

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 14 August, 1986.

Time — 8:00 p.m.

### CONCURRENT COMMITTEES OF SUPPLY SUPPLY - NORTHERN AFFAIRS

**MR. CHAIRMAN, M. Dolin:** The committee will come to order.

The Minister of Northern Affairs.

**HON. H. HARAPIAK:** Mr. Chairman, I just want to make a clarification. We had spoken briefly about the Northern Flood Agreement before supper and I don't think I clearly understood your question relating to the Northern Flood Agreement. I don't want to leave the impression from my earlier response that the only outstanding items under the Northern Flood Agreement are those relating to land.

The Northern Flood Agreement is a comprehensive compensation agreement which involves many areas of programming which are within the provincial jurisdiction. Some of these programs are intended to continue during the lifetime of the hydro project and others such as the land provisions, which I mentioned earlier, are more definitive and can be concluded on a final basis.

Whenever we have an obligation, we continue to work with the bands and other parties to find the best way to implement those obligations. We prefer to negotiate with the parties to help us develop the most appropriate program as possible to meet both their needs and our obligation. If a dispute does occur which cannot be resolved through negotiations, it is referred to the arbitration process which is defined within the agreement.

**MR. CHAIRMAN:** The Member for Minnedosa.

**MR. D. BLAKE:** Yes, Mr. Chairman, in connection with the Northern Flood Agreement, while these negotiations are going on, what provision is there for new licences for fishermen or new traplines or things of that nature? Is there provision for new people entering the field?

**HON. H. HARAPIAK:** Presently all the registered traplines are taken up so there are no new traplines available. The commercial fishings are all taken up as well and the lakes that are designated for sports fishing are still being fished by sports fishermen. So there are no changes that can take place.

**MR. D. BLAKE:** So a new trapline or a new fishing licence couldn't be issued in that area while the negotiations are going on? Is that the way I understand it?

**HON. H. HARAPIAK:** As I mentioned earlier, all the registered traplines are taken up. We had shown you the map where they're all taken up. But presently if there was somebody giving up their trapline, they

normally pass it on to next of kin. So there normally aren't any new traplines opening up but there is an association which would deal with it. If there were some new traplines that did come open, then the association would deal with it.

**MR. D. BLAKE:** Would that apply also in connection with the new fishing licence if someone wanted to get into the commercial fishing in a particular area? Would that also apply? If all the lakes were licensed and some weren't being used, could one of them be purchased by someone else?

**HON. H. HARAPIAK:** In both the trapping and the fishing, all normal processes apply the same as Grand Rapids or any other area. The normal process would apply in those areas.

**MR. D. BLAKE:** My understanding is that now a fishing licence can be transferred or purchased.

**HON. H. HARAPIAK:** That is correct.

**MR. D. BLAKE:** That would apply in the North also?

**HON. H. HARAPIAK:** That is correct.

**MR. D. BLAKE:** That brought another question to mind, and it escapes me at the moment, Mr. Chairman; but my colleague, the Member for Lakeside, had some questions on the Northern Flood Agreement, I think.

**MR. CHAIRMAN:** The Member for Lakeside.

**MR. H. ENNS:** Thank you, Mr. Chairman.

We had, on an earlier occasion, the opportunity to discuss or bring up the subject of the Northern Flood Agreement with the Minister. There seems to be - well, let me first of all ask the Minister.

In the overall negotiations that are taking place, where do we stand? Are they continuing, or are we working at them - as I think I'm trying to recollect some of your answers in the House - on a piecemeal basis satisfying certain trapline rights or certain other rights? There seems to be a disparity between what we hear from some of the northern communities in terms of where we're at with respect to an overall final settlement of the claims that some of the affected communities have with respect to damage, to loss of habitat, loss of environment and so forth. Where are we at?

**HON. H. HARAPIAK:** Implementation of the Northern Flood Agreement is going on. It is not progressing as quickly as we would like it to, but it is a complex agreement. We had shown your colleague from Minnedosa previously all the complexities of just the implementation just on the land alone once the sites are all identified and all the encumbrances and previous ownership that exist in that area.

But recently we have had a letter from the Northern Flood chiefs asking us to enter into a new round of

negotiations. We have written back to the northern chiefs and told them that we were willing to get into a new round of negotiations to negotiate a comprehensive agreement. At this time, we are waiting for a response from the chiefs as to how they would like to proceed with these negotiations. We've had several discussions with members of the northern chiefs' bands, and there is a difference of opinion as to if they would like implementation to continue while the negotiations were going on. Those are some of the things that we haven't resolved to this point yet.

**MR. H. ENNS:** Let me ask a specific question, Mr. Chairman, through you to the Minister.

Has there been any additional land claims settled since we last discussed it in this House? I understand one parcel of land of some 140, 150 acres, has been transferred. Has there been any other movement with respect to the land claims that are contained in the requests or on the negotiating list in the last two or three months?

**HON. H. HARAPIAK:** Since this subject was last raised in the House, there have not been any additional lands transferred. There has been 108 parcels of land identified. Presently, there's land or site selection going on, but the process has not been completed yet, that process is going on at this time, so there are no parcels of land that they've identified and said, yes, this is a parcel here that we are prepared to accept. We have not reached that stage of negotiations at this point.

**MR. H. ENNS:** Well, Mr. Chairman, that bothers me because for reasons that I'm not really aware of and certainly don't accept, regrettably, Northern residents and, in particular, Native residents, have shown that they don't particularly care for or support Conservative policies in this matter even though we signed the Northern Flood Agreement which provided the basis for these claims.

But we're now into our fifth year of a New Democratic Party Government who continually receives the support of the very people affected, and all you've been able to do is identify 108 land sites. Presumably, these are legitimate requests on the part of the communities affected, and you've only been able to act on one.

I'm not saying that personally to the Minister who has taken this responsibility in the last year, but I'm talking about the government, as such, who has had the responsibility of carrying out the obligations, solemn obligations of government to Native communities in this instance, that were made back in 1977-78 when the Northern Flood Agreement was signed.

Are you not jeopardizing, Mr. Minister, the faith and confidence in these people by not responding to their requests? What specifically is the reason? If these land sites had been identified, why can't you transfer 50 of those parcels or 20 or 30 or 60? I know I appreciate, and I've seen the map that there are individual questions involved in each siting, but surely there has to be some overall, overriding reason why you as a government that so generously received the electoral support of these very people, why you choose not to act?

**HON. H. HARAPIAK:** I guess as the member has already noted, the agreement was signed in 1977 and

four of the bands made their parcels of lands, or made their land selections by 1983. We did not receive our final band's applications till 1986 from York Factory. I guess although we would like to see it progressing at a much quicker pace, the people who are parties to this negotiation process realize that it is a long, slow process and there are many different people who are affected.

I guess we're concerned in a number of areas, that is, where implementation may have an impact. It will be impacting on third-party interests and also we're concerned about the multiple use of resources. There's also the encumbrances for Manitoba Hydro for future hydro use.

I guess with all those encumbrances that exist in the area now, plus all the previous commitments to the land, with lodge owners and Manitoba forestry having some encumbrances on the land, there's just so many different encumbrances that affect the negotiations.

The bands who were involved realize how complex an issue it is. Although they would like to see it resolved quicker, they understand the process we're going through.

**MR. H. ENNS:** Mr. Chairman, I'm in full agreement with the Minister, that when you transfer something as important as land, it has a very real impact. This piece of land today is the Crown's and tomorrow you're giving it someone else, then it's theirs and they have jurisdiction and, of course, the impact will be serious.

Can the Minister give me any further information? Are there other jurisdictions - the Federal Government or specific private interests - existing mining operations? The Minister mentioned Hydro, but again that's a public body and I assume that's a body that we have some control over policy-wise. If it's the will of the government to allow a claim but I'm looking for what are the reasons why this Minister, whom I'm prepared to say would like to act, would like to leave his impression of moving with some aggressiveness in this area; why is it being so difficult to do?

**HON. H. HARAPIAK:** The member has mentioned previously that the people of the North have voted for us so we should be moving more quickly on getting this land issue resolved and we would love to do it. If we could speed the process up in any way we would certainly do it; but you asked if there were any private corporations or . . .

**MR. H. ENNS:** Private or otherwise. Does the Federal Government have any hand in this?

**HON. H. HARAPIAK:** The Federal Government has a hand in the negotiations, yes.

**MR. H. ENNS:** But not in terms of land.

**HON. H. HARAPIAK:** No, the land is strictly within the provincial jurisdiction, but there are private lodge-owners and there are private trapline people and there are private fishing industries, so these people all have a prior commitment or right to that land, so it's not as easy as one would think. You'd figure there would be lots of available Crown land, that we could just

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move in there and implement the land, but it's not that easy. There are encumbrances on it.

**MR. H. ENNS:** Does the Minister have a global figure in terms of size, scale, acreage, involved in these 108 identified locations? Can we have some idea in terms of what we're talking about? Are we talking about many thousands of acres? - I assume we are. Is that figure accessible by staff?

Mr. Chairman, while staff is researching that, my reason for asking, and I can be corrected if I'm wrong, but my understanding of the terms of the Northern Flood Agreement at the time it was signed, there was a commitment on the part of government to replace four acres for every one that was flooded, if my memory serves me right.

My purpose for asking this question is to determine whether or not in the 108 sites selected, are we approaching half, 60 percent, 80 percent of the total acreage that commitment called for?

