is hypothetical, but I would like to say to him that for the life of me, I don't know of any other reason why somebody would have lower rates this year, considerably lower rates this year, when costs and everything are up and we have more buildings to be insured and we got better coverage. In other words, we asked for more than we had last year and we received prices from them considerably less than last year, that same company. Now, for the previous two years, while there was no tendering, we received considerably higher prices. If the member wants to assume it's because of the market, it's up to him, but I can assure you we asked for more coverage, we got more coverage at a lesser price. I would suggest that company costs have gone up rather than down in the last two years.

MR. WALDING: Mr. Chairman, I did raise the same questions when I saw the quotes on the government fire insurance, the same question that the Minister is posing and why, since costs are up, should the rates be down and I spoke to the general manager at MPIC about this to ask him about it. He pointed out to me that these quotes come from their General Insurance Division which is very co-operative in the the insurance business and that it was a matter of all insurance companies looking for more business and were prepared to sharpen their pencils and trim their bids to the largest extent possible. The instances I have given to the Minister are not simply MPIC. The rates by several different companies, including a private company, for the government's fire insurance were down substantially from the previous year and the Minister has indicated on his bids for MHRC insurance that the bids are likewise down by a similar amount. All I'm suggesting to him is that this is the reason for his saving and not because of the tendering process, that's all.

MR. CHAIRMAN: The Member for Brandon East.

MR. EVANS: Mr. Chairman, I would like to ask a number of questions for clarification. First of all, I heard the Minister say that the total program this year was for 660 units. Now I take it this is a program of new construction of 660 units, that is, a potential total construction program for the year — I'm not sure whether it's the calendar year or the fiscal year but for the year 1979. Am I correct in that assumption in what I heard the Minister, in my reflection of what the Minister told us, and is that the total program?

MR. JOHNSTON: Yes, that's the allotment of moneys that CMHC have for the Province of Manitoba under the Non-profit Program.

MR. EVANS: I suppose the Minister answered one of my questions in a way as to how you got the 660. I gather from his remarks that this is a simple allocation, or is it a response by the federal government after application made by the province, after the Minister and his staff have indicated to the federal Central Housing Mortgage and Housing Corporation what they think the need is in the Province of Manitoba?

MR. JOHNSTON: No, I'd put it this way, that the CMHC made the decision of the allotment for dollars across Canada and Manitoba had that allotment given to them under that program.

MR. EVANS: In light of the information that the Minister should have from his research staff, my understanding is the research staff does general studies of the need for social housing in the province of Manitoba, the general need, you know, general estimates. In light of the Minister's presumed source of information of the need for social housing in Manitoba, both for elderly people and for families, is it the Minister's view that this program of 660 units is adequate or is it too big of a figure? I know it's a potential figure which may or may not be met, but is it his judgment that this is too big a figure or too small a figure or just right? What is the government's view on this, in light of information he should have from his research staff on social needs in the province?

MR. JOHNSTON: The family housing lists in the City of Winnipeg at the present time are for 972 units and 843 elderly. Those are applications that have not even been screened as to whether they

want to go into public housing in particular areas or whether they want to pay 25 percent of their income. The number of units we have coming onstream, which I have said that I would produce for the gentlemen, plus our turnover, we feel will be able to take care of the applications we have on hand this coming year.

MR. EVANS: Again for clarification, is it correct that the MHRC will not engage in any new expenditure on public housing units as such as opposed to the — I guess this is the non-profit that we have been talking about, where the community association or church or service club pays the 5 percent down and the province pays the other 5 percent. So that area we refer to as non-profit. The 660 units of non-profit, is that the total new housing program as envisaged this year? My understanding is that there is no expectation of public housing expenditures this year, that is, new expenditures, and I'm just asking for clarification of that?

MR. JOHNSTON: Public housing comes under the Non-profit Program as well now. There is no more Section 43 money from the federal government; it is dead. They will not supply any more. Their assistance is by interest write-down.

MR. EVANS: So there are no Section 43 moneys available any more. What about the subsidy arrangement? Again I'm not sure whether the Minister touched on this before but I didn't hear it, and that is, is the subsidy arrangement for the non-profit housing the same as the subsidy arrangement that we had under Section 43?

MR. JOHNSTON: No. I touched on it Friday afternoon. The subsidy arrangement under the Non-profit Program is first of all your write-down by the federal government. We have said that we would put in 5 percent of the 10. After those figures are put in, you come to what the federal government and ourselves call the Economic Rent in the building. That rent is still considerably higher than it should be for some people looking for housing. If they qualify for a subsidy, they pay 25 percent of their income and the province would pay the difference between the economic rent and 25 percent of their income. Let's say the economic rent to operate that building is \$225.00 a suite and they had an income of \$300.00 a month; they would pay 25 percent of \$300.00 — let's say \$400.00 — they would pay \$100.00 a month and we would pay \$125.00. If their income rose to the economic rent, the \$225.00 — and then there is another figure, there is a third figure. You could pay one of three rents. You could pay below the economic, the economic, or above it. You still pay 25 percent of your income up to what is called the low market rent in the area. It could be \$250.00. So regardless of your income, if 25 percent was \$275.00, you would only \$250.00, which is the low market area. The federal government would not go for straight economic rent. The Minister in Ottawa said that he would not subsidize those who could afford to pay 25 percent of their income. So you have a subsidy system that is going to be more complicated to work on — that's why we wanted to go to straight economic rent throughout, but the federal government wouldn't buy it. So that's the way the rents are worked out.

MR. EVANS: Can the Minister advise, whatever subsidy figure is arrived at at the end of the year, is that subsidy shared on a 50-50 basis with the federal government?

MR. JOHNSTON: No, the subsidies to the people who qualify are provincial government subsidies. The subsidy from the federal government is strictly on interest write-down. You know, we don't have an interest write-down. Their subsidy is interest write-down; we are subsidizing those people who qualify and need assistance and that's 100 percent.

MR. EVANS: What is the interest write-down? That is, in terms of interest rates, what is the write-down, is it from 12 percent to 9 percent or 11 to 8, or whatever?

MR. JOHNSTON: Well, the interest write-down is what we have just been speaking of. If the federal government guarantees 90 percent of the money, they will write the interest down to 1 percent from whatever; if they guarantee 100 percent of the money, they will write the interest down to 2 percent yearly.

MR. EVANS: I have been trying very hard to follow the Minister. Maybe there's an explanatory pamphlet or something on how this works, but when you talk about interest rates of 1 and 2 percent, they seem a little unreal and I'm still not sure — I don't want to be repetitive and I don't want to waste the committee's time, but I'm rather confused by the Minister's last statements on it coming down to 1 percent in one category and down to 2 percent in another. I wonder, after he has had

a chance to talk to his staff, whether he could give us another rundown on that?

MR. JOHNSTON: Well, the member is amazed at the 1 percent but that's what it is. The federal government, if they guarantee 90 percent of the money, will write the interest down — their subsidy to that building per year will be to write the interest down to 1 percent. If they guarantee 100 percent of the money as their subsidy, they will write the interest down annually to 2 percent. The provincial government will put in 5 percent of the 10 that's required on the 90 percent deal and will subsidize people who qualify, up to the economic rent, and that subsidy is 100 percent the provincial government's.

MR. EVANS: Could the Minister comment then on the comparative assistance offered by the federal government under this new scheme compared with the Section 43 scheme of public housing.

In other words, does this arrangement that the Minister has described of non-profit or social housing construction subsidy, does that in effect mean that we have more or less federal assistance? Is it a better deal for the province or does it put more of a burden on the provinces? I'm not necessarily asking for any figures; if he wants to give us some, fine, but there must have been some examples worked out as to how the two schemes compare. Are we further ahead or are we behind?

MR. JOHNSTON: On the \$20 million that I previously mentioned, at 11 percent over 35 years, it would cost the federal government \$1,835,950 — the interest. If they write it down to 1 percent, it becomes \$564,380, making your federal subsidy — you subtract the two and you get \$1,271,570.00. On 613 units at a cost of \$2,500 per unit, and that's approximately what our subsidies are on a 50-50 basis, it would have cost the federal government in the area of \$1,532,000 and the federal share on that would be \$766,000 because it is 50-50. The federal subsidy is basically on the units that we are speaking of, and these are round figures, is basically \$505,000 more subsidies from the federal government, but the \$18 million that it costs to build is not available; it must be borrowed from the private sector and guaranteed by the federal government. So the federal government is putting in more of the subsidy than the provincial government. I believe if you were to take it on a percentage ratio, we would run about 18 percent — we used to run, what — 18 percent isn't in that figure. So we are running ahead of the federal government with the new program. Frankly, I would like a figure that says the percentage the province is putting in versus that. We can get that figure for you but it does work out better.

MR. EVANS: If the Minister could have his staff — we don't have to have it immediately but if he can put some numbers down, because it is very complicated to follow when you hear it verbally — so if he can get those, that would be very good. But I gather though that generally he believes that this program, or he is advised that this program provides for a greater federal assistance than was provided for under Section 43 and that's what I understand the answer is.

MR. JOHNSTON: I'm sorry, I didn't catch that last one.

MR. EVANS: In recapitulation, putting it very simply then, this program that we are now working under gives the province of Manitoba more federal assistance per unit of construction than under the old public housing Section 43 of the NHA.

MR. JOHNSTON: In the original construction of the building, yes, but the operating costs of the building we are also involved in too as it carries on. So I am saying that the 50-50 that the honourable member talks about, I would like to give him a figure that it actually works down to. We feel it's 50-40, 50-35 or something, under the new program — not 50, 70-30 or whatever it may be. I would like to get that figure for him.

MR. EVANS: The Minister says he would like to get that figure. You are going to get us some stats on that, statistics? Okay, in relation to this, the other day it was reported, May 4th, that the Manitoba Landlords Association are rather upset with the Government of Manitoba's Social Housing Program and the president is quoted as saying that the Government of Manitoba is in direct competition with private landlords. I gather then, the Landlords Association, when they say that they are unhappy, they are talking about this program of 660 units that we have been discussing. Is this specifically, as the Minister understands it, is this specifically what they are complaining about?

MR. JOHNSTON: Well, as I understand it, they are complaining because the Manitoba Housing

and Renewal Corporation is still constructing and will be opening up some more units for family housing and senior citizens' housing. Those units were decided upon during 1977 and 1978 and they are in construction and I don't know what they want me to do, go down and blow them down or what. They are there; they were planned on; they were estimated to take care of a need mainly in the core area of Winnipeg and I'm afraid that they are there to take care of that need. There is no question that I have some feeling for the landlords in that the market is changing rapidly at the present time. I don't think, though, that they are losing in many cases their people to the government. I believe in many cases that some of the landlords are losing their tenants to better accommodation because of the large amount of accommodation that is available in Winnipeg. Certainly if a person has a chance to upgrade themselves or go and live in a better apartment that has more conveniences in it at a cost that they can afford because rents haven't been going up and if anything, you can get all kinds of arrangements at the present time, I think that's where they are going. I don't think the Landlords Association can be pointing at the MHRC as being the cause of all their problems.

MR. EVANS: Thank you, Mr. Chairman. I believe it was last year the Minister indicated it would be perhaps a worthwhile program to subsidize senior citizens and others on low income in existing apartment blocks or existing housing structures as opposed to building new social housing where the subsidy program is operative, as we have been discussing here this afternoon and of course as it was operative under the Section 43 provisions of The National Housing Act. Are there funds in these Estimates for — and I think this is probably something that the Manitoba Landlords Association would be interested in having — are there funds in the Estimates for the Government of Manitoba to directly subsidize rental units that are owned and operated by private landlords?

MR. JOHNSTON: First of all, I think I explained Friday that we have not pressed that program, as I have always said I would like to, and I still believe that if we can rent units in private accommodation that are satisfactory, in areas where people want to live, for less money than our subsidy is, we should be doing it. But at the present time, we are constructing units and it would seem foolhardy to start filling others before our own.

So we have 700 people presently in limited dividend units that we are subsidizing. We have an allotment from the federal government that they will pick up the costs 50-50 on that kind of accommodation up to 506 units, I believe that's the figure, I can't understand the 6 of it, I think that's the figure isn't it? But we have not pressed it at the present time because we do have units that are coming onstream and will be available that are built by the government.

MR. EVANS: So, I can understand the Minister's reasoning in his explanation that while he desires subsidization of units and privately owned rental accommodation, at the present time there is no funding whatsoever in these Estimates for the reasons he's given for the subsidization of privately owned suites.

The Minister mentioned the ongoing program of innercity housing construction which was under the Section 43 provisions, the older Section 43 provisions of the NHA. I'd like to know whether in the new program the government's position is strictly one of responsive — being responsive to community associations and churches and associations, etc. or whether the government has some intention, or some desire to direct the social housing, the nonprofit housing into areas, I'm thinking particularly of the city of Winnipeg when I make these remarks and ask these questions, whether the government has some desire to try to direct this social housing into certain parts of the city? I think that it is agreed or should be agreed by all parties that there has been a need for social housing in the inner core of Winnipeg. The inner core of Winnipeg has been depopulating for some years. The housing stock there is the oldest probably that you'll find among any of the houses in this province of ours. And there is some need, at least a couple of years back when the staff had conducted studies, there seemed to be a real social need for putting that kind of housing in the inner core. This was, from my understanding, a great priority and what I am wondering about is whether the government is in a position with this new program to be positive. If research done by the corporation and consideration by the board of directors of MHRC suggests that there is a continued need for social housing in the inner core of Winnipeg, will the MHRC take initiative to try to direct nonprofit construction in that area or is the policy going to be strictly one of passiveness, one of strict response to applications, to requests from organizations in Winnipeg or elsewhere in the province? Is it strictly a responsive type of policy that will be pursued or is it still the intention of the corporation and the government to try to direct some of this social housing in accordance with its own best estimates of social need, whether it's for the senior citizens or whether it's for the low income families?

MR. JOHNSTON: There is certainly work being done continually by the Department to know where the need is. We have computer printouts of all our projects, vacancy rates, and we also have in the computer printouts the number of applications we have in the different areas of the city.

There is no question that we have with CMHC been involved in discussions with them as to where or what applications for senior citizens or for nonprofit accommodation and where it should go. We work with them continually on that particular subject but the main thing is that the nonprofit organization in order to have the benefit of the 5 percent the province is putting in, and the subsidies that are required to make it viable, because in many cases they could build a building and they wouldn't have enough people to pay the economic rent, they have to put in 5 percent, and when they do that they come to us and have come to us and we do work with them as to the need in the area and on that basis that's the way the projects will be moved ahead. The federal government will actually be doing — well it's the nonprofit person that will do the tendering but the federal government will actually be the ones that are examining the plans, specifications, and everything because they're the ones that are involved. We would have had to take over 25 percent of the subsidies or we'd have to get involved up to 25 percent instead of 10, and I really didn't see any sense in doing that when they were offering 90 to people or 100 percent. So, we went in on the basis of the subsidy to make the projects viable, and they will be placed in areas where there is a need shown for the projects.

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

MR. EVANS: Well, I appreciate the Minister's remarks but I'm still concerned as to how the province in co-operation with the federal government can meet certain social housing needs.