**HON. H. HARAPIAK:** The total that they've got coming to the bands is 48,570 acres and the sizes that they have selected are varied from one acre to 4,000 acres. They vary in size; some are one acre in size and others are 4,000 acres in size.

**MR. CHAIRMAN:** But I think the member's question . . .

**MR. H. ENNS:** But I'm not . . . to any individual, I'm asking whether or not the bands have selected 108 sites, as I understand it.

**HON. H. HARAPIAK:** That is correct.

**MR. H. ENNS:** Do those 108 sites represent - how much does that represent in terms of the commitment that we as a government made to the bands when we agreed to a four-for-one exchange of land?

**HON. H. HARAPIAK:** The 48,570 acres, plus or minus a few acres, is the total figure of their commitment.

**MR. H. ENNS:** And does that pretty well meet the commitment? Is that a four-for-one exchange, if all those lands were exchanged?

**HON. H. HARAPIAK:** That is correct.

**MR. H. ENNS:** Well, then, I think we have moved somewhat and I appreciate that. That takes a fair amount of decision-making to decide on the site location.

Can the Minister, in conclusion, give the committee some indication of when he hopes to be able to report more substantial progress in this matter to this committee? Can we look to resolving something when next we meet a year hence?

**HON. H. HARAPIAK:** Staff has been instructed to go out and start their negotiations, and we feel that we are hopeful that some site selections will be ready for transferring later on this fall.

**MR. H. ENNS:** I want to thank the Chairman for his liberal interpretation of the no smoking rule in this committee.

**MR. CHAIRMAN:** The Minister of Finance dissents. The Member for Minnedosa.

**MR. D. BLAKE:** Well, if my colleague has gotten the questions that he wanted on the Northern Flood Agreement, as we mentioned earlier, Mr. Chairman, we're bouncing around and, hopefully, when we get the questions that we have answered, we can move — (Interjection) — I defer to the Member for Lakeside.

**MR. CHAIRMAN:** The Member for Lakeside.

**MR. H. ENNS:** Just one or two further items. The role of Manitoba Hydro is not completely clear to me in the process with respect to the Northern Flood Agreement. We discussed this again in the House. We hear that Hydro has made what sounds, from Hydro's position, as final offers. They've gone to the community with an offer of \$25 million or \$30 million. I've heard figures as high as \$40 million or \$42 million. To my knowledge, any such final offers have been rejected by the communities involved to date. Is that still the case?

**HON. H. HARAPIAK:** I've got a list here of what Hydro's commitments or payments have been to this date. In the area of compensation payments, which includes arbitration claims, \$1,159,227.26. In Compensation for Registered Traps, which includes assistance for trappers, includes arbitration claims which were filed and have been settled to date, is \$3,916,725.07. In the area of Fishermen's Programs, which again includes compensation and assistance for all arbitration claims, is \$3,602,681.34. In the area of Remedial Work, compensation and maintenance is \$10,938,378.27; which comes out to a total of \$25,229,935.56. That's what Manitoba Hydro has paid out to this date.

**MR. H. ENNS:** Coming back to my original question, the figure that has been made public with respect to further offers - I don't know; maybe the Minister can help me what that last figure is; 30 million, 35 million or 25 million. I assume that to be in addition to those figures that the Minister just read to me.

**HON. H. HARAPIAK:** Manitoba Hydro has offered a package which was made jointly with Manitoba and the package offer was of about \$31 million.

**MR. H. ENNS:** Mr. Chairman, what portion of that \$31 million of that package the Minister refers to, would have come directly out of Hydro sources; and what portion would have been out of Manitoba government sources?

**HON. H. HARAPIAK:** A large majority of the funds would be from Manitoba Hydro.

**MR. H. ENNS:** 80 percent?

**HON. H. HARAPIAK:** In excess of 80 percent.

**MR. H. ENNS:** Mr. Chairman, that calls for another question. There's a third party, an additional party, of course involved in the agreement, namely the Federal Government. I ask the same question; of the \$31 million

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the Minister just referred to, is there any direct contribution on the part of the Federal Government, or is the contribution of Manitoba's portion part and parcel shared by federal program?

**HON. H. HARAPIAK:** This does not include the commitment for - this is strictly for Manitoba's portion. The Federal Government is responsible for infrastructure and maintenance of sewer and water projects in the five Northern communities, so the Federal Government's got a commitment in another - is responsible for a different area.

**MR. H. ENNS:** Well, Mr. Chairman, I would hope that we would be able to carry out our commitments for this government, or if not this government, then the government that is soon to precede them; will carry out the commitments of this agreement in a more expeditious manner than some other agreements that Native communities have signed with the Governments of the Day or the society of the day many moons ago.

**HON. H. HARAPIAK:** We feel a strong commitment to the agreement as well. That is why we're willing to sit down and have discussions with them and see in what direction they would prefer to proceed. We are in constant negotiations with them and we're certainly doing our best to try and live up to the agreement.

**MR. D. BLAKE:** Just on this Flood Agreement, this Northern Flood Agreement, is it going to be in conflict in any way with other land claim discussions that are going on at the present time? There have been some studies done where there's been multi, multi-million dollar settlements recommended or asked for. Just where does that fit into the picture with the Northern Flood Agreement?

**HON. H. HARAPIAK:** The Northern Flood Agreement is separate from any treaty land entitlement that is coming to the bands.

**MR. D. BLAKE:** Is the Minister and his department involved in these other discussions with Native treaties?

**HON. H. HARAPIAK:** Yes, I had mentioned in my opening remarks that we were involved in it and we feel that we are very close to bringing our negotiations to an end.

**MR. D. BLAKE:** . . . has there been a dollar figure put on those negotiations or something - a ballpark?

**HON. H. HARAPIAK:** We had made a commitment by all parties involved with the negotiations that there wouldn't be any release of that information until negotiations are completed. So I am not at liberty to make a statement on that to that effect but there is a dollar figure that has been identified in the negotiations.

**MR. D. BLAKE:** Without mentioning any figure, Mr. Chairman, will we be able to afford it?

**HON. H. HARAPIAK:** Under the comprehensive agreement that we are near completion, I think it is a

very fair agreement for the Federal Government, for the Provincial Government and for the bands involved.

**MR. D. BLAKE:** Just to clarify, the group that is negotiating with, is this the group that Jean Chretien is representing now?

**HON. H. HARAPIAK:** No. Jean Chretien has been approached to become involved in the Northern Flood Agreement discussions.

**MR. D. BLAKE:** We can move away from Northern Flood Agreement and we've had some good straightforward answers from the Minister. Hopefully we can bring this to a satisfactory conclusion for all parties concerned soon.

I wonder if the Minister would enlarge now on a question that was asked of him in the House the other day on the experimental hydrofoil service that is now under — (Interjection) — experimental study or experimental exploitation - exploitation is not a good word - although I think maybe it is.

**HON. H. HARAPIAK:** The question that was raised in the House really should have been directed at the Minister for the Department of Highways. There has been a study involved with the southeast side of the province for transportation to that part of the province. One of the options being looked at is a Hovercraft and I guess there's been some preliminary discussions, but it is one of the recommendations that's coming out of the report. That was one of the areas that could be studied to get a better appreciation for what it would cost for moving goods and services and people into that area. I've only received a copy of their report just recently and my staff is — (Interjection) — no, I haven't had the good fortune of having a ride on one but we are still assessing what role this Hovercraft could play in the whole transportation.

But I also mentioned that the Hovercraft was being looked at in the Island Lake area where there are three communities that are located in very close proximity. To build an airport in each community would be a very expensive proposition. So if we were able to utilize a Hovercraft in the area and just utilize one airport, then I think it would be a good investment for the government and a good service for the people to utilize a Hovercraft.

**MR. D. BLAKE:** I'm just wondering what benefits there may be with a Hovercraft, realizing the cost of them, compared with the normal mode of transportation that we have in the way of ferries and tugs?

**HON. H. HARAPIAK:** I guess the problem with the regular mode of transportation is that in this part of the country there's always a period of time where there's ice break-up and freeze-up where you can't utilize aircraft and you can't use boats or snow machines; whereas a Hovercraft, there's been a lot of technological changes made in that mode of transportation, and the Hovercraft, from the information we've received, it is coming to a stage now where it could possibly be utilized in that area.

What we've been trying to do is encourage one of the bands to make an application to the Northern

Development Agreement and see if they could qualify for funding for an experimental Hovercraft to give us a good demonstration as just to what the cost would be, how the transportation needs of the people would be met, and to test it under conditions that are difficult for any other mode of transportation.

**MR. D. BLAKE:** I can attest to the functional ability of them. In other areas, in the English Channel, they work exceptionally well but there's a great need for transporting people and transporting goods and vehicles across a very difficult section of water.

The Minister mentioned airstrips and wheeled aircraft, of course, are functional year-round; they're not subject to the whims of the break-up and the freeze-up. We have great experience in that particular area of transportation and I would think we would have to take a long, hard look at hydrofoils or a Hovercraft in view of the cost of acquiring and operating and particularly in the area of maintenance and providing operations for them.

**HON. H. HARAPIAK:** I guess we've had some recent experience on what the development of an airport costs as well. We have Tadoule Lake Airport being built and we realize how expensive it is.