Again, let's talk about the inner core of Winnipeg. I'm not sure, I haven't got the information. Have we met the social housing needs of the inner core of Winnipeg or not? And if we haven't met the housing needs of the inner core of Winnipeg, how can we insure that, you know, that kind of housing gets built there if it's dependent upon some social organization which may or may not be interested in that? I think this is where there's a great value in the city of Winnipeg itself having a nonprofit corporation because I know Winnipeg councillors and the staff over the years have talked about the need for housing in that area of the city and it would seem to me the city itself would be a good vehicle to insure that that kind of housing was directed into the inner core, but if it's on this basis of nonprofit where the association, the service club, or what ever has to take the initiative, how can you be sure that those organizations, volunteer groups, church groups, service clubs, community associations, will take initiatives in such a way that they will fulfil the need for housing in the inner core?

I can see, let's say the Kiwanis, or the Kinsmen, or the Legion, or the Lions, or whatever taking in some town or some community taking the initiative and getting their 5 percent equity and so on and getting approval and having the building constructed, but many of these groups are serving their community interests. I am not so sure whether we have that many around that would be interested in filling this gap that I think still exists in the inner core of Winnipeg. So, how do we overcome that?

So that's why I was asking, is there any way that we could take some initiative to direct the social housing construction into that area of the city, if there's still a need, and that was my other question. Does the staff say there's still a need for that kind of housing? I was told when I was Minister a couple of years ago that there's a great need for social housing in the inner core of Winnipeg, and there is reports and statistics and so on. So, if there is still that need, how do we insure that that need is fulfilled?

MR. JOHNSTON: Well as I said to the honourable member the province is involved for 5 percent of the capital, and you know we're not about to go out spending the province's capital unless their can be a justified need in the area that they are going to build it, that is one way. If somebody, nonprofit organization wants to go to the federal government and get 100 percent financing to a 2 percent write down without coming to the provincial government, we will not be participating nor will we participate in the subsidies in those buildings. We can't allow, we just can't have, as the member says, people going out and building anywhere they like and come walking in and say here now we want your subsidy. We are working with them and I know the Honourable Member for Transcona has some questions about the 5 percent we're requesting those people to come forward with, but that is the policy that is laid down. But we have to be involved or we have absolutely no control.

Now, I mentioned in Winnipeg last year there were at this time 1800 family unit applications on file, there was 1800 family, 1600 elderly. Today we have 972 family and 843 elderly, after a

complete screening period of people that we had applications that hadn't been ever taken out. People have died. When we went to them they didn't want to live where we had or they moved or found accommodation. In Winnipeg there will be a 337 elderly-persons-unit built this year and you're going to have 54 will come onstream June 1st, 1979, 70 September the 1st, 18 January the 1st, 1980, and 195 in March of 1980. The above 140 of the 337, when I said Winnipeg earlier and 337, 142 will be rural Manitoba, 195 will be core area of Winnipeg. We have 293 family units coming onstream in Manitoba. 75 will come on August 1st, 1979, 30 June the 1st 1979, 55 June the 1st, 1980, and 133 March the 1st, 1980. Of the 293 units, there are 263 in the Winnipeg core area, that's the public housing, and we have right at the present time, at the end of February our turnover was 203 vacant units right that month, and it happens that we have a turnover of 10 percent per year. When you have 7,000 units in Winnipeg approximately, you're going to have 700 units turn over this year, and you have also 5 projected — 5,000 empty suites in the city of Winnipeg by September 1980. Well, I think it will be higher in 1980. 1979 I think it's around 5,000, I think they're looking at probably 8,000 in 1980.

Now, you know, you just don't keep flooding a market when you start to get a ripple effect from those 5,000 units or those empty units. People are taking them up and we are having some people leave our units because they find that 25 percent of their income is something that they can afford to buy somewhere else and maybe a better unit. Now the projections that we have is that we are down, as I said on Friday, to supplying people accommodation in four months. We are able to supply accommodation in four months. Our waiting lists are just about that long at the present time.

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

MR. EVANS: Just as a follow up then, I would gather from what the Minister has said — I'm not trying to put words in his mouth — but is he in effect saying, given the drop in the applications or the waiting list, given the fact that there are these several hundreds of units that he mentioned to be constructed in '79, and some in '80, in the inner core of Winnipeg, as well as elsewhere but I'm just talking about the inner core of Winnipeg, is the Minister then saying that he believes, therefore, that the Corporation will have met, will have substantially met the social housing need in the inner core of Winnipeg? Is that more or less — can I surmise that more or less from the Minister's remarks?

MR. JOHNSTON: While we have the number of apartment units vacant in the city at the present time, we will be substantially taking care of the needs, or our application, and the needs in the area. We are part of the market, and we feel that we will be able to substantially take care of those need of applications. It took us four months to fill Midlands — four months to fill Midlands.

MR. EVANS: Well then, does it follow from the Minister's assessment that we wouldn't expect to see social housing, or non-profit housing, of any degree whatsoever in this part of Winnipeg in 1980. I know there's some carryover, some construction that will carry over, but I would expect from what the Minister's said, given the flooding of the market on the private sector, given all his remarks about the number of months it has taken to fill other certain social projects, etc., I would gather then that by 1980 there would really be very little in the way of initiative by MHRC in the inner core of Winnipeg for social housing.

MR. JOHNSTON: That's not correct. We have committed ourselves to be part of the 616 units allotted to Manitoba in 1979. That's what the CMHC have allotted to us. It's not CMHC anymore, is it? It's Canada Mortgage now, they tell me. So anyway, we committed to take 300 of those units for subsidy or better. There will be about 516 units built throughout Manitoba, and I would say there'll be a large percentage in the core area because CMHC has applications on file for the non-profit program at the present time that are close to 3,500 units, and it has to be decided which ones will be gone ahead with. And we have also said that we will continue for the next two years after '79 to subsidies of 300 a year in '80 and '81.

MR. EVANS: Then, in his last sentence I guess the Minister really answered the question I was going to pose to him because this is really what I was interested in, not the '79, but as he foresaw, you know, 1980 but he's saying now, 1980, 1981, he would foresee a continuation of social housing of some degree, 300 units or whatever it was that he mentioned, so that . . .

MR. JOHNSTON: I mentioned that in my opening remarks that we have committed ourselves to

subsidize 300 units this year, and those units will be coming on — you know, they're not going to be built tomorrow — they'll come on in 1980. We have said in 1980 we will commit ourselves to another 300, and we've said in 1981 we will do the same, and that projects into approximately 600 units each year because we've estimated that the non-profit program there will be half of the people that will be able to pay the economic operating costs of those buildings.

The member has to realize that there is increase in incomes, and the other thing the member has to realize, that the people that are on pensions today are not the same as people that were left on pensions 25 years ago or 15 years ago. If it were about 25 years ago I believe you'd be left, in many cases, with about \$85.00 a month to live on. That's completely changing as far as your pension programs and everything are concerned, and all these things have been taken into consideration as far as the Non-Profit Housing Corporation is concerned — not our corporation — the non-profit program is concerned, and the Federal Government has taken it into consideration.

MR. CHAIRMAN: The Member for Ste. Rose.

MR. ADAM: Thank you, Mr. Chairman. It seems to me that there was some question of grants available to private, non-profit, groups and I believe there was a newsletter and I believe I've seen a personal letter from the Minister to the community of Winnipegosis. Would the grants be similar to the grants available from the Federal Government CMHC? Is the grants only the interest part of it, or — yes, this is what I want to find out first.

MR. CHAIRMAN: The Honourable Minister.

MR. JOHNSTON: The program that we've been discussing in Winnipegosis is under the Rural and Northern Program. We have been using the Rural and Northern Program in some of the communities, and many of the communities, to build the senior citizens' units. The Rural and Northern Program is still in existence with the Federal Government, and it's a 75-25 cost-sharing arrangement with the Federal Government, 75 federal, 25 provincial. The operating costs of those buildings are the same; we pay 25, they pay 75, and the people are subsidized under the same formulas of 25 percent but the Federal Government pays 75 and we pay 25. That's the main reason we've been using the Rural and Native Program more in some of the outlying areas or smaller communities, than we would use the non-profit, but we would use the nonprofit if the people want it. Quite frankly I would suggest to you that the non-profit does not have any financial qualifications to live in those buildings.

If you go to the Rural and Native, or Rural and Northern as it's called, the qualifications apply, so you may have some trouble filling all the units. But we have the two programs available in a place like Winnipegosis. I'm not quite sure how the negotiations stand there at the present time but I know they have been working with them. I'm informed they've been offered both programs and they've chosen the Rural and Northern Program for their construction.

MR. ADAM: Then there are two programs. They could have gone in on the first program, non-profit, or the Rural and Northern. Is there any difficulties there with attaching or adding on to the present structure? That is, they are now financed by CMHC.

MR. JOHNSTON: That subject — I know that there were some negotiations requested for that particular program, adding on to that building. Subject to negotiations with CMHC we wouldn't have any objections as a government to adding it on there, but we'd have to complete negotiations with them.

MR. ADAM: Yes. What I believe then is this program would be the one that would apply to those areas where there are no associations of any kind. In the larger centres say, like Winnipegosis, Dauphin, McCreary, Ste. Rose, they do have, you know, the Rotary Club, Kinsmen Club, VPOL and so on, Lions and other groups that can sponsor maybe housing under a non-profit, but there are many areas where the communities are not of a size where you would find active groups who could sponsor housing in those particular areas and are not interested in sponsoring in those areas. Then they would have to go to the Rural and Northern Program. Is that my understanding now?

MR. JOHNSTON: The Rural and Northern Program supplies to all communities of 2500 people or less. They can go to that program, and they can go to the non-profit if they have somebody that wants to get into it, but the Rural and Native Program is one that we use, or have used and intend to use, in the rural areas.

MR. ADAM: Could the Minister give us a figure then? He has given some figures on the other type of construction. I believe the figures that he mentioned of 600 or so were of the non-profit housing. Does the Minister have any figures under the Rural and Northern housing available to tell us where the programs are being held? Where are they going in? Where is this construction taking place? What communities?

MR. JOHNSTON: The budget approval for, and in 1978, on September 5th, 1978 we approved 104 units of the Rural and Northern Housing for senior citizens, and there was 4 in Alonsa. . .

MR. ADAM: Four in Alonsa?

MR. JOHNSTON: Yes, and a commitment made the previous year for four, so there'll be a total of eight there. . . Angusville six, Laurier six, Mafeking four, Onanole eight, Pine River ten, Rorketon four and eight that were previous committed, four and four that were previously committed, six in Rosssburn — 48 there.

In the southern region you have Dominion City, six with one previously committed, Goodlands six, Waskada six, Sprague six, and that's a total of 24. In the Interlake we have Hadashville, that's four, Oak Point six, Richer six, for sixteen. And we have Cross Lake four, Grand Rapids four, Oakburn eight, St. Leon two, and Vita six, for a total of 24 and that brings us up to your 104 units.

We do have the programs that are in place for '75, '76 and '77 as to where all the Rural and Northern units are built or under construction.

MR. ADAM: Yes. Is there any family housing being built under this program other than senior citizens' housing?

MR. JOHNSTON: Basically, under this program, the Manitoba Metis Federation delivers it for the Federal Government. The Federal Government have certain communities that they build in and we build in certain communities. That was worked out between us as a matter of fact several years ago, and the family housing, the CMHC under the Manitoba Metis Federation are building approximately 150 of which we participate in 25 percent and 25.75 on the operating.

The ones that we approved on September 5th, we approved 67 units; we have 13 being under construction at the present time. I would like to say to the honourable member we're having some problems with this program in that you must pay 25 percent of your income under this program, and you must pay all the costs of operation. It's a program where, if it's not senior citizens', you buy the unit, and we're having considerable problems getting people to pay 25 percent of their income when we sit down and we negotiate it with them. In many cases they're not paying 25 percent of their income where they're living at the present time, and we have been under this program, building split levels and different types of units; and we are looking at the present time to building a more practical or compact unit, but that doesn't help us either because very often they're living in accommodation that they are not paying 25 percent of their income, and it doesn't matter what we present to them.

So as far as that program is concerned when it gets to public housing, we're finding it a little tough at the present time. We have the money allotted, the money available and our program people are continually out in the different areas discussing the program with them, but the 25 percent is something they're not attracted to.

MR. ADAM: I wonder if the minister could give us the areas where the family housing or the 69 that have been approved, I believe, what areas are they going into?

MR. JOHNSTON: Well, the 67, it was, we approved Bill 67, there's been Laurier, 3-bedroom bungalow Elkhorn, 3-bedroom bilevel Middleboro, 3-bedroom bilevel; Middleboro, 3-bedroom bi-level; South Junction, 2-bedroom bilevel; Gimli, 3-bedroom; there's 1, 2, 3-bedroom in Gimli; Riverton, The Pas, Big Eddy, there's 3 being built, 3-bedrooms, or 1 3-bedroom and 2 2-bedrooms; The Pas Young Point is 2 2-bedrooms that are being constructed at the present time.

Now, these are negotiated with people. We make it very clear what they would have to pay to be living in one of these units.

MR. ADAM: How many will be constructed this year for the senior citizens? You gave me a figure, but are they all going to be constructed this year like for Alonsa, the duplex-type, they're a duplex the same as we had in the past?

MR. JOHNSTON: Yes they are, and there's 104 of them.

MR. ADAM: That will be constructed this year?

MR. JOHNSTON: We can construct under the Rand N Program a twelve-unit motel type unit. There's no jurisdiction or restrictions on us from that point of view, but unless you can get approximately 12 units in that kind of construction it's not practical, so when we're under that we go to the duplex-type units.

MR. ADAM: Would the province have an input in the motel senior citizen home at Eddystone? Would we have a 25 percent interest in there, as well as Crane River?

MR. JOHNSTON: Yes.

MR. ADAM: And Camperville? We have 25.75, I see.

MR. JOHNSTON: Yes. We have 25.75, yes we do in all three of them, and Crane River at the present time we only have 2 people in it.

MR. ADAM: Yes, I was in Eddystone yesterday and I believe they had about 7. There was somebody that came in Saturday, 1 person came in there Saturday, so they seemed to be quite happy; they've only been opened for 2 months and they've got over half of it filled, and there's more coming in so they were quite satisfied with the way it was.

There were some problems with the construction, they were having some problems — the floors were warping pretty badly, but that is a structural problem and had nothing to do with the program.

I think it's a good program. I wouldn't like to see it abandoned because of the fact that those communities under 2500 as the minister has mentioned; many of them do not have any clubs, associations or non-profit groups in those areas that are active enough to sponsor any housing, and I believe the only way we will get housing in those areas is for such a program as this to continue.

MR. JOHNSTON: To answer the Member for Ste. Rose, we like the Rural and Northern Program, certainly, for senior citizens in those areas. We naturally like it because the split between the two governments is certainly in our favour, 75-25 and it works out very well.

MR. ADAM: On the rent as well, it's 25-75, subsidizing the rent?

MR. JOHNSTON: Construction and maintenance, or operating costs — and the operating costs are subsidies for rent — are included in the operating costs.

MR. CHAIRMAN: The Member for Transcona.