**MR. D. BLAKE:** Not a good one to use as a cost analysis.

**HON. H. HARAPIAK:** I guess there's regulations that we, as a government, if we're going to operate a passenger carrying airline then there's regulations that we have to comply with. There are certain specifications and we have to build according to these specifications that are put forward by the Federal Government. So to put an airport in within six miles of another airport, I guess we would like to have some costs for utilizing a Hovercraft before we went to the expense of building three airports within a 12-mile proximity.

**MR. D. BLAKE:** Moving to the regional office section, Mr. Chairman, I wonder if the Minister might tell us what regional offices are operating and what their functions are, just an overview statement or coverage of it.

**HON. H. HARAPIAK:** The major activities of the regional offices are involved with monitoring community council records and advising the community councils, local committees and council clerks on improvements that should be made in their operations; and providing direction and assistance to community councils and local committees on local government administration matters such as emergency planning, boundary locations, bylaws, taxation, financial reporting. That's what we mentioned earlier.

There was some training going on with the staff from the Thompson office involved with regional training, also from the Dauphin office, and also assisting and encouraging communities in planning, budgeting and identification of local services needs in the community.

They also are involved with monitoring and advising the department and community councils and local committees on items which require attention such as

repairs to their infrastructure and relating to the provisions of local services at community levels such as the fire department which we spoke about earlier, water services, maintenance of roads and building, and providing support, guidance and services to the community council and the clerks.

There's a whole list of things they are involved with in monitoring the elections and advising community councils and clerks. There are regional offices in Thompson, The Pas, Selkirk, and Dauphin. In each one, in Thompson there's a staff of seven; in The Pas there's a staff of three; in Selkirk there's a staff of nine; and in Dauphin there's a staff of seven.

**MR. D. BLAKE:** Is there no regional office in Swan River?

**HON. H. HARAPIAK:** The regional office in Swan River was closed approximately two years ago.

**MR. D. BLAKE:** Is there consideration to reopening that office in view of what happened on March 18?

**HON. H. HARAPIAK:** I think the Department of Natural Resources, before they closed down that office, had a good look at the operations and they felt it wasn't justified having an office there. They justified closing it down. Conditions haven't changed. Unless we were to move the entire Dauphin office to there, that maybe might be, but I'm sure that wouldn't be acceptable.

**MR. D. BLAKE:** We know the experience we've had, Mr. Chairman, with the Ministers of Natural Resources over the past 18 months. They've been coming and going like shifting the deck chairs on the Titanic.

What I'm thinking is with Barrows, National Mills, Baden and all these places now, it would seem that there was a service to be provided to those communities and it's pretty remote from Dauphin to look after them. Whether Dauphin serves them or The Pas serves them, I'm not sure.

**HON. H. HARAPIAK:** More and more of the communities we're serving from the Dauphin area are moving into the block funding so the staff person who was working out of the Swan River area had become a specialist because that service was no longer required, so there are more specialized services needed for that area now. There's no difficulty with covering it out of the Dauphin office.

**MR. D. BLAKE:** The Minister mentioned moving to block funding. We had talked about block funding earlier. The Sherridon area moved into block funding recently. I wonder if the Minister can tell me what the experience has been with the block funding in that particular move. When was it made, what was the amount of the block funding, and what has the experience been?

**HON. H. HARAPIAK:** Sherridon moved into block funding, I believe it was last July. I think that Sherridon can be pointed to as one of our very positive examples. They've really handled the administration of that community very well. They've had several building

projects in the area and presently they are developing some economic development around the community in the area of tourism and Sherridon has been a very positive example of what the community can deliver when they go into block funding. They presently have a budget of 99.3 thousand and they are operating within the budget.

**MR. D. BLAKE:** And they are virtually at the end of their first year of operation?

**HON. H. HARAPIAK:** They have just completed their first year and they are interacting a second year, their second fiscal year.

**MR. D. BLAKE:** So you'll have a chance to look at the audit and you're quite satisfied that everything is operating well in that area?

**HON. H. HARAPIAK:** There have been interim audits carried out and everything is working to the department's satisfaction.

**MR. D. BLAKE:** Mr. Chairman, where are we now? We've moved through Local Government Development and move on to Agreements.

**MR. CHAIRMAN:** 2.(a)(1) to 2.(e)(2) were each read and passed.  
2.(f) Grants - the Member for Minnedosa.

**MR. D. BLAKE:** I thought the Minister might enlarge somewhat on the Grants.

**HON. H. HARAPIAK:** There has been a reduction in our grants this year because IYY, which was a program that we had last year, is no longer being offered. It is no longer the International Youth Year. The grants will go to the organizations of NACC, MMF, MKO, FNC, Brotherhood of Indian Nations and the Winnipeg Council of Treaty Indians.

**MR. D. BLAKE:** These are grants administered by this department and covered under here. I wonder if the Minister might provide us later with a list of the grants and who they were to.

**HON. H. HARAPIAK:** Sure, we can provide a list.

**MR. CHAIRMAN:** (f) Grants—pass.

Resolution 132: Resolved that there be granted to Her Majesty a sum not exceeding \$7,442,700, Northern Affairs, Local Government Development, for the fiscal year ending the 31st day of March, 1987—pass.

We are going to move on to Item 3, Agreements Management and Co-ordination.  
The Member for Minnedosa.

**MR. D. BLAKE:** Under this amount of funding, Mr. Chairman, under (a)(3), Payments to Other Implementing Jurisdictions, could the Minister just briefly tell us what this covers? It might avoid some questioning there.

**HON. H. HARAPIAK:** This is a program that comes under the Northern Development Agreement and it is

federally funded 60 percent and 40 percent with the province. It is for program evaluation and implementation.

**MR. D. BLAKE:** What type of program evaluation?

**HON. H. HARAPIAK:** The entire Northern Development Agreement. We're going through an evaluation process to evaluate the three-year agreement for the entire Northern Development Agreement. They are presently assessing it in order to find out how effective it has been in delivering programs to the people.

**MR. D. BLAKE:** At what stage are these studies in and what are the results? Does the Minister have any results to share with the committee?

**HON. H. HARAPIAK:** Program 9 has just gone to a consultant called Salasan, and Program 1 or 2 is being evaluated by the Native organizations. We have asked for bids from consultants and we haven't received any bids yet to have Program 1 or 2 evaluated.

**MR. D. BLAKE:** That's Program 9. We'll get to 6, 7 and 8. Salasan - the Minister mentioned the name there - is this a consulting firm? Does he know who the consultants are or do we have to . . .

**HON. H. HARAPIAK:** The principal is Jack Lowdon and the contract is being administered by the Federal Government.

**MR. D. BLAKE:** And how large a contract is that? That's Lowdon, not Jack London?

**HON. H. HARAPIAK:** Lowdon, and it's \$65,000.00.

**MR. D. BLAKE:** Who is he related to?

**HON. H. HARAPIAK:** You'll probably have to ask some of your federal colleagues.

**MR. CHAIRMAN:** Sinclair Stevens, perhaps.

**MR. D. BLAKE:** I thought I'd throw that out.

**MR. CHAIRMAN:** The Member for Minnedosa with a serious question.

**MR. D. BLAKE:** The Minister is being very straightforward. Is there anything that we should know about the other amounts involved? They are all studies that are being undertaken under contract with consultants or?

**HON. H. HARAPIAK:** It is all done by the federal . . .

**MR. D. BLAKE:** Under the federal arrangement, and they pay the bills and it's not 60-40 shared?

**HON. H. HARAPIAK:** We pay 40 percent, but this portion of it is administered by the Federal Government.

**MR. D. BLAKE:** We should be able to get some of our friends in there too then if we're paying 40 percent.

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**HON. H. HARAPIAK:** We should be able to get 40 percent of our friends in . . .

**MR. D. BLAKE:** If there are any other questions coming forward, I suppose we can ferret them out. The Member for Lakeside has a question.

**MR. CHAIRMAN:** 3.(a)(1)—pass?

**MR. H. ENNS:** Seriously, Mr. Chairman, . . .

**MR. CHAIRMAN:** The Member for Lakeside.

**MR. H. ENNS:** . . . I'm always intrigued with these kinds of programs, and I acknowledge that I haven't been particularly pursuing the Northern Development Program.

But aside from the monies that we are spending on evaluation, consultants, other things, could the Minister enlighten this one committee member about what are we developing in the North with these programs? Could he just not go through the whole program, but what are some examples of the kinds of programs that are being evaluated? What are we trying to do? Are we trying to establish some better way of catching fish or developing traplines, or traditional things? What are some of the kinds of programs that the Northern Development Agreement is currently active with and that we are evaluating and spending money on and having consultants tell us what we're doing?

**MR. CHAIRMAN:** I think the member might find part of that in the Minister's introductory statement, but the Minister seems to have more detail here.

The Minister of Northern Affairs.

**HON. H. HARAPIAK:** I should tell you that most of these programs are administered by other departments.

For instance, under the Department of Agriculture the money flows through the Department of Northern Affairs, but the programs are delivered through the Department of Agriculture. There is Northern Horticulture, Agricultural Development and 4-H.

Under Education is BUNTEP, which is a program designed for developing Northern teachers, Native teachers; ACCESS, which is a program designed to assist Northerners to attend higher educational institutions; under the Department of Highways and Transportation, there's airport development; under Employment Services and Economic Security is New Careers Employment Services and Northern Youth Corps. I guess there are additional programs under Natural Resources.