MR. PARASIUK: Yes. Just to follow up on a point that my colleague, the Member for Ste. Rose raised — what will be the criteria for determining the priority given to applications for non-profit housing? Will it be on a first-come, first-served basis in that you've got 616 units allocated under the program? It strikes me that certain communities have more strength and they have stronger groups organized within them; there may be a fewer stronger non-profit organizations existing within those communities, and yet often it is in these communities where the need isn't as great as in those communities or sections, or parts of communities, where the non-profit organizations just aren't around, and these are usually the low income areas of a community, or low income communities themselves, so could the minister indicate how the province intends to deal with that problem? Does it intend to establish criteria based on need, and does it intend to try and fill the gap in communities or parts of communities like Winnipeg where need exists and is demonstrable by analysis by the staff, but at the same time no sponsoring entity exists especially which can come up with 5 percent equity?

MR. CHAIRMAN: The Honourable Minister.

R. JOHNSTON: We definitely will be working with the CMHC to establish the areas of need. There are a lot of applications in at the present time; I just mentioned earlier that there's approximately

3,500 applications for units in CMHC for this program in Manitoba at the present time so we have to work on the basis of need in the area; and as I mentioned, the 5 percent that we put in and the organization puts in 5 percent, they're certainly not going to be wanting to spend money if there isn't a need.

I quoted some figures while the Member for Transcona was out. There's 337 units coming onstream between now and March, 1980 of elderly persons units, and 142 of those are in rural Manitoba and 195 are in Winnipeg. In the family housing, there's 293 coming onstream between August 1979 and March 1980, and 263 of those units will be in the core area of Winnipeg; the total Winnipeg core area units will be 458 under construction, so that's the total of the two senior citizens and public housing units.

Now we have as I mentioned, 202 units were available at the end of February, there'll be that amount approximately available at the end of each month as we go along. Our turnover rate is 10 percent, and as I mentioned we have a tremendous backlog out there, or a tremendous amount of space available in Winnipeg at the present time.

MR. PARASIUK: Yes, but at the same time — I think I picked up some of that just before I left — but I still have some difficulty in determining how you establish your priorities on the basis of the 3,500 applications in, you say there are 3,500 applications in? There are 616 spaces obviously, and I'm surprised at that. I don't know whether in fact the non-profit organizations realize that they had to put up 10 percent of the ante and that, frankly, that's the program that existed up until three weeks ago or four weeks ago.

MR. CHAIRMAN: Gentlemen, in accordance with Rule 19(2), the hour of 4:30 p.m. having arrived, I'm interrupting proceedings of the Committee for Private Members' Hour and will return at 8.00 p.m.

SUPPLY — NORTHERN AFFAIRS

MR. CHAIRMAN, Mr. Abe Kovnats (Radisson): Committee will come to order. I would direct the honourable members' attention to Page 74 of the Main Estimates, Department of Northern Affairs, Resolution 100, Item 1. Executive, (a)Minister's Compensation—pass — the Honourable Minister.

HON. KEN MacMASTER (Thompson): Mr. Chairman, I was asked to get a breakdown by the Member for Rupertsland and the Member for The Pas on the expenditures of the Northlands since its inception. The 1976-77 numbers were \$22.6 million, 1977-78 was \$25 million, 1978-79 was \$17 million, 1979-80 \$24.7 million with the remaining being \$34 million. The reduced expenditure in 1978-79 was due in part to the wind-up of the road construction as per our agreement, but we have been successful in negotiating with our federal counterparts to secure new funds of \$16.7 million over the next two years of road construction for Northern Manitoba. Of course, just a general statement, I have no way of determining out of the remaining \$34 million, which I think was what the Member for The Pas specifically wanted to know, just how much of that would be utilized next year, but there's possibilities, of course, that that could all be used up next year.

MR. CHAIRMAN: The Member for The Pas.

MR. McBRYDE: Mr. Chairman, just for clarification on those figures, are those the budgeted amounts or the actual expenditures.

MR. MacMASTER: In 1976-77 the \$22.6 million is the money I have recorded as spent; in 1977-78, the \$25 million, I have it recorded as spent. In 1978-79 I have it recorded as estimated and I'll have to get that specific answer for the member, and of course 1979-80, \$24.7 million that's estimated to be spent.

MR. McBRYDE: Well, Mr. Chairman, I'll just check with the Minister to see if he has handy there with his figures whether the amount spent was the amount budgeted, or whether it was underspent in terms of the amount budgeted, and Mr. Chairman, maybe he doesn't have those figures but I'll check with him to see if he does.

MR. MacMASTER: Could the member repeat the specific question and I'll see — I just . . .

MR. McBRYDE: Yes, Mr. Chairman. I guess the minister was distracted and probably most

by somebody from this side of the House than from his own colleague. My question to the minister, Mr. Chairman, was: Does the minister have with him the figures for the actual amount budgeted, if it was different from the actual amount spent or are the two figures the same?

MR. MacMASTER: I'll get that information for the member, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you, Mr. Chairman. I'd like to ask the minister in relation to the Manitoba Northlands information which he provided to us over the week-end, what responsibility Northern Affairs has as a department for the overall administration, supervision and co-ordination of the Manitoba Northlands funds that are spent by the Manitoba Government?

MR. MacMASTER: This is the first year, I think is what the member is possibly making relationship to, relating to the first year that it's all been in Northern Affairs, and I must say in all honesty what I really did was go gathering and I gathered it all in. We have a fair idea of what all the other departments will be doing with it, and we will endeavour during the course of the year, to assure that it's spent in the appropriate manner as it's earmarked to be.

MR. BOSTROM: Mr. Chairman, how does the minister mean that it's all in Northern Affairs? To what extent is it all in Northern Affairs since it relates to many different departments, and I'm referring to the summary list on the first page really of the Canada-Manitoba Northlands Agreement Proposed Expenditures 1979-80, which he handed out to us, and I note there's 11 different categories, ranging from Agriculture through to Northern Affairs, outlining various appropriation numbers, departmental votes, enabling votes, and so on. Can the minister indicate how his department will be specifically supervising each of these items, and what staff in his department will be doing that supervision and co-ordination?

MR. MacMASTER: Well, Mr. Chairman, I would think it will start firstly at the Cabinet level, where I talk to my fellow colleagues and am assured that the programs that are being cost-shared under Northlands, are in fact taking place. Some of them are administrative type programs that we know that are a must, others we will be observing during the course of the year, and a good number of them I am involved with as minister responsible.

MR. BOSTROM: Thank you, Mr. Chairman. Well I have some concern here in that although the funds are voted in the Department of Northern Affairs, as we discussed on Thursday last and voted the appropriation of \$19,720,900 I believe it was, departmental vote, the responsibility for actual delivery of the programs is very disbursed throughout various departments of government, and I believe some of these were within the Department of Northern Affairs before. For example, the Community Planning section, which deals with communities on a very intimate basis in that the planners in this section are working with the community councils in developing overall community plans, subdivision, road layouts and so on, sewer and water plans, and so on, and Mr. Chairman, I think it is a mistake for the government, and I want to make a point of that, that it is a mistake for the government to take this out of the Department of Northern Affairs and place it into the Department of Municipal Affairs. I believe it was best placed in the Department of Northern Affairs. I think that the other staff within the department who deal with community councils, those who work in the local government services section, those who work in municipal government support, the construction people, and so on, all inter-relate with the planning that goes on in the community, and it is a mistake to separate the planning function from those in the department that are working on a day-to-day field level support service to the communities.

I would urge the government, and I urge this minister, to reconsider that change of moving that community planning from the department. I don't believe it was a good step, in fact, I think it may have been done for no other reason than a callous political one, and that is of reducing the Department of Northern Affairs, reducing the expenditures within that department. Perhaps there was some idea that putting planning in with municipal planning would make some sense but, Mr. Chairman, the people who work within the Municipal Planning section of the Department of Municipal Affairs, do not have the same kinds of problems as those who deal with the fledgling community councils in Northern Manitoba, and I believe those planning people who were working in that department before, were working quite well with the community councils and I believe they were getting the kind of camaraderie and support that comes through working in the same department from other people that were working within the Department of Northern Affairs.

So I would like to hear the minister's comments on that, if he finds that in his brief experience

as minister in this department he has found any difficulty or if he is considering making any moves in the next year or so to request that this section be moved back to the Department of Northern Affairs?

MR. MacMASTER: Mr. Chairman, it's felt and I appreciate what the Member for Rupertsland said, he's mentioned this to me before, but it's my feeling certainly at the moment, that it can work well within Municipal Affairs with the large numbers of people and backup that that particular group has from others, and they can call on the experience of some very long-term planners, long-time planners, who are in that particular department and we're looking for advantages. We hope it is an advantage and I accept the point from the Member for Rupertsland that it may not be — that's been his position and I am certainly hopeful that it will be an advantage to us to have these people situated with the others where they have the backup.

If we found during the course of time that things aren't working well, I would not hesitate in any way to go to my colleagues in Cabinet and ask that a move be made.

MR. BOSTROM: Mr. Chairman, one of the things which I had thought the Conservatives had, one move they made initially of combining the departments of Northern Affairs and Renewable Resources was a good concept, and I regret that they have now separated those two again and put all of the Resources items into the big Department of Mines, Natural Resources and Environment, which also includes Parks. I brought this up during the Minister of Mines Estimates because I believe it to be a step backward, when you take that very developmental section of Renewable Resources and plunk it into a very large cumbersome department, like the one Mines, Natural Resources and Environment. I believe that's a step backward — I think that this minister will find that in attempting to carry out his function as a northern member and someone who is representing the north, the north having resources as really its only economic base, and having that administration in another department, and having that other department such a big department not really being able to focus much attention on that one portion of the department, which really in my mind requires priority attention. I believe that particularly the developmental aspects of Renewable Resources should have been in a developmental type department, and I believe it's certainly a step backward to put things like wild rice development, communities wildlife management, forestry resources development, and mineral incentive initiatives, and so on into a large department like Mines and Resources and taking it out of the overall direction of a developmental type thrust. Mr. Chairman, I'm wondering if the Minister can comment on that in any way as to how he sees his department being able to provide any kind of developmental initiative in the area of resource development when it is in a different department and, due to the fact that that department has such a wide overall responsibility, that one function of that department will probably get shoved off in a corner somewhere and not really get the attention and priority that it requires.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: Mr. Chairman, I'd like to think we've a good relationship with all departments but I suppose personally, because I was so involved with that particular department as its Minister for a period of time, that I really believe that it's going to work well. If we need forestry expertise in a particular field I think we can get it with no hesitation whatsoever. If we need experts in the fishing industry, or the trapping industry, I really believe that if communities are in need of that and express that need, or if that need is obvious, then I think we can get the expert help that we require.

MR. BOSTROM: Mr. Chairman, my other concern, specific concern here, is in the area of — right at the beginning of the list — Agriculture, 4H North, Northern Gardening. The Northern Gardening project in particular was one which was developed as a developmental thrust really by the Department of Northern Affairs, with co-operation from Agriculture, but really they didn't spearhead the work in the first place. They came in afterwards after the spadework and seedwork, so to speak, had already taken place, and I believe that that is another developmental type of a program that should have remained within the Department of Northern Affairs, one of the main reasons being, as I said earlier, that the field staff from Northern Affairs have the best contact with the community. They're going out to the community and working with them on a regular basis. They're able to, without much additional effort or additional expense, supervise these other kinds of developmental projects that are going on, and because it's in a department like Northern Affairs these projects get priority attention when they're in that department. When they're only a very small portion of a very large department like Agriculture, they just do not get the kind of priority attention that they deserve and need in order to be successful. They get set off on the back burner because

they're just a very small section of that department; they're not a high profile, important project, as far as that other department is concerned, and because it's a different department — I know how departments work in government — there is departmental rivalries, there have been in the past and there will be in the future, and when somebody from the Department of Northern Affairs at the middle management level phones up somebody at the same level or lower, or higher, whatever, in another department, they'll get the run-around, and this Minister probably knows that. I know it's happened in the past and it'll happen in the future, so Mr. Chairman, that is why I'm concerned, that all these projects that are funded under the Manitoba Northlands are split off into the various departments. I just do not think that it makes sense having Northern Affairs in just simply a co-ordinating role.

It's like trying to push a string up hill, Mr. Chairman, because other departments don't necessarily go along with what the Department of Northern Affairs would like them to do. They simply will not give it the kind of priority that the Department of Northern Affairs would want them to give it. So I wonder, Mr. Chairman, if the Minister could indicate on that specific one, 4H North and Northern Gardening, what specific plans does he have as Minister of Northern Affairs to ensure that that project receives the priority that it should receive?

MR. MacMASTER: Mr. Chairman, I agree that it was a questionable one. I think what won it over was the fact that it is agriculture regardless of where it is in Manitoba, whether it's in the south or in the north. I would think that the people in it can work well either under Northern Affairs or under Agriculture. I know that they won't hesitate to talk to the staff of Northern Affairs if they're having any problems. Again it goes back, and I recognize what the member is saying, it goes back to the Ministers and hopefully there is more than just passing attention and it'll be my job to assure that more than passing attention is given to the items that are in there and to assure myself to the best of my ability that they're carried out in a meaningful way, the way they were meant to, and to provide the services that they were designed to do.

MR. BOSTROM: Mr. Chairman, another concern I have is that there are items within the Department of Northern Affairs yet which relate to Acquisition and Construction, and as we went through the Minister's Estimates the other night we discussed some of the smaller projects that the Department of Northern Affairs is responsible for, such as small sections of community roads and so on, and then we see that there are also community roads, airport maintenance, community airports, minor airport improvements and so on, resource roads, that are in the Department of Highways.

Now we discussed a specific example the other night that I brought up which indicated a lack of co-ordination between the Department of Highways people who were crushing rock in Bloodvein for airstrip improvement and the Department of Northern Affairs coming in afterwards bringing the same crushing equipment back in for a second time to crush another piece of rock, another quantity of rock, at a much increased price. That's just one example of things that can go wrong when you have two departments trying to deliver services of a similar nature in one community.

I think, Mr. Chairman, it would make sense to put all of those things either into one department or the other department; either have all of the internal engineering, public works type activity in a given community under one department, either it's Northern Affairs or it's Highways, but don't have it split into two because you're going to run into these problems, and you can't reasonably expect civil servants at the middle management level to co-ordinate. It just didn't happen in the past and it's obvious it's not happening now. It's either got to be in the same department or you're going to have these problems because for one reason or another they just simply do not seem to get together on projects that are going on in different communities. There's a sense of jealousy, or whatever it is, that occurs between departments where, you know, they say, "These funds are our funds. Don't you talk to us about our funds. You have your funds over there." And there seems to be great difficulty in attaining any working together of departments.

So Mr. Chairman, I would hope that the Minister would be working towards either putting all of the Acquisition/Construction from his department into Highways and Transportation or vice versa, bringing all of that construction and Public Works activity back into Northern Affairs. And if I had my preference, Mr. Chairman, I would recommend that it come back into Northern Affairs, all of it, even additional things that weren't in Northern Affairs before such as resource roads and roads in between small communities in Northern Manitoba. I would think that Northern Affairs would be in the best position to be able to work at that kind of activity because of their special relationship over the years with the northern communities.

They are able to negotiate with northern communities; they have a more flexible way traditionally of working with communities in terms of allocating construction contracts. Department of Highways is a very highly structured department, very highly traditional in terms of tendering everything, going through the tendering process which has its advantages, but has its disadvantages too when you're

dealing with small northern communities, small enterprising people in northern Manitoba who are attempting to break into the whole government works activities so that they can have a piece of equipment or a few pieces of equipment and do minor construction and/or maintenance work for the government. I believe that Northern Affairs, because of the special relationships they have had with the communities over the years would be best able to handle that kind of thing. Otherwise, Mr. Chairman, you are going to have confusion in the community, because right now, for example, in a small community where there happens to be an airstrip project that's being handled by the Department of Highways and Transportation, and you have in the same community an improvement or upgrading of a community road that's handled by Northern Affairs, those two together may make a very neat package of construction maintenance work for some local entrepreneur or local firm, whether it's band, community owned or private, and because it's split up, Mr. Chairman, and one side — maybe it's Highways — is tendering their work, and Northern Affairs is negotiating their work, it creates great confusion in the community.

I would hope, Mr. Chairman, that either the Minister can work in such a way with Highways that his department can be the lead agency at least when they go into that community so that, if there are two projects there, a Highway's project and a Northern Affairs' project, that primary responsibility be given to the Northern Affairs person who is going in there to co-ordinate those projects and to allocate the work in such a way that it makes the most sense in terms of giving the community priority over the work to be done, that the communities have first access to the employment at the same possibilities from local construction or maintenance, but time being able to achieve economies of scale for the government by being able to put the projects together rather than running in there with two different sets of civil servants and two different sets of supervision of the project and two different administrations doing the similar kind of work in the one single community. I would like the Minister to comment on that and see if he can tell us how he intends to handle that?

MR. MacMASTER: Mr. Chairman, I certainly concur that the local people should be getting preference in relationship to the work that's going on in their communities. That type of work, I think the Member for Rupertsland would agree, is two-fold; it's bettering their way of life, and it's also creating employment for them. I think that's a very basic and principled set of objectives, and I do believe that our northern co-ordinators will be the ones who will be doing the kind of things that the Member for Rupertsland is talking about, that is assuring: (a) That the local people are very involved with what's going on, and I don't know whether the member used the word "front-runner" or "the negotiator" but either one I've got his point and appreciate it, and I think that's really the role that we will be playing.

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

MR. BOSTROM: I appreciate the Minister's comments, Mr. Chairman. I have a specific question to follow up with respect to the Developmental Agencies, CEDF, Business Management Advisory Services. Could he indicate what is meant by that? There is some brief description in the material which he supplied to us, and I was wondering if he could give us any further information as to what exactly they're planning in this fiscal year before us?

MR. MacMASTER: Mr. Chairman, I don't really know what more I can give than what we detailed here. I think the members opposite would appreciate that there hasn't probably been as detailed a package put together and given out during Estimates, particularly in relationship to any agreement. This is why we worked as hard as we did to try to get it together to give an explanation and on the CEDF particular page: "Provides initial and ongoing assistance to local entrepreneurs in remote communities regarding all aspects of the business operation including accounting and marketing." Assistance falls under the categories of General Management Assistance. I think that really is what it's saying, that they are prepared to go in and again it would be the people in Northern Affairs who would first and foremost undoubtedly come in contact with the people who had an idea or a thought or a program or a business, or whatever that they had in mind or an expansion of an operation, or they had one that they were having trouble with. I think they would bring it to the attention of these particular people who would go in and work with the local community.

MR. BOSTROM: Mr. Chairman, I believe that the program is over-ambitious when you consider the funding that's been allocated to it, when it is anticipated that some 40 clients will receive assistance. I would certainly question that, given the kind of assistance that they are talking about providing such as accounting, marketing, financial statement preparation, financial evaluation, formal client courses, and so on. Having had some professional experience with some of these things,

Mr. Chairman, I know that the kind of professional assistance that is available on the market to provide this service is certainly more expensive than would be indicated by the amount of funds that is allocated here. If the 40 clients were to receive assistance in all of those areas, or even one of those areas, it would be in excess of the amount that's budgeted for sure.

I would say with those funds, Mr. Chairman, you may be looking at assisting half of that number, 20 clients perhaps, at best. If you're looking at paying the total cost out of that fund, unless it is just an ancillary fund to another that CEDF operates. I wonder if the Minister could indicate if the funds that are available here would be paid out in professionals or would it be paid to members — that is employees of the Communities Economic Development Fund to assist them in work which they are doing to assist entrepreneurs in community enterprises? for pro

MR. MacMASTER: I don't think it's meant, Mr. Chairman, fessional people. I think this is for the services of the staff who would assess on an initial basis proposals by people within communities. There are other moneys within that fund, and I don't have the details of that. The Minister responsible would have those details.

MR. BOSTROM: Mr. Chairman, I'm wondering if the minister could explain to us why they transferred the financial administration of the Manitoba Northlands from the Department of Northern Affairs to the Department of Finance. Why would they have not kept it in the Department of Northern Affairs since it's Northern Affairs that has the amount budgeted, it's Northern Affairs that's responsible for administering the total funding? I'm wondering if he can explain that to us since I believe that it worked well while it was under the Department of Northern Affairs, and why he would say they have been moved out?

MR. MacMASTER: My understanding, Mr. Chairman, is that this particular group has always been there and always was in place, and were always funded, that's it's not a new thing this year; that the Department of Finance always had people that were funded out of the various agreements to help administer them.

MR. BOSTROM: Mr. Chairman, did the minister and/or Cabinet not transfer certain individuals and positions out of the Department of Northern Affairs shortly after they assumed office, transferred those positions and/or individuals to the Department of Finance for the purposes of exactly what they're talking about here — financial administration of Northlands activities?

MR. MacMASTER: There was some transferring took place. Mr. Chairman, that was as much for interprovincial work as it was for this particular work, but I asked the same question not any more than two hours ago, why the Department of Finance had that kind of funding, and the answer was, since the inception of the agreements, that there's always been people within Finance that had money to help administer on an overall basis the agreements that are in existence.

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

MR. BOSTROM: Mr. Chairman, I wonder if the minister could be more specific on the Highways and Transportation Section where we have road construction activity — he did provide a breakdown of the roads which would be worked on in the coming year; I wonder if he could break that down further as to how much is budgeted for each of those items?

MR. MacMASTER: I think, Mr. Chairman, that the member would agree that that is terribly difficult to do when all those particular proposals will be going for tender; that we have our Estimates of what we think' and again, I think we had this debate last Thursday night; we Estimate that that kind of money can do that kind of work, but we just would rather not. If the member could be that understanding with me, we'd rather not say that there's \$1.5 million here or \$2.3 million or whatever because they will have to go to tender, and there is a possibility that we can get some good prices for some of that work.

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

MR. McBRYDE: Mr. Chairman, just under this Section during the Highways and Transportation Estimates, I asked the Minister of Highways how come he only had \$6 millions out of the Northlands appropriation and the minister could not explain that. Of course, when you look through the material given to us by the Minister of Northern Affairs, there is more than \$6 million in the Highways and Transportation, so I just wanted him to inform his colleagues about how much Funds has come

out of the Northlands to the Transportation Services Section since the minister wasn't aware of the total amount.

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

MR. McBRYDE: Mr. Chairman, under the Northlands activity, the Section for Fitness, Recreation, Sport, Tourism and Cultural Affairs or whatever title it's going under these days — Mr. Chairman, during the discussion of this particular item in the minister's Estimates, I questioned the minister similarly to what my colleague's been questioning this minister in terms of, as I understand it, the four community recreation workers under this Section are what's left of nine people that were transferred from the New Careers or that graduated from the New Careers Program into departmental positions, and Mr. Chairman, since five of them have left the service, I speculated on the possibility, Mr. Chairman, that because they were, in fact, mostly native people working in native communities whether in fact the Department of Fitness, Recreation and Sport was unable to give them the kind of back-up support services they needed, or just a kind of personnel support services they needed in order to continue their work, and was that the reason for the high turnover, or the high dropout? What happened was that when someone left, they weren't replaced so there's four left out of the nine, as I understand it, that were in this program that the minister shows us here, and I wonder if the minister would care to comment on whether or not it might be more worthwhile to have these particular staff still within the Department of Northern Affairs where they might be able to relate to the remote communities more effectively if they were located within that department?

MR. MacMASTER: I can't explain the reasoning why X number have left; I wasn't aware that it was five, but our people will certainly keep in mind the concerns of the Member for The Pas where he outlines that possibly because of the culture or the relationship or the fact that they're out there and do not have the backup in support. I'd like to assure him that our department will certainly give him those things and will keep in touch with him, and if they have any problems, we'll bring it to the attention of their particular minister but again, I hope that where they're located with the kind of support that they could have in their own particular field, that they could better provide the service.

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

MR. McBRYDE: Mr. Chairman, the other day the minister said he would sort of inquire into or satisfy himself as to the reason that the Fish Freighting Program was under this department when he had justified a number of other transfers on the basis that they seemed more logical someplace else, and I wonder, has he had the chance to review that particular matter and whether he intends to keep the Fish Freighting Program in this department, or whether he intends to transfer that function to the Department of Resources?

MR. MacMASTER: I certainly intend to keep it this year; there's been two or three points raised here in my Estimates that I'll be considering during the year 1979 and this is one of them.

MR. CHAIRMAN: The Honourable Member for Rupertsland.

MR. BOSTROM: Mr. Chairman, granted the information in the Northlands is of a brief nature and some of it is relating to other departments. I'm wondering if the minister could respond, however, more specifically to a couple of questions in the Highways area: one is on the Highways and Transportation Community Roads Section; we have the Norway House internal road up; grading of internal road system — \$300,000 there's about 35 or 40 miles of internal road in Norway House. I'm wondering what type of upgrading is being planned for that community since the \$300,000 would probably cover a very minor grading and gravelling program, but that's about it for all of the roads, or is there some more intensive upgrading of portions of the road that are being planned for this activity?

MR. MacMASTER: I had understood, Mr. Chairman, and I can maybe get some more information on this, but I had understood that certain portions of the road throughout that community have been discussed with field staff and that \$300,000 was felt could do those particular areas in the year 1979.

MR. BOSTROM: The other question, perhaps the Minister would have more information on since

it does relate to his own constituency, and that is the North Whiskey Jack to Cross Lake resource road. Could the Minister explain how they will be constructing a new all-weather road from the Jenpeg-Norway House Road to the community of Cross Lake for the amount budgeted here since that amount budgeted surely would not cover that kind of construction? There must be other funds being planned or budgeted to cover the immense cost of this type of road. I believe there would be at least one or more bridges involved here if there were to be an all-weather road to Cross Lake. Could the Minister explain where the other funds would come from?

MR. MacMASTER: The Whiskey Jack-Cross Lake Road will not be completed in total this particular year, Mr. Chairman. There is a portion — I haven't got the page in front of me, I'm just going from memory — there is a portion of that, I think it was \$1.7 million, that has to be spent on the Norway House Road and the plans were to totally complete the Whiskey Jack-Cross Lake Road in the two-year span.

MR. BOSTROM: Mr. Chairman, in the Safe Water Supply Section, which is on the next page of the booklet, I note that potential sites include a number of communities, remedial work and new construction. Can the Minister indicate in here what type of systems they are planning to put in here and it follows the discussion we had the other day. I'm wondering if the Minister could be specific as to what the Department of Northern Affairs' staff are discussing with these communities in the event that the communities wish to put in a more sophisticated system than the one that is offered by the Department of Northern Affairs, that is, I believe a standpipe service, one pumping house with a standpipe system, and if the community desires a more sophisticated system, that is perhaps a water system to each individual house with some type of sewage disposal, perhaps septic tank or a haul-away septic tank type system, could the Minister indicate if there are funds in here for that type of work or if his staff will be working on providing budgets for councils and communities in northern Manitoba to enable them to carry out a more sophisticated type of water supply in the future?

MR. MacMASTER: Some individual negotiations are taking place, Mr. Chairman, but generally speaking it is the objective of the Northern Affairs Department to get safe drinking water into all the communities as a basic starting point and from there we can start looking down the road at a more sophisticated type of system. But the first priority is to get safe drinking water into the communities.

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

MR. McBRYDE: Mr. Chairman, there is some further clarification that I wanted on this particular item but it relates somewhat to the question the Minister took as notice, so I'm not sure that I can deal with it, and that relates to the changes in Northlands funding over the last few years. I wonder if the Minister could just confirm that one reason for the drop in the Northlands funding last year was in fact the elimination of a number of those programs that were cost-shared 60 percent by the federal government and whether that is one of the reasons for the reduction in that amount and then, Mr. Chairman, if in fact there were some problems with the Highway Construction portion, I wonder if he could indicate what those problems were.

MR. MacMASTER: Mr. Chairman, the major road last year that was to have been completed or had been spoken to or addressed in previous years was the Cross Lake Road, according to the federal people that I have talked to, and that was not in the planning stage, at least not planned to the point where you could do anything really about it. Last year was in fact the wind-down year for the Highways portion. The Member for The Pas, I'm sure, remembers that it was an overlapping sort of agreement where it expired two years previous to the expiry of the Northlands.

So it was up to me, I believe, and I took it upon myself anyway, to extend the highways portion, the Highways Developmental Agreement for another two years so it coincides with the expiry of the Northlands Agreement and that was what we have struggled with during the course of this year and we did manage to get \$16.7 million to get us through the next two years of highway development, to coincide with the ending of the Northlands Agreement.

MR. McBRYDE: Mr. Chairman, I'm wondering if there was some technical reason why the gravelling of the Moose Lake Road wasn't done last construction season as opposed to waiting until this construction season?

MR. MacMASTER: Could the member just nod if he said Split Lake? Did you say the Split

MR. McBRYDE: Moose Lake.

MR. MacMASTER: I can't give him the answer to that. I have no idea why that wasn't given a second lift last year.

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

MR. BOSTROM: Thank you, Mr. Chairman. I wonder if the Minister could give us some more details on the — I suppose this will come up in his Labour Estimates so I'll leave that one. There is a section on Labour and Manpower Employment Services but I assume we'll discuss that in his Labour Estimates.

The Mines and Natural Resources and Environment Section, a comprehensive land use planning is one concern and I would ask the Minister if he has more information on the item, "Preparation of a Macro Plan for Crown Lands in Northern Manitoba, including identification of northern resources and demands placed on resources by northerners and other Manitobans." And secondly, I assume it's secondly, "Preparation of community-centred resource information packages which identify potential areas for resources development — Norway House, Cross Lake, Island Lake . . ."

When I was the Minister of this department, Mr. Chairman, I had instructed the staff to put a low priority, in fact a nil priority on the first item because the macro plans that were coming out of the department were so vague and so unspecific that they were really not very useful to any kind of community-based planning and I put a high priority on the preparation of community-centred resource information packages since they did provide information on resources in a radius around a community, which could be used by that community in the resource planning, economic development planning that they were proceeding with. It was a useful piece of information, something they could keep on file and they would know what the forestry resource was, what the fishery resource was, what the wild rice resource was, and so on, in their area and also with some assessment of the economic potential of tourist-based industries in the area. Whereas the Macro Plan, the Macro Plans I saw at least, I was not that impressed with. I was hoping that this government would not go back to that and start making macro plans which in my estimation, will end up on some shelf in the government collecting dust, and will not be of very much use to either community planning, community based planning, or government planning, and they certainly will not be of much use to a government that is not a government interested in proceeding on its own, in resource development in any case, which I assume the Conservative government philosophy is. And I do not believe that it provides the kind of information that would be useful to a private individual entrepreneur, or even a large company, because it doesn't really have the detailed specific information that they would require if they were to make plans for a business based on resource development, so I'm wondering if the Minister has any idea of what the breakdown is of that \$145,000 that's in there? How much is allocated to macro planning, and how much is allocated to the more useful, I believe, community-centred resource information planning which I believe the government should be putting a priority on?