**MR. H. ENNS:** Okay, thank you.

In effect, the Department of Northern Affairs has a supervisory or administrative role in riding herd on some of these programs that are, in effect, being carried and funded by other departments.

**HON. H. HARAPIAK:** Except for Program 13, where Northern Affairs does the delivery to local services and municipal support services and also, in the agreement, management which includes fire training, coordination and also the construction for putting infrastructure into communities.

**MR. CHAIRMAN:** The Member for Minnedosa.

**MR. D. BLAKE:** The Minister mentioned the BUNTEP Program. These funds are provided through the Department of Education, who carry out that program?

**HON. H. HARAPIAK:** That is correct.

**MR. D. BLAKE:** Would this be true of the PENT Program also?

**HON. H. HARAPIAK:** No, the PENT is not under the Northern Development Agreement.

**MR. D. BLAKE:** Okay, it's funded out of the university.

All right, before we leave that particular area, Mr. Chairman, are there any other questions that I haven't asked the Minister that he was anticipating and he thinks we should know? Maybe, he will tell us.

**HON. H. HARAPIAK:** No, I think you've covered everything, more than I had hoped you would ask.

**MR. D. BLAKE:** I don't want to have my colleague come back tomorrow and say, well, why didn't you ask about this, and then he's going to have to go through it in the House. We might as well get it out of the way now.

**MR. CHAIRMAN:** 3.(a)(1)—pass; 3.(a)(2)—pass; 3.(a)(3)—pass.

3.(b) Agreements Management and Coordination, (1)—the Member for Minnedosa.

**MR. D. BLAKE:** That's a million bucks, but it look like the Northern Flood Agreement pays half.

**MR. CHAIRMAN:** Okay, (2)—pass; (3)—pass.

3.(c) Canada-Manitoba ARDA Agreement, (1)—pass. The Member for Minnedosa.

**MR. D. BLAKE:** Under Other Expenditures in Section (2), there's a footnote there that I haven't had a chance to follow it down. These are basically the programs, the majority of which we've covered in our other discussions. We recover the large part of it from Ottawa. Is this our contribution, the additional \$200,000.00?

**HON. H. HARAPIAK:** All the cost-shared agreements have an Enabling Vote. The total cost is around \$1 million, and we recover approximately 75 percent from the Federal Government.

**MR. D. BLAKE:** The extra is our share of what we cover. Okay.

**MR. CHAIRMAN:** (c)(2)—pass.

Resolution 133: Resolved that there be granted to Her Majesty a sum not exceeding \$2,809,800 for Northern Affairs, Agreements Management and Coordination, for the fiscal year ending the 31st day of March, 1987—pass.

Now, move on to Item 4., which is Corporate Projects. The Member for Minnedosa.

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**MR. D. BLAKE:** This provides support to the Moose Lake and Channel Area Loggers. In what way does it provide support? Does it pick up the losses or is it providing managerial skills or financial support to the tree farmers? The Minister might enlarge on that.

**HON. H. HARAPIAK:** It provides the opportunity for communities to develop Crown corporations such as Moose Lake Loggers, and it provides the resources through the Civil Service Commission for the Employee Assistance Program, and assists employees and supervisors by providing training for Moose Lake Loggers, and also supplies counselling. He also acts as Secretary-Treasurer to the corporation of Moose Lake Loggers.

**MR. D. BLAKE:** Who does?

**HON. H. HARAPIAK:** Gordon Trithart, the corporate manager.

Also for Channel Area Loggers, they provide a timber inventory, and he also is responsible for development of strip cutting operations. He provides assistance in that area. He also provides training for local residents in managerial and accounting functions. They really provided first-hand assistance in their operations this past year.

**MR. D. BLAKE:** So under Salaries then, Gordon Trithart's salary would be included in this figure?

**HON. H. HARAPIAK:** Gordon Trithart and a support staff.

**MR. D. BLAKE:** And a support staff. So this doesn't come out of the Moose Lake Loggers operation, so their losses would be considerably larger if they were self-sufficient, paying all their own wages.

**HON. H. HARAPIAK:** I guess there would be an additional loss, yes. There would be less of a profit at Moose Lake Loggers if they were paying for his wages.

**MR. D. BLAKE:** Which year were you referring to? I guess that's fair ball. I'm not criticizing the logging operations. In fact, they were started under a good Conservative Government to provide employment and economic benefits to that area and they've been reasonably successful although, I must say, they were far more successful under the Conservative Government than they have been since.

But I just wanted to get that on the record that maybe we have to take a long look at the fact that we're not losing too much money on these operations, although they do provide good economic and social benefits to the particular area.

Under the Other Expenditures then, what might we find under that?

**HON. H. HARAPIAK:** One was for a grant which helped pick up the deficit for Channel Area Loggers, and transportation and also communications, operating supplies, office supplies, rental and operating costs.

**MR. D. BLAKE:** The Minister mentioned picking up a portion of the loss of Channel Area Loggers. Who picked up the rest of it?

**HON. H. HARAPIAK:** That was the balance of the loss.

**MR. D. BLAKE:** The balance of the loss.

**HON. H. HARAPIAK:** That is correct.

**MR. D. BLAKE:** Has that been a practice throughout the years? It's not a new procedure?

**HON. H. HARAPIAK:** The same procedure has been followed in other years. I should correct the record as well. He said it would get much better under a Conservative administration.

**MR. D. BLAKE:** You don't have to correct the record; the record will speak for itself, Harry.

**HON. H. HARAPIAK:** I think the Channel Area Loggers, the operation was really a form of hydrating when that operation was going on, and some of the best timber, the closest to the shipping area, was taken out at that time and it was not creating any employment. They went in there with an operation which required very little manpower so it wasn't creating any employment for the local people. Then after he did leave the area, because there wasn't any of that high quality wood available, the Channel Area Loggers local people had to go in there and clean up after because the Forestry would not allow the forest to be left in the condition that it was left in. So although we didn't make money in that year, there was a lot of cleaning up to be done in the following year.

**MR. D. BLAKE:** I don't want to leave that on the record completely, Mr. Chairman, because we'll get into the camps and the moving of camps and the various other things, but in cleaning up that operation, if I recall, there was a great amount of cordwood cut that, in the great wisdom of the New Democratic Party Government, rather than truck it out in the winter months, they were going to bring in an expert on barging from the Vancouver coastline and barge these logs down to the mill at Pine Falls, and they forgot that in a great north wind, the lake comes up about four and-a-half feet and they lost something like 300,000 cords of wood scattered all over Lake Winnipeg; so we won't get into that particular operation, Mr. Minister, because that's on the record a few years back. In fact, I think some of them are still scattered along the shoreline. I notice when I fly up in that country.

**HON. H. HARAPIAK:** While we are correcting records, all of that wood is transported out by barge. Even to this day, it's still by barge the wood is taken out by.

**MR. D. BLAKE:** But not in the system they were using before.

**HON. H. HARAPIAK:** That's the only way they can get the wood out; there's no other system for getting the wood out is by barge, so it's always been that way since Channel Area has operated there.

**MR. D. BLAKE:** But they haven't lost any since.

**HON. H. HARAPIAK:** Maybe the high winds haven't come along that year, but that's the only system there's

ever been of bringing the wood out of that area is by barge.

**MR. CHAIRMAN:** 4.(a)—pass; 4.(b)—pass.

Resolution No. 134: Resolved that there be granted to Her Majesty a sum not exceeding \$245,300 for Northern Affairs, Corporate Projects for the fiscal year ending the 31st day of March, 1987—pass.

We'll move on to the next Item 5. which is Northern Development Agreement - the Member for Minnedosa.

**MR. D. BLAKE:** I wonder if the Minister might just briefly touch on this Northern Development Agreement. We've covered one or two areas in previous questioning. I wonder if the Minister might just bring us up to date on the Northern Development Agreement - Canada-Manitoba. Is this the 60 percent recoverable from Canada, 5.7 million?

**HON. H. HARAPIAK:** That is correct and it's the same list that I had read off earlier when the Member for Lakeside had asked for some examples of programs that came under this area. That's the list I read at that time. That's the program that falls into this appropriation.

**MR. D. BLAKE:** Okay, that's fine, Mr. Chairman.

**MR. CHAIRMAN:** Resolution 135: Resolved that there be granted to Her Majesty a sum not exceeding \$9,754,200 for Northern Affairs, Northern Development Agreement - Canada-Manitoba for the fiscal year ending the 31st day of March, 1987—pass.

We now move to Item 6. which is Expenditures Related to Capital - the Member for Minnedosa.

**MR. D. BLAKE:** Under Capital, the Minister could provide us with a breakdown of that. If he doesn't have it handy, he could provide it to us later. Are there any projects that might be of particular interest to us under this item that he'd want to answer questions on now? I have one or two questions under section (b), Mr. Chairman, too.

**HON. H. HARAPIAK:** There are no projects that really stick out, but we will provide a list to you later of all the projects there are.

**MR. D. BLAKE:** I'm just wondering, are there any care home facilities under this capital project or - they would all be covered under Health if there were.

**HON. H. HARAPIAK:** No, just related to municipal services.

**MR. CHAIRMAN:** 6.(a)(1)—pass; 6.(a)(2)—pass.  
6.(b) - the Member for Minnedosa.

**MR. D. BLAKE:** That Capital Projects has increased by about roughly \$3 million and I noticed there's a million less under the Flood Agreement. The Minister might just enlarge on those two items for us. You haven't stuck a water bomber or anything in here?

**HON. H. HARAPIAK:** Last year Northern Affairs expended about \$4 million in community infrastructure

and this money was cost-shared with the feds and therefore the provincial share was 1.6 million. In 1986-87, Northern Affairs will spend 3.7 with no recovery, so the net provincial cost is 3.7. It just shifted to a different line because there's no recovery from the Federal Government.

The non-recurring cost is the Maniago River bridge was a one-time cost. There was a budget last year of 1.3 and now we feel that an estimated cost today would be \$300,000.00.

**MR. D. BLAKE:** Where is the bridge?

**HON. H. HARAPIAK:** The Maniago River bridge.

**MR. D. BLAKE:** That's over the Maniago River, eh?

**HON. H. HARAPIAK:** It's quite costly.

**MR. D. BLAKE:** I just want to make sure it was in the right place.

**HON. H. HARAPIAK:** That's another commitment under the Northern Flood Agreement we spoke about earlier. The Maniago River bridge is one of the commitments of that agreement. That was part of the provincial commitment.

**MR. D. BLAKE:** That's fine, Mr. Chairman.

**MR. CHAIRMAN:** (b)(1)—pass; (b)(2)—pass - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, I appreciate that I'm out of order in respect to this specific item, but I know the generosity of the Minister will allow me to ask this question anyway.

I noted at the time that one Mr. Terry Sargeant became an employee of this government, either under contract or within the Civil Service, my question simply is, it was designated that he had special interest with respect to Northern Affairs. Is he working for the Department of Northern Affairs either under contract or on staff?

**HON. H. HARAPIAK:** Terry Sargeant, who you are correct, he came here with many qualifications, is presently working for the department as a Director of Research and Planning.

**MR. H. ENNS:** My questions were, if I recall the original engagement of Mr. Sargeant was as an advisor to the Premier's Office with special interest to Northern Affairs. That no longer is the case or may not ever have been the case. He is with the Department of Northern Affairs and paid for by the Department of Northern Affairs?

**HON. H. HARAPIAK:** That is correct. He is Director of Planning and Research within the Department of Northern Affairs.

**MR. H. ENNS:** I would only comment that I wish the Minister would keep him busier because I keep running into him in elections in the streets of Stonewall, but other than that, I certainly agree with the Minister.

**MR. D. BLAKE:** I just had a question. I wondered if the position was boarded, a Civil Service board position or was a competition held for it or was it an appointment by the Minister?

**HON. H. HARAPIAK:** He filled it under a term position. When he first came to the department he was on a term position and then he filled it as an Acting Director of Planning and Research, and when the present became the ADM, then he filled it on a permanent position.

**MR. D. BLAKE:** So there's no competition?

**HON. H. HARAPIAK:** No.

**MR. CHAIRMAN:** Resolution 136: Resolved that there be granted to Her Majesty, a sum not exceeding \$5,354,500 for Northern Affairs, Expenditures Related to Capital for the fiscal year ending the 31st day of March, 1987—pass.

We now return to Item 1.(a) Minister's Salary — (Interjection) — Oh yes, I thank the staff for our Minister's Salary - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, I just have a few comments to make, and again I apologize for not having been here at the outset of the discussions of this Minister's and this department's Estimates. But it would seem to me that this department could very likely face a very serious challenge in the not-too-distant future, and I'm speaking about the future welfare of Manfor and its direct impact on operations that I know this department is correctly, deeply concerned about; operations such as the Channel Loggers, Moose Lake Loggers.

I'm also aware that this Minister and this department hasn't got the direct responsibility with respect to the future operation of Manfor, but we have seen just in the last weeks, a sharp curtailment of employment opportunities at Manfor. I'm not going to take this opportunity to suggest why. We were given the reasons by the board and by the Minister, but I think this Minister must be aware and his department must be aware that with the Minister of Finance sitting with us at this table, that the future of Manfor is a very serious question facing this government, facing any government and it would impact very seriously on the responsibilities of this department; should, in fact, that major employer and the major dollars that are generated through that operation for some reason or other cease.

I just suggest in the closing moments of this department's consideration of their Estimates, I would assume that it's a responsibility of any Minister of Northern Affairs to plan for contingency measures, to have them in place. There are no easy answers.

I know that successive governments have tried, and no doubt will continue to try to find a solution, a resolution to the Manfor situation; hopefully to bring it to a better financial situation. But I think with the difficulties that kind of an operation is facing, the kind of international trade competition it's facing, and just the stark realization that with the best of will, a government, a Minister of Finance will have to reach a decision with respect to that operation.

The impact on the communities of Northern Manitoba will be 10 times, 100 times more severe than a similar situation where there are at least numerous other options available, as difficult as it is to see any plant closure take place.

I'm sure it wasn't particularly easy for this government to divest itself of Flyer Industries. Hopefully, under the best of terms, that will continue some future employment, but the loss of employment opportunities - those that we have already lost with the reduced staff of Flyer Industries in a city of 600,000 or in a city like Winnipeg; as harsh and as difficult that is on the individual family's concerned - does not have the same impact as a loss of job opportunities of the scale we're talking about at Manfor, would have in Northern Manitoba.

It would seem to me that this Minister would challenge his staff and himself very seriously, to worry about how that can be turned around in the first instance; and secondly, to certainly plan for whatever contingency measures may have to be put in place should that happen. I wanted to, or could have asked, I suppose, had the present layoff which was announced just last week, how that will, for instance, affect the coming year's operations of those two operations that we talk about which the department's involved in, Channel Loggers and Moose Lake Loggers.

But I'm making this comment on the Minister's Salary in a general term. It seems to me that just as every department, every Minister faces their own and special unique concerns. The Minister of Agriculture has many concerns; namely, the overall grain situation that's affecting - not just the farmers in Manitoba but farmers throughout Canada and Australia - all those who are facing a very serious situation in that primary industry.

To me, one of the biggest problems that this Minister may find ending up in his lap has to do with the future of Manfor and how it could affect a good portion, not all, but it would be a substantial concern to the Minister of Northern Affairs in Manitoba in how to react to that.

Thank you, Mr. Chairman.

**HON. H. HARAPIAK:** The member has a good understanding of how the North is affected by Manfor. I know that you have an appreciation for the funding that has been put into Manfor to make it a viable operation. We are convinced that it can be a viable operation with the modernization that has gone on, but we also are aware of what effects the tariffs could have on wood operation and lumber operation at Manfor. So we're very cognizant of the dangers that are ahead of us.

We're hopeful that the tariffs don't come on and possibly there will be slight recovery in housing developments in the United States and it would take a greater portion of our production of the woodlands division or the lumber division and they would help the cause there. But if it does go ahead, there will have to be a responsibility for the Department of Northern Affairs to coordinate some training efforts for the people who are living in there, because we recognize there are many communities surrounding The Pas which would be affected, and we recognize that there's too much of a reduction at the lumber division and Moose Lake Loggers could be affected as well to a greater

degree than they are now. So we recognize that we as a department will have to play more of a coordinating role than we have in the past in that immediate area and bring in some training for the people who are affected.

**MR. D. BLAKE:** Just before we wind up, I want to make one comment on that, Mr. Chairman. I know the Minister is well aware of the concept behind the origin of Manfor, why it was established in that particular area, to cover many of the areas that he well knows the chronic unemployment situation and heavy welfare and things of that nature.

But it would seem to me, and I'm not that up-to-date on the situation with the problems in the forest industry in British Columbia, there seems now to be a rush to settle a great number of the contracts that are being negotiated out there because of the heavy demand for timber products. It would seem to be such an inopportune time for us to be caught when there could be a boom market showing up on the horizon and for us to be caught without product. It's going to reflect, I'm sure, in the operations of Manfor and it's most unfortunate that it's happened. We're not really sure why but we'll find that out I suppose when next we get Manfor before the committee.

On the Minister's Salary, Mr. Chairman, I notice, going through the Estimate books, that the Ministers' Salaries have jumped from \$19,600 to \$20,600.00. Was this an incremental increase in the past year for all Cabinet Ministers?

**HON. H. HARAPIAK:** That is correct.

**MR. D. BLAKE:** I haven't noticed our stipend increasing accordingly, Mr. Chairman. As I mentioned in the reply to the opening remarks, I'm sorry that our chief critic is not here and I'm sure he is because there are probably questions that we haven't covered that he may like to ask. I'm sure the Minister's door is always open and he can always get answers to those questions when he returns to the Chamber. With that we have no further questions on the Estimates, Mr. Chairman.

**HON. H. HARAPIAK:** I just regret that the chief critic couldn't be here, as well. We had a discussion with him and had a discussion with staff and he was very well prepared for Estimates and I know that he would have done an excellent job which I regret he wasn't here, as well. But I want to thank you for your cooperation in the Estimates process and I also want to thank staff for all the work they have done in preparing us for Estimates.

Thank you very much.

**MR. CHAIRMAN:** 1.(a)—pass.

Resolution 131: Resolved that there be granted to Her Majesty a sum not exceeding \$930,700 for Northern Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 1987—pass.

Thank you all.  
Committee rise.

## SUPPLY - NATURAL RESOURCES

**MR. CHAIRMAN, C. Santos:** Committee please come to order. We have been considering the Estimates of the Department of Natural Resources.