MR. MacMASTER: I agree in general with what the member has said. I learned a little bit about the macro planning system last year when I was the Minister responsible for that area, and I suppose the Member for Rupertsland and I both shared the fuzzy feeling, if you'll pardon the expression, of wondering really what it told us, except that it's part of a system and I believe that you have to have your macro plans in shape for the various areas. I'll get the breakdown for the member and get it back to him. I haven't got it at the moment.

MR. BOSTROM: . . . into the next section as well, Mr. Chairman, the surveys and mapping section, because here again the surveys and mapping people were instructed by the government when we were the government to put a priority on the community-based surveys and mapping. That is to do that as a priority rather than do the whole north, all of the areas that are really uninhabited. It did not seem to make sense to be spending taxpayers' money on doing surveys and mapping in areas of perhaps simply wasteland, Mr. Chairman, muskeg and swamp in the middle of the north somewhere where no one was living, no one was planning to move to, no one was developing any resources which was virtually inaccessible to any type of resource development. So they were instructed, Mr. Chairman, to provide a mapping system for communities, and I note that some are mentioned here: Easterville, Moose Lake, Cormorant and so on, and I'm wondering if the Minister can indicate if that policy is still in effect, or if they have changed the policy to allow for the mapping of the total north in a way in which it would take away from the mapping of the communities, because all of the communities were not yet mapped. That process was not yet completed when we were

in government, and I would hope that they would do the community mapping first before proceeding to the less useful, less necessary, mapping of other uninhabited areas of the north.

MR. CHAIRMAN: The Honourable Minister.

MR. MacMASTER: Mr. Chairman, I think it has similarities to the macro planning that you have to responsibly spend some amounts of money each year working away at this. I wouldn't want to see the round figures, the total \$250,000, going into mapping of areas that had absolutely no significance whatsoever, but I think responsibly you have to nip away at it every year and eventually get it done rather than be faced some year down the line by those who will follow us in this House with having a very major mass of expenditures to map a particular area, and I believe that that's, from the conversations I recall last year, that this and the macro type planning was what they were doing. They weren't expending their multitudes of money in that particular area, they were zeroing in on the more occupied areas that were of more immediate need.

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

MR. BOSTROM: I have a couple of general questions yet, Mr. Chairman, before we pass this section. If you will bear with me for a moment while I find the section I was interested in.

Can the Minister perhaps give us a breakdown of the Community Planning Section under Municipal Affairs? Apparently this is the section I was referring indirectly in the last comment I made, that is provision of planning assistance, production of base maps at a scale of 1,000 to 2,000, updating base maps and so on. These base maps are of sufficient detail to show housing and lot lines for community planning purposes. Could he indicate which communities are on the schedule for this activity for the year before us?

MR. MacMASTER: I'll have to get that information for the member. I don't have it in front of me.

MR. CHAIRMAN: The Honourable Member for The Pas.

MR. McBRYDE: Yes, Mr. Chairman, some questions off of the Northlands Agreement now. I wonder if the Minister could indicate which Community Councils he has had an opportunity to meet with this calendar year in order to discuss where that council is at, how that council is relating to his department, and their budget for this year, if he's had a chance to meet with any of the councils to discuss those matters, and if so which ones he's had an opportunity to meet with?

MR. MacMASTER: I'd like to believe, Mr. Chairman, that our department has met with virtually all of the communities within the last year discussing budgetary needs and staff and people and the resources and the services that are going on within the community.

MR. McBRYDE: Yes, Mr. Chairman. My specific question is the Minister himself, if he had had the chance? For example, Mr. Chairman, I know that he has had the opportunity to meet with the community council at Cross Lake; I wonder if he's had an opportunity this calendar year to meet with any of the other community councils in order to review their present situation and their present relationship to his department, and their present budget, whether he has had that opportunity himself with any other councils besides Cross Lake?

MR. MacMASTER: Personally, Mr. Chairman, I would think there's maybe half a dozen, but not any more than that.

MR. McBRYDE: Yes, Mr. Chairman, I wonder if the Minister could indicate to us if he has plans once we get out of session to travel to some of these communities and hear firsthand for himself from some of the communities, in terms of what's taking place in the communities, and how they view their relationship with his department at this time?

I would also like, Mr. Chairman, to know how far in advance of his travel is the Minister able to set his travel plans so that he knows where he is going to be? How far ahead is he able to set those kind of plans in terms of his northern travel and his northern visits?

MR. MacMASTER: Well, Mr. Chairman, I certainly plan on travelling very extensively in the next few months and I try to make it a habit of letting people know before I come in, if it's appropriate to come in at that time and if the appropriate number of councillors or the officials will be available

at that time. As we all know, there's no sense I don't think, just popping into a community and walking into their community hall and saying I'm here, because you may find that the majority of elected officials might be out on the trap line or out fishing or whatever.

MR. McBRIDE: Yes, Mr. Chairman, I guess I'm sort of curious about whether there's sort of a difference in operation. I know that when I was a minister, it was very difficult to make plans let's say more than a week to two weeks ahead because there would always be some particular situation where a community was saying, we have this problem, it has now come up, and we would like to talk to you about it. I don't recall being able to set tentative plans maybe a month ahead, but some firm plans in terms of travel with community visits was very difficult to set it more than a week or two ahead. I wonder what the minister's experience has been in northern Manitoba in that regard.

MR. MacMASTER: Mr. Chairman, it's not always necessary to go to a community just because there's a particular problem. I think you can address yourself to communities and inform them of a week that you will be available on 'X' days and see if they fit in and if they don't you can fit it in the following week.

MR. McBRIDE: Yes, Mr. Chairman. I'd like to make a few general comments on what we've been able to review the last couple of days and, Mr. Chairman, the reason I was pursuing these questions with the minister is that my perception of what is taking place in northern Manitoba, under his guidance as the minister and under his government, is quite different from the minister's perception of what is happening especially with the community councils. So, Mr. Chairman, I would like to pursue that a little bit further.

There's a couple of other things that have become clear as we have gone through these Estimates, Mr. Chairman, and one is in the area of the minister's boasting in terms of having this administration of the department within northern Manitoba: on is if it's a new move and secondly as if that's the present reality of the situation. Mr. Chairman, I wouldn't make such a big issue of it because I know there are problems. Cabinet meets in the City of Winnipeg, a number of the federal authorities are in the City of Winnipeg, and it is not that easy to have the location of staff in northern Manitoba, except when the majority of that staff work relates to the communities, Mr. Chairman, so I wouldn't be that critical of the minister if he hadn't made it seem as if he had done something drastically new and something drastically different. And, Mr. Chairman, the facts of the matter are, that there has really been very little change. There was when the department used to be the size it is now, prior to 1972-73, Mr. Chairman, there was at various times a Deputy Commissioner in Thompson, at various times in the City of Winnipeg. Mr. Chairman, there was in previous times a majority of staff located outside the City of Winnipeg, in northern Manitoba. A clear majority of staff located outside the City of Winnipeg area, Mr. Chairman, with key decision making responsibility in terms of the three ADMs, when the department was expanded, that resided in northern Manitoba, met with their own executive in northern Manitoba, as well as the executive of the department rotating its meetings between The Pas, Thompson and Winnipeg.

So, Mr. Chairman, the location, the big thrust that the minister talks about is really a non-thrust, it's almost a continuation. Mr. Chairman, when we went through these figures here in the Budget here, in terms of staff, it seems that maybe half is located outside of the City of Winnipeg and half is located in northern Manitoba. In terms of the dollar responsibility and the allocation of dollars within his Budget, the vast majority of dollars is administered from Winnipeg, Mr. Chairman, as we go through the Budgets and as the minister clarified how the department is operating at this time. So in that area of physical location, Mr. Chairman, it's not really any new thrust, hopefully a continuation of the thrust that was undertaken previously when the New Democratic Party had the responsibility for administering this department.

The other aspect of that, Mr. Chairman, and the other new thrust that this minister and a number of other Conservative ministers like to speak about, is now the more realistic, more efficient division of responsibilities between the various departments and, Mr. Chairman, I have never been one of those that was that convinced that there was an ideal way to divide up the work that had to be done because, Mr. Chairman, every function of every department of government relates somehow to every other department of government, and every function of government is totally interrelated in some way. So it's an artificial division of those responsibilities, an artificial allocation of the jobs to be done and, Mr. Chairman, I don't see to change one artificial allocation to another artificial allocation is the big example of efficiency. And as we've proceeded through these Estimates, Mr. Chairman, that has become abundantly clear.

There is the division, those things that were taken away from northern Affairs responsibility and assigned somewhere else don't appear to be any more logically assigned than where they were

before. My colleague and I in our questioning have pointed out where in fact, it's probably less effective and less efficient in terms of some of the moves that have been made in terms of the transfer of responsibilities between the various departments.

And, Mr. Chairman, we know in terms of the efficiency, that when the Task Force came in under the guidance of the Great-West Life and the minister who's now running in the federal election, Mr. Chairman, that in fact that productivity in the Civil Service went down. It's a known fact, Mr. Chairman, in terms of organizations and how they function that a change causes a slowdown in productivity, a slowdown in the amount of work that's being done. Mr. Chairman, that is exactly what took place and aside from that there was the problem of no direction being given for a long time and, Mr. Chairman, that left a lot of people in limbo and it was not efficient or it was not effective.

Now that is the reality, Mr. Chairman, of what has taken place, but even within this particular department and with this particular minister, although maybe, Mr. Chairman, he's not bragging much about the reallocation of responsibilities since a number of those responsibilities were transferred to other ministers, perhaps it is the new ministers who are bragging about this as a more effective and a more efficient way, the way the departments are divided up now than it was in the past.

But, Mr. Chairman, we have seen a number of examples here, such as the Fish Freighting Program that was in the Department of Resources prior to 1977. Somehow after October 1977 it got transferred to Northern Affairs and now with the Resources section transferred away from this minister, that particular function is still left within Northern Affairs and, Mr. Chairman, the minister could come up with no logic or reason why it was there. Mr. Chairman, I make an assumption of terms of what took place, is that they had the Task Force report; the decision was that we have to reallocate some things — have to change things — to show that we're doing them better. Change is good politically because it looks like something was done incorrectly before, and if we change it we can say we are doing it correctly now.

And, Mr. Chairman, that is basically what happened, it was an artificial division of responsibilities between the various departments and, Mr. Chairman, in terms of function in some cases it has decreased that function, in terms it made it less effective, less efficient and maybe there's a couple of cases where it increased the function after a period of time, not initially, Mr. Chairman, because there is that recovery time after every time you make a change. So, Mr. Chairman, what we have here is no more logical than what we had in the past and, Mr. Chairman, I can't accept the arguments of the minister's office that somehow they are doing something more effectively or more efficiently because they have allocated some sections here and some sections there.

In fact, Mr. Chairman, my colleague pointed out a couple of clear examples of an actual loss in dollars. And, Mr. Chairman, this is what's happening because we have a very traditional functioning department, like the Department of Highways, which has a distinct inability to relate to northern communities. When the transfer of function took place, moved in and took over equipment, etc., etc., which the community felt they had some stake in, Mr. Chairman, which the community felt in the past when there was some contracts being awarded, they felt some responsibility because those contracts were discussed with them, they were fairly familiar with what was going to happen, and if they saw something going on that wasn't quite right in terms of an outside contractor, in terms of a local contractor whatever, they would quickly let departmental people who they saw regularly — because they were Northern Affairs staff that were regularly in the community — let them know that something was going wrong. Mr. Chairman, there is not that feeling of responsibility any more. That is, it is a Department of Highways, Winnipeg-made decision, an outside contractor and the community sees the contractor come and do the work and leave, and after the work is done then the community might come forward and complain about what took place, that in fact the work was not done properly and the contractor did not live up to his particular responsibility.

So, Mr. Chairman, there are a couple of examples of clear inefficiencies as a result of that particular type of transfer. But, Mr. Chairman, the thing that disturbs me the most about what the minister has told us is the fact, Mr. Chairman, that the minister does not seem to know what is going on within the community councils. What the minister says to us in this House, Mr. Chairman, is not what the community councils are telling me, not what the community councils are telling the Member for Rupertsland, not what the community councils are telling the Member for Flin Flon, not what the community councils are telling the Member for Churchill, not what the community councils are telling the Member for Ste. Rose.

And, Mr. Chairman, what has happened is a bureaucratization of the system and the reduction of the responsibilities of the local councils, a clear reduction in the responsibilities of local councils, and that responsibility being taken over by civil servants. Mr. Chairman, that is why I asked the minister about his contact with the councils, because I don't think he knows himself that that is

really what's happening, especially in the last six months to the last year, that the bureaucrats within his department have retaken control of the remote areas of Northern Manitoba. They have re-established their domination of the community councils and, Mr. Chairman, that is why I am hopeful that the minister will get out and talk to some of the councils and, Mr. Chairman, maybe even talk to some of the councils without some of his senior people there, because, Mr. Chairman, there is what my colleague and I perceive in those communities, some element of fear in terms of saying what's going on because when that control was taken from the councils, they are now dependent upon those senior civil servants. If they complain too much, then they could lose funds for their community. Because, Mr. Chairman, there is no longer a clear division of those funds. Mr. Chairman, in the past, the communities knew what their allocation was, clearly knew what their allocation was. Mr. Chairman, what they get now is an answer back from the department, "We approve A, D, and F but we don't approve C, B and D in what you propose to do this year." But they do not have an idea about how much funds totally should be available for their community council. They do not even know, Mr. Chairman, why some items were approved and some not approved by the councils.

What used to happen, Mr. Chairman, was that there was a look taken in terms of the total funding available for councils, a look taken at the exceptional or special needs of certain councils because there are in some communities certain large projects that need to be done. But then, Mr. Chairman, there was a good idea what each council had in terms of its allocation so that then they could take their allocation and plan the most effective use of that allocation within their particular community. Mr. Chairman, those discussions and negotiations used to go on directly between the community council and the people who made the decisions. What has changed, Mr. Chairman, is that now the councils sit down with their co-ordinators and prepare a proposed budget. The co-ordinators take that proposed budget to the senior administrator who then makes a decision on what items are going to be approved and what items are not going to be approved. In fact, Mr. Chairman, it has even added in things that the community has not asked for, at the same time eliminating things that the community felt were very very important to have within their budgets.

So, Mr. Chairman, that is the state of what's going on and, Mr. Chairman, I would like, because there is a clear discrepancy and the Minister had his column, the MacMaster Report, in The Pas Herald last week which some of the people from Cormorant and Moose Lake had read since they are in The Pas area and they thought it was very funny, Mr. Chairman, because the Minister was saying the opposite of what they are experiencing. Mr. Chairman, I don't know whether that's because the Minister does not know what is happening because his senior staff are misleading him in terms of what's happening, or whether the Minister happens to be doing the misleading in terms of what is actually taking place.