We are now on Item 3.(a)(1) Engineering and Construction, Administration, Salaries; 3.(a)(2) Other Expenditures; 3.(a)(3) Less: Recoverable from Other Appropriations.

The Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Chairman. I like the way you call order. It's appropriate.

To the Minister, Mr. Chairman, I thought we had an understanding before the adjournment at 5:30, that possibly in the area of Engineering and Construction and Water Resources, we could sort of combine the both because it's overlapping and it's very hard to decipher which is what.

As I indicated to the Minister before we left, that I think the municipal people, to some degree, have some confusion in that respect as well as to whom to contact because to them it's all a matter of water resources. But seeing we have sort of come to an agreement that we can cover both, because the questions that will be raised here, by myself as well as other colleagues, all deal basically with water resources and the engineering and construction end of it.

I just wonder whether the Minister possibly has got his capital program available at this time too. If that is the case, then I'd like to maybe ask whether that could be distributed, so members on this side can look at what programs basically are on track, because we have various questions along the line of various programs.

I'd like to start off with, as I indicated before, under Engineering and Construction, where there's reference made to the diking, flood protection within various areas. I know that the agreement two years ago terminated with the Federal Government in terms of the Flood Protection Program in the Red River Valley. The one question I'd like to raise right now, at the time when we were government there was cost-benefit ratio studies done regarding the flood protection and diking around the communities of Carman, Gimli and Ste. Rose. I believe that was sort of the priority that was staged at that time and the cost-benefit ratio benefits: that Carman was probably the first community that should receive flood protection; that Gimli should be the second and Ste. Rose should be the third, based on those figures.

I want to raise the question with the Minister as to the establishment of these cost-benefit ratio studies because obviously there must have been a change in these things, because we now have Gimli and Ste. Rose who have been receiving consideration and Carman is still without that kind of protection. The member for that area there, Mr. Orchard, asked me to raise that question and establish how were the priorities changed? Because when we left government in 1981, the priorities were on the basis, as I indicated before: Carman, Gimli and Ste. Rose and that seems to have changed. I wonder if the Minister could clarify that?

**MR. CHAIRMAN:** The Honourable Minister of Natural Resources.

**HON. L. HARAPIAK:** Thank you, Mr. Chairman. I want to indicate to the critic that we did have a meeting with Mr. Murta shortly after I came to office to discuss the Carman Project, and it is here in the discussions with Mr. Murta that Carman had never been included in the Federal-Provincial Agreement. We were discussing the possible basis for that particular project to become part of perhaps some future agreement between the Federal and the Provincial Governments. So to the best of my knowledge, it never was included in the negotiated agreements between the Federal and the Provincial Governments.

It is a large project. It is a serious matter for the community of Carman, and we did have a meeting with the town council and I believe some representation from the R.M. subsequent to the meeting with Mr. Murta, but some changes, of course, have come about in the responsibility that Mr. Murta has, and I regret that frankly because I sensed on his part a real desire and a real commitment to secure federal participation for that program. But with some change in players, we will have to look at that issue again.

Certainly, we would want to enter into those discussions, recognizing that the project related to Carman is a very large undertaking. The projected costs in that are very high. We will carry on in those discussions.

I do have, I should tell you, the specific information to distribute with respect to the capital project. If the critic wanted to receive that information at this time, I would be prepared to have it distributed and we could pursue the items. Or if you wanted to pursue discussion on this item, I would be quite prepared to do that as well.

**MR. A. DRIEDGER:** Mr. Chairman, first of all, I'd like to ask the Minister whether he would distribute the capital projects. I don't know how many copies he has, but certainly I believe that my colleagues would be very interested in having a look at that, so they can look if there's anything on there at all which - I'm sure - I anticipate there's going to be major disappointments because of the cutbacks within the department in terms of how they prioritize their spendings. But we'd certainly like to have a look at it so at least members on this side can acquaint themselves with the projects that are on stream or are not on stream.

Coming back to the situation between Carman, Gimli and Ste. Rose, my understanding was, as I indicated before, that the Carman Diversion cost-benefit ratio was higher than it was in Gimli and Ste. Rose. I want to ask also whether there was federal participation in the Gimli and Ste. Rose diking that took place, and I want the Minister to explain, where did the priorities change? At what time and what influenced the changes of those priorities?

**HON. L. HARAPIAK:** Mr. Chairman, I would like to point out that, in order for a project to be included for sharing between the Federal and the Provincial Government, the benefit-cost ratio has to be in excess of one. Now, that was the case for Ste. Rose, so Ste. Rose was included in the project. I'm told that the benefit-cost ratio for Gimli was less than that, and there is no federal sharing in that particular project. The same is true for the Carman project. The benefit-cost ratio

was less than one, therefore it could not be included under the existing program. That was the point we were discussing with Mr. Murta, whether there might be another agreement which would be prepared to look at other projects.

I was given some additional information here that the terms of that agreement have been extended to 1989 and the value of the agreement now is \$6.1 million, an increase from the 4.5.

**MR. A. DRIEDGER:** Mr. Chairman, the Minister still has not explained where the change in priorities came about. I'm suspect that possibly these were political decisions that were made within the department somewhere along the line, or with the government, because the Carman project had priority and the Minister just indicated, and maybe he can correct me if I'm wrong, but that the Gimli diking was strictly provincial, no federal participation in that. Am I correct in my assumption; is that what the Minister was saying? There was no federal participation in the Gimli diking but there was federal participation in the Ste. Rose one. As I indicated, in '81 at that time, the cost benefit ratio for the Carman project was the most beneficial. Where did that change?

I have some concern about how these cost benefit ratio studies take place because it's happened in the past, without holding any of the department suspect, seemingly they can arrange a cost benefit ratio study and the statistics come up almost at the desire of the Government of the Day.

I want to come back to this Carman thing where the priorities were changed, but just to illustrate how some of these things change, if there was a change in the cost benefit ratio from '81 on, how come that happened? We also had a cost benefit ratio done on the Rat River project, which has been sort of worked on and promoted for a number of years. The Agriculture Department did a cost benefit ratio in terms of how much benefit would come out from correcting the flooding situation there. At that time, when we were government, the same department worked out a ratio and it didn't look feasible. They have now, since that time, done some more studies again. Now the Department of Agriculture comes up and says, well, now it looks like it's feasible, just on the agricultural end of it, never mind the flooding impact.

That is why I want to know how come there can be all of a sudden changes, like, for example, the Carman situation had top priority; we've had Ste. Rose and Gimli done since that time, one with federal participation, one without. If these are political decisions, that's fine, we'll accept that. But then we want to know, is it a matter of how you jockey the cost benefit ratios or how do you establish that all of a sudden there's been a change and the other two projects have been undertaken and Carman is still in the mill? Now we're talking of almost \$2 million higher cost in this thing.

**HON. L. HARAPIAK:** Mr. Chairman, I want to indicate that the guidelines for calculating the cost benefit ratios are federal guidelines and they are applied consistently across Canada. On the basis of those federal guidelines, the cost benefit ratio for the Carman project was, I believe, .79. There was consideration of the project under provincial criteria and the cost benefit was, I

understand, in excess of 1, but for the purposes of that federal cost-sharing, it must be considered on the basis of the federal guidelines, so it has never been above that level.

Certainly in terms of priority, it was considered and it is still considered to be a serious issue that has to be addressed. It was considered, but after applying the guidelines for determining the cost benefit ratio and having it come out at .79 and given the magnitude of the project, it was not included in the agreement.

Now, I wanted to comment briefly on the Gimli project. The Gimli project is not on line and I may have left a false impression in my earlier comments when I indicated that the cost benefit ratio was less than 1 and it would have to be provincially funded - if it were to proceed - but there is no commitment to go ahead on the Gimli project.

Ste. Rose, the cost benefit ratio on that is in excess of 1. There are some issues to be addressed right now in terms of land acquisition. Those are basically the comments that I wanted to make in regard to those projects.

I have difficulty in accepting that there is some jockeying going on with respect to these projects. The two projects - we seem to be talking about three: the Carman project, the Gimli project, and the Ste. Rose. Ste. Rose is included because of the cost benefit ratio was in excess of 1; the other two are not included because the cost benefit ratio was lower.

Now, just a point that might be made. I'm told that the Gimli project is a much smaller project, some \$750,000, where the Carman project would be about \$7 million, in that neighbourhood. So if there was some consideration given to a provincial undertaking, considering only the magnitude of the project, it would be much more difficult for the province, on its own, to undertake the Carman project than it would be something the magnitude of Gimli.

**MR. A. DRIEDGER:** Mr. Chairman, I'm having some difficulty with some of the statements that the Minister is making. He initially stated that the Carman project initially was \$4.5 million - I understood it was \$4.5 million, it's now close to \$7 million. I'm just wondering, my information indicated that the Carman project - the cost benefit ratio was the most beneficial. Now the Minister is telling me that it was under 1 and the Ste. Rose was over 1. I wonder if the Minister could indicate what the figures showed in 1981, when there was a change in government in terms of the cost benefit ratio. Are those the same figures that we're using now?

**HON. L. HARAPIAK:** There is no difference in the criteria being used for those projects. The costs that I referred to - I'm not sure that I referred to them in any of my presentations - 4.5 but those figures have been used. Those were 1979 costs, as I understand it, and of course with inflation, costs are going up and that was a very preliminary estimate of the project. The project is now estimated to be in the range of \$7 million.

**MR. A. DRIEDGER:** Mr. Chairman, if the Minister managed to stonewall the project long enough, probably using the inflation rate, it'll never come under the category of what it would qualify for the project being

undertaken, unless maybe there's a change in government. We hope that's going to happen soon.

I just want to ask the Minister, is his department in negotiation or is the government in negotiation with the Federal Government right now, in terms of further cost-sharing projects, in terms of diking, whether it be Carman, whether it be Gimli, whether it be in the Red River Valley, because there was a program in place? Those programs have terminated and when I look at the report here it indicates dike upgrading program, etc. covering various communities. Is there a program in place right now that is cost-shared with the Federal Government, whether it's the Red River Valley, whether it's any communities at all or is it strictly, is the government on their own right now?

**HON. L. HARAPIAK:** I want to indicate to the member that in my earlier comments I noted that the Flood Damage Agreement was extended to 1989 and the amount covered in the agreement went from 4.5 to 6.1 and Ste. Rose was included in that number.

The other point I want to make, Mr. Chairman, is that there is a long history of the request for Carman to have something done with their flooding problem. It is not just an issue that has been considered or has been presented as an opportunity, if you like, for the New Democratic Party administrations. There were opportunities for the previous administration to address the issue. I think it's not an easy one to undertake, but I reject the notion, and perhaps that is what the critic is implying, is that it is this particular administration that is repriorizing the work. It was considered, I'm sure, during the course of the Progressive Conservative administration as well.

**MR. A. DRIEDGER:** Mr. Chairman, the Minister is so right. It was one of their priority projects when we were government at the time and that is why I take exception to the fact that it is not a priority any more.

Certainly I want to indicate to the Minister that he can play with figures which ever way he wants to justify it, but I believe and so does the Member for Pembina, that it is a political decision; and you can jockey your figures which ever way you want to suit yourself and that is the perception that is out there. You know, when the Member for Pembina has an opportunity, he'll certainly be raising it with the Minister as well, because it was a priority project at one time. Ste. Rose now has priority, Gimli has priority, and Carman is still sitting on the shelf. If that doesn't smack of politics, then I don't know what does.

I want to further pursue the area - the Minister just indicated that there is a new agreement or ongoing agreement from 1989 in terms of flood protection for various communities. What is this based on? Is this based on a cost benefit ratio as well? I'm talking of, for example, the communities in the Red River Valley, because not all the projects have been completed there.

**HON. L. HARAPIAK:** I'm advised that the same criteria are applied in terms of cost benefit ratios and I want to make it clear for the record again that those are federal guidelines and, in terms of the critic's earlier comments that this was a high priority, and I don't deny that it may have been a high priority for him, but the

federal guidelines require that the cost benefit ratio must be in excess of 1. The Provincial Government doesn't write those guidelines; we don't set the criteria. The Federal Government does, and I respect that, but we can't change that. So that when the critic indicates that it was a high priority, and certainly it was with them, but when you come to the point of considering it and looking at the cost benefit ratio and if it doesn't fall within the acceptable range, the only alternative is to try to change the terms of the agreement with the Federal Government certainly on a project of the magnitude of Carman, where you're talking about \$7.5 million, to undertake it without some federal input would virtually - well, it could be in excess of anything that we could undertake on our own as a single project.

**MR. A. DRIEDGER:** Mr. Chairman, I don't want to belabour this but what the Minister is saying, that the cost benefit ratio for Ste. Rose in '81 versus the cost benefit ratio for Carman in '81, that the situation in Ste. Rose was a positive one and Carman was not. Is that what the Minister is putting on the record? If that is the case, then I will have a little private conversation with the Member for Pembina, who indicated to me that the cost benefit ratio in Carman was proportionately better than it was in Ste. Rose. If the Minister says it was that way in '81, I'll accept that. Put it on the record that there was no change and that's good enough for me.

**HON. L. HARAPIAK:** Mr. Chairman, I would, for the critic, put on the record that the first review of the cost benefit ratios indicated that Ste. Rose was above 1 and that Carman was below 1. That, we believe, was in '81. I stand corrected on that. In 1981, both projects were less than 1, then this was reviewed at some time in '84, approximately, and at that point, the benefits for Ste. Rose were in excess of 1 and Carman — (Interjection) — Mr. Chairman, the Member for Emerson indicates that was politically motivated. We're guided by the federal guidelines for the cost benefit studies, so if they're politically motivated, they are drawn by the Federal Government. If that is a criticism, it should not be a criticism directed at ourselves. We are bound by those guidelines if we want to have their participation in those shared-cost agreements.

**MR. A. DRIEDGER:** Let me ask the Minister, who does the cost benefit ratio studies? Is it the Provincial Government or the Federal Government?

**HON. L. HARAPIAK:** The study is done by the Provincial Government and submitted for approval to the Federal Government. So the Federal Government is the final

. . .

**MR. A. DRIEDGER:** There's my case.

**HON. L. HARAPIAK:** The Member for Emerson says there's his case. He is, I think, expressing some lack of faith in the Federal Government. They're the final authority.

**MR. A. DRIEDGER:** No, you do the study; you jockey the figures; and then you present it.

**HON. L. HARAPIAK:** Surely the Federal Government is a responsible enough body that they would be prepared to challenge the submission of the Provincial Government if they felt that it was somehow politically motivated.

**MR. A. DRIEDGER:** Obviously, Mr. Chairman, I find that unacceptable. I think there's gerrymandering that's taken place because the Minister himself has admitted that the Provincial Government does the cost benefit ratio study, that both projects, he indicates, were less than 1 percent in '81, that all of a sudden there was a magical change where Ste. Rose qualified in '84, obviously, and I can see the reason for that.

I will leave that area right now because the Minister has put some material on the record that will probably come back to haunt him.

I want to now pursue the area of the Town of Emerson — (Interjection) — Pardon me? — (Interjection) — How many what?

I'll tell you something, Mr. Chairman, the Minister of Industry and Commerce says too many ghosts. I'll tell you something. The way this government has been operating and the kind of skeletons that have come out of the closets in the last few weeks and in the last few months - I'll tell you something - he should hang his head in shame and shut his mouth, because the whole thing's caving down on them, and that is one of the reasons why the Opposition is getting very demanding in terms of what's happening, because there's very little credibility left in this government.

I now want to raise a question again with the Minister of Natural Resources. I want to ask whether the project in Emerson, which has been a very complex one in terms of the dyking on the south side of the Town of Emerson, and it's been running into problems with the Americans because of certain land acquisition, etc., I wonder if the Minister could indicate where that project is at, which is already years overdue and, if something doesn't happen one of these years, we're going to be faced with a major problem there. I wonder if the Minister could explain to the members of this Legislature exactly where that project is at right now in terms of that dyking that is supposed to be taking place on the south side.

**HON. L. HARAPIAK:** Mr. Chairman, the staff is preparing some more specific information for me on the Emerson Project, but there are some \$226,000 allocated to the Emerson Project represented by the critic. Surely he would not suggest that was politically motivated.

I, frankly, take exception to the repeated suggestion of the Member from Emerson that we are manipulating the figures in some way and that we have a heavy hand with the Federal Government. Hardly, hardly. The guidelines are drawn by the federal Treasury Board, and the management of these projects, the study is jointly managed by the province, our department and federally in the Department of the Environment. Surely, the Member for Emerson is not going to suggest that we as a provincial body involved could co-opt the Federal Government for our political interests. If that is what he is saying, it is far more a criticism of the Federal Government than it is of us as a provincial authority.

Thursday, 14 August, 1986

**MR. A. DRIEDGER:** Mr. Chairman, first of all, the Minister wants to get into a debate about the credibility of the Federal Government accepting the provincial figures or not. I think if the Federal Government is going to challenge the figures of the Provincial Government, they have many ways to do that, I suppose. So his argument doesn't have any rationale.

But I would like him to explain, I asked specifically about the Town of Emerson where that project is at. I would also like for him to indicate how many communities in the Red River Valley are involved in this extended project of protective dyking, this program that apparently has been extended till 1989. Which communities have been completed? Which ones are designated to be completed, and to explain exactly where the project with the Town of Emerson is at?

**HON. L. HARAPIAK:** Mr. Chairman, specifically on the Emerson Project, the tenders closed on August 11, so those should be awarded shortly. Then, there is that portion of the dyke which the member said will have to be built by the U.S. Corps of Engineers. That is expected to be built next year. It seems to be progressing well in terms of Emerson, and I'm just getting the information together here on the other communities.

I can tell you that Letellier, St. Jean, Morris, Rosenort and Brunkild and St. Adolphe are included in that. Those are completed now. Those are completed, and the amounts involved for Letellier were \$110,000; St. Jean, 125; Morris, 200,000; Rosenort, 60,000; Brunkild, 25; and St. Adolphe, there's \$24,000 for St. Adolphe to start on that one.

**MR. A. DRIEDGER:** Mr. Chairman, could the Minister indicate whether the Town of Emerson is the only one that has not really been completed under the program now?

I wonder if the Minister can indicate whether the agreement with the United States Army Corps of Engineers has been completed, whether everything is in place to go now, or whether the agreement with the Americans has not been finalized.

**HON. L. HARAPIAK:** I am told, Mr. Chairman, that by the end of this construction season, Emerson, Dominion City and St. Adolphe would be the only ones which were not totally completed.