I think perhaps an example, Mr. Chairman, of this bureaucratization and the taking of responsibility away from the communities, and especially an example of the bureaucratization that has taken place within a department that used to be able to be responsive, to be able to discuss and negotiate with councils, to be able to assist councils, to be seen as a consultant to, a supporter of, a backup service available to councils as they carried out their responsibility, Mr. Chairman, which has now turned into a police force to enforce the rules and regulations, to enforce the decisions that have been made in the bureaucracy. Mr. Chairman, if it weren't so sad, it would be terribly funny.

Mr. Chairman, the bureaucracy of this department has issued a directive for all its co-ordinators and all its staff that they must file three months ahead their travel plans into the remote communities. I don't know if you, Mr. Chairman, are familiar with how ludicrous that bureaucratic decision is but, Mr. Chairman, anyone who has any experience in northern Manitoba knows that to take a field staff person in a department that relates to the remote communities and tell them that they must three months ahead lay out their travel plans, Mr. Chairman, knows that that is completely unworkable, it is the kind of red tape that strangles any kind of possible production, any kind of reasonable relationship with community councils. Because, Mr. Chairman, within the communities, and the Minister indicated it himself, I mean, you have to check with the community to find out what's happening there, if in fact the trapping is good now and more people have gone out trapping, if in fact the mayor, who wasn't going to go trapping has decided now to go trapping because the trapping is good, if in fact the meeting is scheduled for Cross Lake on August 4, when half of Cross Lake is going to a funeral in Norway House on August 4. Mr. Chairman, the co-ordinator was of course unable to know that somebody in Norway House was going to die just prior to August 4 so that all the council in Cross Lake was going to be in Norway House that day. Mr. Chairman, I don't know how many examples I have to give to people who are not familiar with the north, but a requirement of three months' advance planning for travel is just a ludicrous situation and clearly demonstrates — clearly demonstrates — how the bureaucracy has taken over in northern

Manitoba and how the bureaucracy is strangling not only the community councils, not only the elected representatives in the northern community, but the field staff as well, Mr. Chairman. The field staff are becoming less and less functional because they are being strangled by the red tape being set up.

Mr. Chairman, I'm not sure the Minister is aware of that situation. If he is aware, for example, Mr. Chairman, of three months ahead for your travel plans then I'm sure from his northern experience, from his having the opportunity now as Minister to travel outside of Thompson into the remote areas, Mr. Chairman, that the Minister would know that is an unreasonable situation. Mr. Chairman, an example of that is, I was talking to an ex-civil servant who is one of those who received the hatchet from this government, who was saying that there was an emergency situation that came up in the community of Cross Lake where they had to get some clarification in terms of their timber permits for the sawmill operation there. Mr. Chairman, this happened last spring at the time of breakup and the only way to get then into Cross Lake was by air, to drive into Jenpeg and fly to Cross Lake from there was probably the cheapest way to get there. So, Mr. Chairman, this particular civil servant went ahead and did the job that had to be done. But just out of curiosity he went through the official channels and he put in his application to charter a plane to go from Jenpeg to Cross Lake, because it was breakup. He went ahead and got the job done and got things all stirred up in the administration and caught heck for it and the sawmill was able to not lose any days of production because of that problem. Five and a half weeks later, he got his approval, Mr. Chairman; he got approval from the bureaucracy to charter the plane. Five and a half weeks later, Mr. Chairman, you didn't need a plane to get to Cross Lake any more; the ice was gone, you could get into Cross Lake by boat.

So, Mr. Chairman, that is just one small example of the kind of things that are happening when the bureaucracy tries to make rules that they think, in their books, will somehow be efficient and effective but when you come to the practical reality of applying those rules in the field, Mr. Chairman, they just do not apply.

We had another example last year, Mr. Chairman, of the community of Cormorant when the central bureaucracy made a decision, not in this Minister's department, in another one, where the casual staff man years must be hired and kept on so when the construction crew from Public Works finished its job in Brandon, they had to take the staff they hired in Brandon to the community of Cormorant because those were the rules that were laid down. Mr. Chairman, enough fuss was raised about that that the people could see the ludicrous nature of those rules and at least in that one case made an exception to the rules so that they could lay off the staff they needed in the Brandon region and hire the staff they needed to finish off the landscaping of the Cormorant School from people in the community of Cormorant, instead, Mr. Chairman, of bringing casual staff from the Brandon area all the way to Cormorant, putting them up in the Cormorant Lodge because they weren't local residents, at a cost of probably \$35.00 a day or so, if they didn't get under the American plan, if they got under the Civil Service plan, probably \$35.00 a day or so for each one of them, and that was an example of the efficiency.

So, Mr. Chairman, that is what has happened. Since there is a discrepancy between what I see has happened and what the Minister sees has happened, I would be willing to make a bet with the Minister; I would be willing to make a bet that if he got someone to get ahold of three community councils, Mr. Chairman, and ask them whether they had more responsibility now, whether there was more discussion and negotiation that led to them making the decision now or whether they in fact have lost some of their responsibility and some of their authority and that there is less discussion and less involvement of them in the making of the decisions. Mr. Chairman, I would be willing to make a bet that three out of three would say that there was less responsibility now. Mr. Chairman, if we want to take another figure, let's say eight out of ten, if we wanted to use a bigger sample. My guess is, from my discussions, that eight out of ten of the communities could point out clearly, we have had responsibility taken away from us by the bureaucracy, not by the local co-ordinator, the field co-ordinator who comes into our community on a regular basis although that person is put into a position of having to abide by the instructions from his boss, from the instructions of the administrator of this department, Mr. Chairman.

So the communities could clearly explain that to the Minister. Mr. Chairman, my discussion with councils — one council, Mr. Chairman, when they got their budget back and were told what had been done to their budget and the fact that they got enough money to do what they wanted to do but were instructed as to exactly how they could spend that money, as opposed to their own priorities, almost resigned. They talked it over, Mr. Chairman, and decided, well, we'll hang in there because maybe we can get some changes if we don't resign. But the whole council was so frustrated at that time that that was the key discussion at one meeting, whether they should all resign and just let the reality take place. And the reality is that the bureaucrats are now making the decisions that councils used to make.

Mr. Chairman, as I said the other day, there are some councils that still need the outside intervention, that still need some direction and guidance, that still need some financial management imposed on them and, Mr. Chairman, the departmental officials would know which communities those are. The communities themselves know which communities those are. But the vast majority of communities, Mr. Chairman, have been able to take the responsibility, able to take the authority and use it so that the communities themselves could make their decisions and set their own priorities. The majority of councils, Mr. Chairman, are in that situation. If you called those councils that have been in that situation and have had that opportunity to make the decisions for their community, to be involved in what happens in their community, Mr. Chairman, then you would find they are the ones who are frustrated right now and they are the ones that the Minister should be listening to to find out what is actually taking place within his own department, what his bureaucrats are actually doing in terms of taking control of northern Manitoba.

Mr. Chairman, at one time in the past, I was given the title of Czar of the North by the opposition and, Mr. Chairman, I wouldn't give that title to this Minister because I don't think he's the Czar of the North, I think he's the honorary king or the figurehead of the department, but the Czar of the North is the bureaucrats within this department, who are making all the decisions and who are setting out the kind of rules, like three months planning ahead in terms of your travel in northern Manitoba.

So, Mr. Chairman, that's what leads me to conclude, and I invite the press to get the names of the councils, the community councils that are elected, to get their phone numbers from the Minister or from our Caucus Room, Mr. Chairman, and give them a call to find out for themselves. Just to ask them, "What's happening now?" There seems to be a difference of opinion between the NDP members of the Legislature in their discussion with council members in their constituencies and other constituencies, and what the Minister of Northern Affairs is saying. And what has actually happened to your council in the last year, especially in the last 6 months since the reorganization internally has been completed, and the authority and responsibility has been grabbed back by the civil servants away from the community councils, Mr. Chairman?

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

MR. MacMASTER: Just a couple of comments on what the Member for The Pas has said. I don't think when you are running a department even in southern Manitoba or northern Manitoba that you plan on a day-to-day basis. I think the planning that he's talking about, the two month or three month plan is a plan of general direction that the people feel that they will be going, and the areas that they will be covering in the next period of time, and that I'd like to assure the Member for The Pas and others, if they felt that that plan was set in cast or those schedules of events were set in cast, then he knows that I know and we all know that you don't set those things . . . you don't cast them in stone be they in southern Manitoba or in northern Manitoba, because things do happen.

The councils, to my knowledge, have a pretty good idea of the kind of dollars that they will be getting, and I said to the member before and I say again that they still have those opportunities to outline their priorities. I have received, and it is some indication, not only from some councils but from the Northern Association of Community Councils that they think that things are starting to turn around. The period of time that the member talks about, when there was a change of government, a change in a lot of things, I agree that when changes take place there is some element of frustration, but I'd like to believe that that is erasing itself in the last few months and we'll certainly be in a much better position and I think the councils will be in a much better position as time goes on.

Also, I would like to comment on the fact that the Member for The Pas is claiming that we're dominating the councils and we're being dictatorial. Well, I'd like to hear of those instances as I mentioned the other night. I don't intend and I have no intentions of tolerating any domination of the Community Councils' elected officials. Our role is to assist them and support them and work with them, and that's the message I have passed down and I really believe that I'll find that to be true when I get out through the communities this forthcoming summer, and if I don't then I guess I'll have to talk to the appropriate people about it. But I believe that a supportive role and a discussion role is what those co-ordinators are supposed to do. They are not supposed to go in and dominate in any way, they are supposed to assist the community councils, and I think I'll be finding that to be the case by and large.

MR. McBRYDE: Mr. Chairman, I wonder if the Minister would be able to locate for us and table the memo that has gone out to staff in terms that their travel plans must be approved three months ahead, and whether he could table it so we could see the actual wording of that, because the actual

wording as I understand it, Mr. Chairman, doesn't leave much flexibility in terms of changes in those programs, and any changes have to be written in and approved? And, Mr. Chairman, if the five and a half weeks for the approval of the one case that I mentioned is any example of the situation, then probably the problem, the situation that arose that the staff person found it necessary to deal with has long gone by, or, Mr. Chairman, breakup has already occurred, as I stated in that case.

The other thing, Mr. Chairman, is that I'm not sure the Minister clearly understood what I said, because yes, Mr. Chairman, I did say that the community outlined their priorities, and that is what the Minister said. Mr. Chairman, the difference is though, that in the past they were able to outline their priorities and then discuss, negotiate in terms of how those priorities should be changed, negotiate in terms of, we can't do this kind of thing this year, but next year, or within these funds available our community wants to do the following things this year. And, Mr. Chairman, that is how it worked in the past even in terms of the larger projects, there was a negotiation and discussion, but what is happening now, Mr. Chairman, is that the community outlines the priorities; it does this, Mr. Chairman, in conjunction with the person who comes into their community, and then that person has to take it to another level where the priorities are set on the basis of some unknown guidelines of an administrator, of a bureaucrat who hasn't even been in the community initially to understand what that community is asking for.

Mr. Chairman, in one case that I know of the community budget came back with an item in there that the community didn't even ask for, had never discussed with the co-ordinator, and yet the things that they really wanted were cut out of their budget. But somehow that bureaucrat had a vision that every community should have this facility, so we'll give it to this community whether they want it or not.

And the other aspect is that it is not the co-ordinator who travels into the community that has taken that authority and that responsibility away from the communities. Mr. Chairman, those co-ordinators are now, I hope, in the habit of not taking authority and responsibility away from the communities, but, Mr. Chairman, it is their superiors. It is the more senior bureaucrats, it is the accountants and the administrators who are taking that authority to themselves, and telling the communities what they need, and not asking the communities in terms of how can we support you in your priorities? But then what happens, Mr. Chairman, is that once your boss does that and says that Community A is going to get this, this and this, and not the things they set out in their budget, that that co-ordinator then has to be the one who goes back in there and tells them, "This is how it is." So, Mr. Chairman, in that sense the co-ordinators do become, I guess, dictatorial, but, Mr. Chairman, I guess if they want to keep their jobs they have no choice. Their bosses told them, "This is the way it's going to be, go get that community to accept it because that's the way I've decided it's going to be." And that is what's happening in northern Manitoba, Mr. Chairman, and that is what I mean when I talk about the bureaucratization and the return to the colonial and dictatorial system that existed, Mr. Chairman, prior to 1970 in northern Manitoba, changed, and is now changing back again.

MR. DEPUTY CHAIRMAN, Mr. Warren Steen (Crescentwood): Order please. It is now 4:30 and in accordance with Rule 19(2), I am interrupting the proceedings for Private Members' Hour. The Committee of Supply will resume at 8:00 p.m.

BUSINESS OF THE HOUSE

MR. JORGENSON: Mr. Speaker, before Private Members' Hour, I wonder if I may announce that the Standing Committee on Economic Development will meet tomorrow at Room 254, 10:00 o'clock, to consider the Annual Report of the Manitoba Mineral Resources Limited.

MR. DEPUTY SPEAKER, Mr. Kovnats: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Yes, Mr. Speaker, I'd also like to move a change on Committee at this time. It will be the Honourable Mr. Ransom for the Honourable Mr. McGill on Public Utilities and Natural Resources.

MR. DEPUTY SPEAKER: Duly noted.

PRIVATE MEMBERS' HOUR

MR. DEPUTY SPEAKER: We are now in Private Members' Hour. The first order of business is Resolution No. 10.

RESOLUTION NO. 10 — TO REMOVE CITIZENSHIP REQUIREMENT FOR TEACHERS.

MR. DEPUTY SPEAKER: The Honourable Member for St. Vital.

MR. D. JAMES WALDING: Mr. Speaker, I move, seconded by the Honourable Member for Kildonan, that,

WHEREAS Section 12 of the Regulations Act states "Where under the Rules of the Legislative Assembly, a minister of the Crown or other authority making a regulation or, in the case of an order-in-council, the minister recommending it, receives from the Clerk of the Legislative Assembly a copy of a resolution of the assembly showing that the assembly disapproves the regulation or any part thereof, or requires it to be amended, the minister or other authority or the Lieutenant-Governor-in-Council, as the case may be, shall revoke the regulation in whole or in part or amend it as required in the resolution", and

WHEREAS Section 19 of Manitoba Regulation 154/76 requires applicants for teaching certificates to be Canadian citizens, and

WHEREAS this requirement is contrary to the intent of the Human Rights Act, and

WHEREAS the Manitoba Teachers Society has adopted a policy opposed to this requirement,

THEREFORE BE IT RESOLVED that Section 19(1)(A) and 19(2) be revoked and that professional competence be the only condition for teacher certification in Manitoba.

MOTION presented.

MR. DEPUTY SPEAKER: The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Speaker. I believe this Resolution is entirely appropriate as a Private Members' Resolution. It concerns itself with human rights, maybe some who would consider that to be a New Democratic Party position concern, and it also concerns itself with the rights of an individual to earn his living at his own chosen occupation. From that point of view, it might well be considered to be a Conservative type of resolution.

So, I'm putting it forward to the members for their consideration on an individual basis. I would also say to members, Mr. Speaker, that I have not taken this to our caucus nor sought support for it from any of my colleagues with one exception, and that was the member who assisted me in drawing up this resolution. I understand that he might well be inclined to support it, but that is his decision so to do.

I would also like to tell members, Mr. Speaker, that the subject matter of this Resolution is something that I have spoken to or perhaps I should say criticized two former Ministers of Education of our administration and they stood firm on the matter and would not change it. In a similar manner I have criticized the present Minister of Education and sought his revocation of the particular clause and he also stood firm on the matter.

So now, Mr. Speaker, as demonstrated in the text of the Resolution I am appealing to all of the members of this Assembly as individuals to support this Resolution and try to have the offending part of the regulation revoked.

Perhaps I should say to those members who might be new to the Chamber that when we pass a Statute through this House that we do so in certain general terms, spelling out in principle what it is that we require to be done, but that there is more requirements in order to administer that Act than simply the Statute itself. There may be forms to be designed and printed. There may be staff to be hired and trained. There may be offices to be set up. There may be various other requirements that have to be done by regulation and it is usual where these things are necessary for an Act not to be proclaimed for some time until these administrative details can be ironed out and printed in the form of a regulation.

Now it is a generally held principle that regulations cannot be contrary to any Statute that is passed. The reason, the purpose for the regulations is simply that the Act shall be administered smoothly and efficiently. I believe it's also a principle that regulations cannot go beyond the intent of the Statute and introduce into law by means of regulation those things that were not intended to be in place when the Act was passed.

I would also like to say to members that I can find nothing in any of the Education Acts where there is this requirement for citizenship for our teachers. It seems to have been put into the regulation by the Teachers Certification and Regulation Board as a Ministerial Order signed by the Minister, having a certain effect on the ability of individuals to conduct their affairs and their living in their chosen occupation, and that was a matter that this Assembly did not have the opportunity to consider. I am now asking members to consider that and decide in their own minds whether that

is a proper thing to be done by regulation and whether this Assembly would find that requirement to be unfair and abhorrent and should in fact be removed from the regulation.

I've obtained regulations going back to 1967 when this requirement is in effect for permanent certification and it seems to have been changed in a couple of instances since that time, again without reference to this Assembly, and again something that is done administratively through the Department of Education. I would like to point out to the members that previously when I have spoken on this subject I have spoken only on the matter of interim certificates for teachers, and members should be aware that an interim certificate is given to a teacher for the first two years after becoming qualified as a teacher. After which time if certain conditions are met that teacher may then be granted a permanent teaching certificate and then is able to benefit from those benefits that come with tenured positions with school boards.

My previous concern with the three Ministers that I mentioned before had to do with the fact that up until 1972 interim certificates for teachers were renewed more or less automatically and without any limit and there had been teachers teaching in this country sometimes for 10, 15, 20 years or more, who had been teaching simply with an interim certificate, and for various reasons did not wish to take out their Canadian citizenship and expected to be able to continue under the rules under which they came into this country, to continue to renew their interim teaching certificates. Again by a change in regulation which did not come to this Assembly there was a limit put on that and no further interim certificates would be supplied to these teachers in this particular category after a term of six years had expired. I was told at the time that it affected some 1,000 or more teachers and that many of them did in fact at that time take up their Canadian citizenship, which is a very good thing. I would not like anyone to be under the delusion that I am suggesting that citizenship is not a thing to be desired. This is an argument that I have received from this present Minister and previous Ministers that well teachers should be citizens. I have no quarrel with that whatsoever, Mr. Speaker, I believe also that all landed immigrants to this country should take out their citizenship in due course, but I believe that they should do so because they want to, because it's an attractive thing for them to have, and not because it is forced on them by someone holding an axe over their head and saying to them, you take out your citizenship otherwise you're out of work. Now that's, in my opinion, Mr. Speaker, a totally wrong attitude to take to people. The status of citizenship should be something that is desired and sought and obtained by landed immigrants.

It was pointed out to me by this Minister that Ontario, and Quebec, and Saskatchewan also require Canadian citizenship for permanent certification, and the last indication that I have, which is not dated but it's some time since 1974, indicates that that is the case and also that Alberta, Saskatchewan, Manitoba, Ontario and Quebec, North West Territories, all require citizenship for a permanent certification. As far as temporary certification, it would appear that all of them require only landed immigrant status or a work permit. New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, the Yukon, British Columbia, do not require anything further than the landed immigrant status in order to obtain a permanent certificate.

I'd like to move on now if I may to the matter of the Human Rights Act, and this is mentioned in the Resolution also. Members might recall that this was an Act passed by this House, and I believe without any dissenting vote, in 1974. What it was intended to do was to prohibit discrimination on a number of different cases in regard to notices, signs, public places, housing, purchase of property, employment and contracts, etc. I believe the relevant clause of that Act is 6(1), but it's spelled out rather nicely in a little booklet that the Human Rights people themselves put out and I'd just like to quote briefly from it to members. It's under the heading of "Employment." It says, "The law provides for the right of equality of opportunity based on bona fide occupational qualifications in employment. Employers are obliged not to deny a job nor continue to employ, not to advance a person, not promote a person because of that person's race, nationality, religion, colour, age, sex, marital status, ethnic or national origin, or political beliefs of that person."

Now that is something, Mr. Speaker, that is imposed upon the public sector by this Legislature in fairly ringing terms, I think that you would agree to that, under the very laudable heading of prohibiting discrimination in certain very key areas of life, of employment, and of accommodation. But, Mr. Speaker, would you believe that this particular and very desirable Legislation does not apply to the government of Manitoba. Reading what is in here, reading the Act itself one could well come to the understanding and the belief that such Legislation would prohibit discrimination in the employment of teachers on the basis of nationality but in fact it does not for some rather obscure legal reason. It is, the government of Manitoba does not employ teachers, it is the school boards which employ the teachers. But a teacher without a teaching certificate cannot be employed. So the Spirit of the Act, Mr. Speaker, is quite clear, and that is to prohibit, to deny any teacher from obtaining employment and from keeping that employment by means merely of his nationality. Yet this is what has happened and it has happened because of this regulation, this in-House

put out by the Department of Education which could provide some means of prohibiting teachers from earning their living.

Now I've also been told, or assured, Mr. Speaker, that well in cases where there is difficulty a teacher requiring another interim certificate can simply apply to the Minister and the Minister out of the goodness of his heart will issue another interim certificate and that there have been no cases of hardship involved. Well that being the case, Mr. Speaker, it rather makes a mockery of a regulation anyway if it were simply be turned around and got around any time that someone wishes to apply. Would it not be simpler merely to do away with the regulation in the first place?

Mr. Speaker, we do not require truck drivers to be Canadian citizens in order to earn their living in this country, and why not? Because it is irrelevant. We don't require carpenters to be Canadian citizens in order to earn their living, and why not? The same reason, it's irrelevant. The same thing — we don't require dentists to be Canadian citizens in order to carry out their practise. Again, why not? Simply because it's irrelevant. Yet how can it be relevant when it comes to teachers. If there is a requirement or if it is necessary for a teacher to be able to communicate clearly in the language to his students, then that should be a requirement of proper qualification in order to carry out his job. If for example a teacher of Canadian history is required, then that is what should be required whether that person is a Canadian or American or comes from Hong Kong or Timbuktu, what we are concerned with here is a bona fide occupational qualifications and not, Mr. Speaker, the colour of the passport that a teacher has in his pocket.

I referred also in the regulation to the matter of the Teacher's Society, and I put it in there particularly because the Minister said under his Estimates that this particular resolution was not passed by the Manitoba Teachers' Society, and I have a copy of the Resolution and it was in fact passed at the 1976 annual general meeting. 1976 was a year in which the teachers in this province could see student enrolment declining and could see a diminishing job market for their members in that particular profession.

I want to suggest to you it took a certain amount of courage, Mr. Speaker, for them to go on record as favouring the removal of this particular restriction as far as it concerned teachers, for them to support this particular regulation, or to have them expand it would serve to provide perhaps an expanded job market for their own members, however, they went on record in 1976 as follows:

Be it resolved that the Manitoba Teachers' Society delete its policy requiring Canadian citizenship as a condition for permanent certification as a teacher

and be it further resolved that the Manitoba Teachers' Society urge the Minister of Education to amend regulations to repeal the citizen requirement for permanent certification;

and be it further resolved that the Manitoba Teachers' Society adopt the policy that professional competence be the only condition for permanent certification; and that was carried at their 1976 Annual General Meeting.

I would like to say that I admire that action that was taken and I support it entirely and I'm asking the Members of this Assembly for their support too for that resolution, the resolution that I have put forward and I hope that they will support it.

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

MR. LEN DOMINO: Mr. Speaker, I come to this issue with a special interest as a professional teacher myself, as someone who's earned my living as a High School teacher, as someone who fully expects to return to teaching full-time, whether that will be two years from now or six years from now, that's not necessarily under my direct control; but I do intend to go back to teaching. I consider teaching my occupation, my profession. I expect to spend most of the working days of my life in a classroom working with children which is the work that I find most rewarding and I like the best.

So, Mr. Speaker, when issues such as this are discussed and when I hear statements that were made by the Member for St. Vital, I can't help but think that they must come from a person who hasn't had any firsthand experience in a class, doesn't understand the process that is taking place or at least doesn't understand it in detail that takes place during the school where children are located and where children are being taught and where they are in touch with teachers five or six hours every day. Mr. Speaker, I've come to the conclusion as a teacher that the school system — and I think this is generally accepted by most of our citizens if not all of them — the school system is accepted by society as a place where the goals and objectives of Canada, of our Canadian society are presented to school-aged children.

One of the key responsibilities of a teacher is to develop an understanding and an appreciation of the meaning of Canadian citizenship. I, for one moment, am not going to suggest that our teachers

are beyond improvement. And being a teacher myself and having worked in various schools, I know that it's not always done the way that I would like to see it done. The children aren't always left with that meaning of Canadian citizenship; it isn't always deeply enough instilled in them, but on the whole I think that the teachers of this province deserve a vote of praise because they do a good job and the fact that 75 percent of our citizens turn out to vote; and the fact that we do have a working and active democracy; that there are alive and well in our society several different divergent opinions, and that we're able to discuss these ideas and not resort to bombs or warfare; that our democracy works, that our society generally works; that we're able to resolve our differences and our conflicts. I think this is in large measure due to the fact that we've had good teachers over the years in Manitoba and that our school system basically has worked; it has taught the children of this province what it means to be a Canadian and I don't want to see that endangered.

Students, particularly younger ones and I've taught children no younger than the seventh grade, but I've noticed that even in the seventh grade that students are not capable of understanding the abstracts; they're not capable of understanding the full meaning of Canadian citizenship; they need some guidance, and it is a key part of every teacher's function to provide students with guidance in how to become good citizens and not just history teachers; geography teachers and biology teachers or arithmetic teachers or whatever you're teaching — I don't even know how they have the subjects divided up in the elementary grades at this point because I haven't taught elementary school — but all those teachers, because a teacher is in contact with students all the time and the little subtle things that he says, or she says, the little subtle biases that creep into everyone's teaching, children pick them up; and if we're going to have biases I want those biases to be Canadian biases, not British or American or any other country where immigrants have come from.

In order to properly serve the students that a teacher is teaching, I believe a teacher needs to participate in, believe in the Canadian system; they have to understand our society; they have to have a firm commitment to it, and I don't think you have a firm enough commitment unless you're willing to become a Canadian citizen. I think that's the Rubicon; that's the river you've got to cross. You decide that you want to become a Canadian citizen; there's no going back, there's no more returning to where you came from; you're a Canadian citizen and you're here with the rest of us for good or bad, sink or swim.

Mr. Speaker, I firmly believe — and I'm really sincere in this — I believe that a teacher must be a Canadian citizen in order to properly develop in a student, some appreciation of Canada and Canadian citizenship.

And this is not just a totally abstract thought with me because I had the opportunity of working with one of my best friends for the four years I spent at Gordon Bell High School; he was an American who is now teaching in Portland, Oregon after having taught here for approximately seven years, but he wasn't willing, he was a great biology teacher, an excellent teacher, students liked him and everybody else liked him but he wasn't willing to become a Canadian citizen, he was first and foremost an American. I'll tell you he was an excellent teacher but his Americanism did creep into his lessons because I used to go monitor them and sit around and talk to him and I know it, and he wasn't happy to leave because he liked Winnipeg; but he didn't have a firm enough commitment to Winnipeg to renounce his American citizenship and move to Winnipeg — he lived here anyways permanently — but to take out his Canadian citizenship and become a full-fledged Canadian.

So the member mentioned that he thought it was a totally abstract argument; that there were no problems, the teachers weren't forced to go.

I know of another teacher; I was hiking on the Mantario hiking trail last fall with a group of people from the Manitoba Naturalists and I spent four days with this particular lady, her and some other people.

She had been a teacher, but she was an American citizen who liked Canada, I'm not sure she loved Canada, but liked Canada, found it interesting to be here, had taught for several years, couldn't get a renewal of her certificate because she wasn't willing to become an American citizen and she stayed on; she took a different job — she's now working with the Manitoba Alcohol Federation as a counsellor of some sort. She may become a Canadian citizen and return to teaching but I think it's important — I point out that case to mention that it's not a complete denial of a right to work — all we're denying the person is the right to a very specialized occupation; an occupation not like other occupations; an occupation that's different; a profession that's different and I think a profession that's every bit as important and it should be held in every bit as much prestige as the Members of this Legislature, more so even.

Mr. Speaker, I don't want to suggest by this that teachers can never criticize or that a teacher must always speak in glowing wonderful expansive terms about Canada, and that you put teachers in a strait jacket, that you never allow teachers to criticize. I think that has to break into some teachers' lessons. I don't think that there's any member in this House who has a firmer commitment

to this country or who loves it or who appreciates it more — some of the older members may appreciate it more because they've had more experience — but certainly I think I can stand as an equal with anybody in terms of my citizenship and my patriotism.

And I can tell you I criticize Canada in my lessons at times because I think that it's necessary that you teach children the whole wide spectrum of Canada; you show Canada with its warts and its blemishes, but the difference is that a teacher who is a Canadian citizen can criticize from a positive perspective; his criticism can be based on his own deep firm commitment and love of the country; someone who's not willing to take out Canadian citizenship, I would question their deep commitment to the country; I've no other alternative but to question it.

The member mentions that carpenters, truck drivers and dentists aren't required to be Canadian citizens —(Interjection)— nurses; I would agree it's probably irrelevant. The technical skill is what's important with those people, but not with teaching. It's impossible and we had a debate on this just a few weeks ago during the Minister of Education's Estimates, it's impossible to remove all your biases. All a good teacher can do is be aware of his biases and try to make sure that they don't come out too often; they don't distort what he's teaching to the children, but there are biases in teaching, there cannot help but be and I want those biases to be Canadian and to come from a firm commitment in Canada.

Critical thought's important with teaching; to be exact I think that the critical thought, the ability to criticize is one of the key and most important lessons that a teacher can give to his students. Without doubt, the most important thing I'm sure that I ever left with my Grade 11 or Grade 12 History classes was the ability to criticize. I can remember many many weeks when we spent more time looking into the history of the authors, the people who had written the articles, than we did even studying the various articles in Canadian history, so that the children could be aware that your biases creep into history, biases creep into everything. So don't let it be suggested that I'm suggesting a teacher must be a 100 percent gung-ho person always talking about how terrific Canada is because we know Canada's not perfect; our society's not perfect our structures aren't perfect; our institutions aren't perfect and no one would suggest that they can't be improved or changed, so let me make that one little footnote.

I also want to mention something else so my arguments aren't distorted — I think there can be a very distinct line drawn between what we call the public school system, Grades 1 to 12, and the universities — I don't think that university students need the same protection that high school students need.

I don't believe that we need regulations regulating the number of professors who are Canadian and the number who aren't; I've long lamented the fact that such a high percentage are foreigners, but I'm not prepared to pass an Act in this Legislature to protect grown up adults, eighteen years old, which most universities are from the biases of the professors. If the high school system has done its job, certainly by the 12th Grade they should have learned some critical thought; they should have been taught to be able to see through some of the biases; to know that the guy came from Chicago, he's going to think a little different than if he came from Neepawa, because he was brought up in a different environment.

The member mentioned that he thought that requiring Canadian citizenship was an infringement of the Human Rights Act. Mr. Speaker, I don't think that requiring a person to become a Canadian citizen in order to teach is an unusual requirement; to maintain that it's a denial of human rights I think that's where you'll find that we're stretching credibility.

The individual immigrant, let's take a look at the process that's involved here. Let's take a look at what has to happen before the person can be denied their supposed right under the Human Rights Act. First, the individual immigrant makes a free choice to come to Canada or Manitoba; then the person makes another choice and that is to pursue his career or her career as a teacher.

As I've mentioned, I can cite specific examples where people have come to Canada, not want to become citizens, and left teaching and found jobs in some other occupation.

When an immigrant applies for a teaching certificate which they have to do and which they do before they come to this country, unless of course they take their teacher training here, they're informed of what the requirements will be; they're told that if they want to continue teaching they're going to have to become Canadian citizens within 6 years. It only takes 3 years to become a Canadian citizen, it's not a very arduous affair, I speak often at the Canadian Citizenship classes; I've talked to many people in my own constituency and others who've become citizens, usually the hardest part is learning the English language and I would hope that most teachers who are teaching in our schools even on interim certificates can already speak English and have a good understanding of the English language.

The immigrant, before he decides to come here is told what the rules are; is told he'll have to become a citizen within 6 years; is told it'll only take 3, therefore he has 3 years to make up

his mind, or more — well in 3 years you have to make up your mind, pardon me, you have up to 5 years because you can't become a Canadian citizen until you've been here 3 years — but the whole process I would think takes less than 6 months and the person still decides to come.

They know all the ground rules before they come to Manitoba before they start to teach; that's not a denial of a person's right to earn a living; it's not a denial of their basic human rights. I think its arguments have been given sufficient time and maybe, maybe if you were to bring in a resolution which was to address itself specifically to that question, I might support you, but your Resolution doesn't. Your Resolution doesn't say this only applies to people who were here 25 years ago, and now we're changing the rules of the game on them. I think it's very terrible. I don't think it's proper for government to change the rules on people whether it be for teaching certificates or any number of other areas, and I might support you there, but I'm concerned about new teachers that want to come in, and the general rule. So I would say just generally that it's not an infringement on the Human Rights Act, and to be exact I took this up with the people in the Attorney-General's department, and they told me that when the former Minister of Education asked them this question in 1976, they informed him at that time it was their opinion that it didn't interfere with the Human Rights Act, and they haven't changed their opinion since.

I would also note that last year at the last Session of the Legislature, this Legislature amended Section 36 . . .

MR. SPEAKER: Order please, the honourable member has five minutes.

MR. DOMINO: Oh thank you. I'd also note that at the last Session of this Legislature we amended Section 36 of the Law Society Act to require Canadian citizenship of barristers and solicitors now too, and I would —(Interjection)— Yes, we did. We amended it to further clarify it.

So Mr. Speaker, let me just say in summary that I believe that our school system does, and should continue to teach the goals and objectives of Canadian society, and I further believe that teachers are the single most important element of our school system. Teachers are the heart and soul of a school system. I've heard so often from principals, and it's correct, that good teachers or bad teachers are the whole thing. It doesn't matter on the physical . . . that's secondary. It doesn't even matter what kind of students you have. It matters only that the teachers have a concern, a dedication to their students, and I would suggest further a concern and dedication to their country if they're going to fulfill the whole spectrum of their responsibilities, not just teaching reading and writing but also teaching citizenship, teaching an appreciation of Canada.

So, Mr. Speaker, I plan to vote against this Resolution. I think it's important, I think we should reaffirm several principles, several things which should be reaffirmed by voting against this Resolution: (1) that teachers are a special occupation. (2) that there's need to inculcate into the brains of our little children Canadianism, not just one type of Canadianism — I'm willing to see it be over a wide enough spectrum to include, of all things, our socialist histories and our socialist traditions and our free enterprise tradition, and all the other traditions we have and all the traditions that we have taken because Canadian socialism or Canadian free enterprise is not the same as American or British. They're different. We've adapted these things to our own society, our own natural environment, and they should be taught that way by the teachers, and in order for that to happen in our school system we must require that teachers be Canadian citizens. Thank you, Mr. Speaker.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Logan.

MR. WILLIAM JENKINS: Thank you, Mr. Speaker. I just intend to say a few words on this Resolution that the Member for St. Vital has put before the Assembly for some discussion and thought, and I agree that I think ideally that everybody who comes to this country as a landed immigrant should at some time or another become a Canadian citizen. I think that is desirable. But I do disagree that the way that it works now, there are perhaps just a couple of professions where people must be Canadian citizens; one, I believe, is the legal profession since lawyers are considered officers of the court and they must be Canadian citizens.

Another is the regulation that the Member for St. Vital is referring to — teachers. I believe after six years they are no longer entitled to have a temporary permit, and I think the Member for St. Vital has already brought out that there are others in our society who are able to gain certificates of various sorts. You can become a doctor. You can become an engineer. You can become a dentist. You can become anything else practically in the professional field, and the possession of a Canadian citizenship is not part and parcel of that qualification to become a Canadian citizen. You can become a qualified journeyman tradesman in this country. I believe if you pursue The Apprenticeship Act

of Manitoba I think you'll find that people with landed immigrant status can take up an apprenticeship and become certified in the trade of their choice.

I know the Member for St. Matthews said that the teachers are moulders of the minds of young people and I have to agree with him, but there are other things in society that are also moulders of minds. I think the Resolution that the Honourable Member for Elmwood introduced the other day which, and when I spoke on it there are other methods of moulding the minds of Canadians and young people, and that is I guess the most important media that we deal with today, the Canadian television scene. I know that the CRTC has regulations that we must have a certain amount of Canadian content, and as I said the other day, that if we're not careful, by the very fact that we do not publish books of Canadian content and also, since the Member for St. Matthews is a teacher and of the teaching profession, I must say that I would have thought that he would be disturbed at the amount of books of foreign content that are becoming textbooks in the school system, not only in Manitoba but all through this country, because of the fact that we don't have the publishing facilities, because of the overruns and overflows from other countries, these become standard textbooks, and they have a certain opinion too and it must be very difficult for the teaching profession and the member in particular when he's trying to get this Canadian content and this idea of a Canadian identity across to his students.

And the member said, "Well, you know the fact is that if these people are going to be the moulders of the minds of our young people, that in that six year period," — I know the present Act says three years you can become a Canadian citizen — "that this person now can get a certificate."

Does the honourable member seriously believe that the granting of a certificate to a person, and I want him to think about this carefully, I'm not saying that these people, once they're given a Canadian citizenship paper that they are not good Canadian citizens, but does he think the fact that the very granting of that certificate removes the bias that these people have to the land of their birth? They can be very fine Canadian citizens but I think to use the argument that automatically these people become Canadian citizens — and I know that they give up many things — I'm just as proud of being a Canadian citizen, I think, as anyone in this Assembly. I was born in this country. Sometimes, the way they've been changing The Immigration Act and The Citizenship Act here in Canada makes you wonder just whether you will retain your Canadian citizenship even if you are born here, because the changes that they make in Ottawa sometimes are really astounding.

There are at the present time many people who have for many, many years considered themselves to be Canadian citizens by the virtue of the fact that they were British subjects, and as British subjects they at that time, some fifty, sixty years ago, came here as young children. These people think that they're Canadian citizens, and they're loyal subjects to the Queen, and I think Canadian citizens also qualify as loyal subjects to the Queen, but lo and behold, you know, in this present Federal Election there are people who are being disbarred from voting, who have voted for many years. The only sin that they seem to have committed is that they didn't realize that the present Election Act has been changed, and The Citizenship Act that they thought that they qualified for no longer applies to them.

We also have people who came here not as British subjects, but came here under the old Naturalization Act. Their parents became naturalized Canadian citizens under the law. Those children — at that time the age of majority was 21 — and the children of the parents became automatically Canadian citizens under the old Naturalization Act of Canada, but lo and behold the changes were made and these people are no longer Canadian citizens. They are now citizens of the country of the birth of their parents, and so the simple fact — to get back to the point that the member has raised — I think we have a real mishmash as far as people's understanding of what is a Canadian citizen in this country, and I think it's something that, when Ottawa has been making these changes, a lot of people have been confused.

I'm not saying that the people in the teaching profession are amongst those but I feel to single out two professions, which we seem to have done here in Manitoba, that these people must have Canadian citizenship. If we are prepared to say to people that in order to be able to work in this country, you must either have landed immigrant status, and after a certain prescribed time, providing you have behaved yourself and not committed any crimes that can get you deported during the time that you are qualifying for Canadian citizenship — (Interjection) — Well, perhaps the Honourable Member for Minnedosa will get up and make a contribution after I'm through and I'll be very pleased to hear it.

But to get back to the point, if we're going to say to teachers that you have six years, perhaps we should be saying to tradesmen and doctors, dentists, and everyone else, that at the end of six years we feel that you all better take out your citizenship or you're not going to be able to pursue your line of endeavor in the workplace. But just to pick out two segments of our society and say — and I can understand as far as the officers of the court, maybe that's a little different

thing, but I think over the years we've had teachers here from other countries. Sure, they may have their biases and I don't disagree with the Honourable Member for St. Matthews, but I say to him that the very fact that the granting of a citizenship certificate after three years is certainly not going to destroy the bias that they have to the land of their birth.

My wife was born in the United Kingdom. I was married there during the war and my wife came back here and she became a Canadian citizen under The Canadian Citizenship Act of 1948, and just to show you how you can lose your citizenship they changed the Act again, and lo and behold the last time that we went over for a visit to the U.K., she was now told she was no longer a Canadian citizen even though she was a Canadian citizen by virtue of the Citizenship Act of 1948. She had possessed three or four passports which stated the section and whatnot in the Act, but there all of a sudden removed by a political whim of the day was the loss of citizenship, and you know, people . . . you want to get hung up on this Canadian citizenship, I in some respects, admire the Americans very much for the way that they bring their immigrants in, but we haven't operated that way in Canada and unfortunately, as I say, the whole idea of Canadian citizenship today is in such a mess, and I think both of the major political parties have to have their lumps on that account. You can't certainly blame it on the New Democratic Party because we never were the Federal Government here in power. But Conservatives and Liberal governments have over the years played games with the Canadian Citizenship Act. And it seems that they're still doing it.

So until really we clean this Act up once and for all and let people actually know exactly where they stand as Canadian citizens, landed immigrants, then I think at the present time from what I can understand, then I'm prepared to support the resolution that the Member for St. Vital has put before the House at this time. It may not be the answer, the resolution, but I think to single out teachers and say to them that if you don't become Canadian citizens you are no longer going to be able to after a period of six years, be able to teach in this country.

I think it behooves this House to think about it, and think about it seriously. If you really want to go whole hog on Canadian citizenship well then I would suggest that perhaps we should be discussing resolutions dealing with Canadian citizenship in its whole entirety as it applies across Canada, and perhaps we should be discussing a resolution of that nature for forwarding on to the Federal Government after the 22nd of May, whoever they may be. So to put on record what we as people of Manitoba, or representatives of people of Manitoba, feel about the whole situation of what really does constitute Canadian citizenship, given the track record of the two parties, the Liberals and Conservatives over the years, and the way that they've played with the Citizenship Act in this country, I think that perhaps that resolution is one that should be put forward in this House. And let's have a Citizenship Act which makes some sense and takes into consideration some of these people who have been here, who have been Canadian citizens at one time or another and have now been, through sometimes no fault of their own . . . and you know, it's not just those who were naturalized, the offspring or younger children who came here with their parents, but those who were married prior to the latest Citizenship Act, if they had married a foreign national, lost their Canadian citizenship. And we have native born Canadians. So does the Member for St. Matthews know that there are people who could have married, say a Polish national, a Belgium national, or a French national in this country as a landed immigrant status prior to the last Act that has been instituted in Ottawa dealing with citizenship, that that woman lost her citizenship. —(Interjection)— That woman . . .

MR. SPEAKER: The honourable member has five minutes.

MR. JENKINS: Thank you, Mr. Speaker. That woman all the time was under the impression that she was a Canadian citizen. Her husband now is a Canadian citizen, is entitled to vote. She is now in the innocuous situation, she can't even vote in this election. And I know two or three people and I've just found this out recently, who cannot vote in this general election because they are not Canadian citizens by law. By law they were wiped out. The new Act says they don't lose their citizenship. They could even be teaching. They could even be teaching, Mr. Speaker. They could even be holding say, a temporary certificate — born in this country, not possessing, according to law now, Canadian citizenship. They would have to take out citizenship.

And so I really think that before we limit the people who are going to be able to be operative under the regulation of the Public Education Act, that we should really try and get our whole Act, I'm talking now federally, in order, that people do not wind up thinking that they are Canadian citizens, and finding out lo and behold when they do make application for, say a passport or something else, because there's where they get you, if you want to leave this country say to go on a visit, you make application for a passport — first and foremost they ask you for a birth certificate — if you haven't got a Canadian birth certificate then you're in a bind because then they're going to start asking you about your citizenship.

I really don't have that much more to say on the resolution. Since we have this resolution before us, I think that there should be other members of the Conservative Party who are prepared to put their opinions on the line. I know the Honourable Member for St. Matthews has persuaded them all but —(Interjection)— perhaps there are members on this side or even some members on that side of the House, who will look at the situation in a little more fair manner than what the Honourable Member for St. Matthews has put before the House this afternoon.

MR. SPEAKER: The Honourable Member for Burrows. Order please. Before we allow the honourable member to proceed, I realize there's only a minute or so left, and before we go on any further I want to apologize to the House for an oversight on my part this afternoon. I neglected to call for two orders for return standing in the name of the Honourable Member for Elmwood. I apologize to him. It was an error on my part, and it certainly wasn't intentional. The Honourable Member for Gladstone.

MR. FERGUSON: Yes, thank you, Mr. Speaker. I have another change in committee. The Honourable Brian Ransom for The Honourable Bob Banman on Economic Development.

MR. SPEAKER: The Honourable Acting House Leader.

HON. EDWARD MCGILL (Brandon West): Mr. Speaker, there's an inclination to call it 5:30 p.m. I move, seconded by the Minister of Fitness, Recreation and Sport, that the House do now adjourn and resume at 8:00 p.m. in Committee of Supply in this Chamber in Room 254.

MOTION presented and carried

MR. SPEAKER: The House is accordingly adjourned and stands adjourned until 2:30 p.m. tomorrow afternoon. Committee to meet at 8:00 p.m.