**MR. A. DRIEDGER:** Can the Minister indicate whether the agreement with our neighbours to the south has been completed in the Town of Emerson with the American Army Corps of Engineers? Has that agreement been finalized now?

**HON. L. HARAPIAK:** That agreement with the neighbours to the south, as the Member for Emerson put it, has not yet been finalized.

**MR. A. DRIEDGER:** Can the Minister indicate when the anticipated finalizing is going to take place, because I believe - maybe the Minister can clarify this - if it is not finalized, then the project can't be completed, or can it be completed without the finalization of that agreement?

**HON. L. HARAPIAK:** The information I have is that the U.S. authorities have that program for next year, but it's their decision. We can't force their hand. I think the member earlier was suggesting that perhaps we had influence with the Federal Government. We wouldn't want to expand that to the U.S. authorities as well. It's in their hands. Every indication we have is that they will be completing it next year.

**MR. A. DRIEDGER:** Mr. Chairman, I certainly don't want the Minister to try and leave on the record the fact that I say that this government has an influence on the Federal Government in the sense that he was trying to imply. What I was trying to indicate to this Minister was that the figures of the Provincial Government that are being submitted to the Federal Government in the cost-sharing ratios, cost-benefit ratios are the ones that the Federal Government accepts. I say that the gerrymandering that there is, has any taken place at the provincial level in terms of presenting those figures, because he still hasn't explained to me how the figures from '81 to '84 changed in the Ste. Rose case from a minus to a plus and, in the Carman case, it's getting more to be a minus all the time?

So let the Minister not try and leave on the record that I'm trying to create an impression between the Federal and Provincial Government. All I'm saying is that the Federal Government is accepting the figures of this government, and maybe they should check that in view of the things that have surfaced lately.

**HON. L. HARAPIAK:** Mr. Chairman, not wanting to get into an extended debate on this issue, what I would suggest to the Member for Emerson is that we would make the document available to him. I would challenge him to add those statements to a letter, and let's submit them to the Federal Government with his view that we somehow have misled or that the Federal Government has not correctly or fairly perused the information that we submitted. I challenge him to do that.

**MR. A. DRIEDGER:** Mr. Chairman, the Minister has a tendency, in developments earlier, of talking in circles. I've asked him where the change took place since '81 to '84 in terms of Ste. Rose coming out on the positive side and Carman dropping in a more negative manner. He's never explained what happened in that period of time. So, if he wants to submit the figures of '81 to me and the figures of '84, I'd be very pleased to get those figures and do some checking on that.

**HON. L. HARAPIAK:** Mr. Chairman, I am told that in arriving at these ratios, one of the major factors was that when you take initial view of a project, you get some preliminary costs and then, in a subsequent review, some of your costs firm up.

In the case of Ste. Rose from the period '81 to '84, I believe it was, there was not a significant change in the costs, therefore the ratio was not negatively impacted; where in the case of Carman, I'm told that the costs - when they were looked at on the second go-around - were in fact considerably higher.

**MR. CHAIRMAN:** The Member for Ste. Rose.

**MR. G. CUMMINGS:** Thank you, Mr. Chairman.

I would like to ask the Minister if he could give us some information about where the negotiations regarding land acquisition in regard to the Ste. Rose ring dike? I'm becoming increasingly concerned because of the lateness of the year.

I wonder if he would be able to with the assistance of staff, give us a projected commencement date because I understand there's a definite time period when the federal funds will no longer be available. I hope that the department is operating in a manner that will make sure the project is completed, so that there is no problem in respect of getting the federal funds.

**HON. L. HARAPIAK:** I'm sure the Member for Ste. Rose is aware that there was not unanimous support in the Ste. Rose area for the project. There were some people who were unhappy with the project, or perhaps the location of the dike, and that then necessitated the expropriation hearings to acquire the property, and that is really what has extended the time frame.

The hearings will be, I understand, in November of this year so if we require the property - and we can't proceed without acquiring the property - then the project will proceed. It's unfortunate that there wasn't - maybe it's not unusual that there wouldn't be some objectors to the project, but it is because of that local objection that posed some problems in terms of property acquisition, that this particular route had to be utilized.

**MR. G. CUMMINGS:** I'm a little startled that the expropriation hearings would not commence until November. I have no desire to trample on anybody's rights, but these concerns were clearly enunciated, I believe about this time a year ago or certainly the previous fall.

I can understand that it may have been since this Minister took over, when he first became aware of the concerns that were expressed and needed some time to consider; but can he tell us why it is taking until November to have an opportunity to put on the record the concerns of these people, because frankly, if the concerns are of an overpowering nature, then an alternate plan has to be developed. The lightness of the commencement, does that indicate a confidence in proving the original plan was correct, or does it indicate that the department took a summer holiday?

**HON. L. HARAPIAK:** I think that there are two items I would like to bring forward in trying to gain some appreciation for the time frame. One is the process for land acquisition and that is not a process which we handle in this branch. It's the Land Acquisition Branch which handles that and I think the member is aware of that, and the process is in itself a fairly extended process wherein people are required to be given notice and they have time to respond to notices, so the process is quite well-defined but quite extended.

In addition to that, prior to proceeding with expropriation, all of the detailed design work, I understand, has to be completed. You can't complete the expropriation without that.

**MR. G. CUMMINGS:** I would like a little clarification on the Minister's last statement that the design work

has to be completed. Is the design and the engineering for the ring dike not in place?

**HON. L. HARAPIAK:** In order to be able to justify, Mr. Chairman, what land do you need specifically for a project, you have to have your plan well developed and the design work has to be done because it is on the basis of that design that you would justify precisely what property you need. So that is the reason for it having to be there. You have to be able to justify the need for the property.

**MR. G. CUMMINGS:** Well I guess that's what concerns me, Mr. Chairman. A statement was made that the land acquisition cannot proceed until the design work and the engineering is complete. It seems to me that it's very nearly two years since this project received federal approval. I would have been under the very clear impression that the design and engineering work would have been completed earlier, and I apologize to the Minister if he feels I am a little out of place in asking questions about land acquisition here. I realize fully that I'm the critic for Government Services which is responsible for land acquisition, but if we get into that department, then it can always be referred back to the department for whom the work is being done.

So I hope that he will make an effort because I know we had an understanding after the House first came in, that this project was coming onstream as rapidly as was possible, and I wish to remind him that I have been patient. The people of Ste. Rose are being patient, but they also are looking for some very clear assurance that next year we'll see the movement of some dirt. The question that I would like the Minister specifically to respond to is: when will the design work be done - if it isn't done now - when will it be done and who's responsible for doing it?

**HON. L. HARAPIAK:** Mr. Chairman, the design work is virtually completed I am told, so that is not a matter that would hold the project up at this stage. It is really just the acquisition of the property.

The other point I wanted to make, I think the Member for Ste. Rose was concerned about the termination date on the agreement, but that does run until 1989. There was an extension on that, so I don't think we have to be concerned.

I want to acknowledge that the Member for Ste. Rose has raised this item on other occasions in the Chamber and has certainly expressed the concerns of the people from Ste. Rose with respect to completion, but I want to say for my part, that the Provincial Government's commitment to this project is unwavering and it will be done.

**MR. G. CUMMINGS:** Thank you.

I think that is heartening news to know that the commitment of the government is still there to see this project through, I appreciate that. I would still be concerned that the hearings will not begin until November. When would it be anticipated that a decision would be made? The hearings themselves should not take an overly long period of time. Will it be anticipated that construction would be underway, or the letting of the contract could begin prior to breakup next spring?

**HON. L. HARAPIAK:** I'm advised that after the hearings are held, assuming the hearings would take approximately a week, within 30 days after the hearings the report should be available. So given that time frame, I would see no reason why there shouldn't be construction activity in the following year.

**MR. G. CUMMINGS:** One more assurance that I would seek in that respect - once the hearings are finished, then, of course, if no agreement was reached on land acquisition and it would appear that if the hearings uphold the original plan that expropriation may become necessary, can this department give me us any idea if that can probably be out of the way? I assume that you considered that when you gave me the previous answer; I just want to make sure.

**HON. L. HARAPIAK:** Mr. Chairman, I wouldn't want to prejudice the outcome of the hearings but there is a process in place which could be followed. Depending on the outcome of the hearing, there are alternative ways, but I would rather not prejudge the outcome. I'm hopeful that it will be resolved through the hearings.

**MR. G. CUMMINGS:** I have to put it on the record, of course, that I wouldn't want to prejudge the hearings either. I just wanted to make it clear, however, that there is still a foggy area between the calling of the hearings and before land acquisition would be complete and, of course, that eats into the time frame further.

I'm interested in one last question before I leave this line of questioning, Mr. Chairman.

The time frame that the Minister alluded to had been extended - or that we both talked about - he said had been extended. Has the town council of Ste. Rose been made aware of that extension? I think there's considerable concern by not only the townspeople but some of the municipal authorities about running out of time on this project. I'd be interested in knowing how firm that extension is and when it came to be.

**HON. L. HARAPIAK:** I'm told that they would be aware of the dates, that it extends to March 31, 1989, but if there was any doubt in that matter perhaps the Member for Ste. Rose and ourselves jointly could convey that in some form if you felt that it was necessary.

**MR. G. CUMMINGS:** I guess I would like it to become public knowledge inasmuch as the people of the community are particularly interested about what's going to happen next spring, considering what happened this spring; and I guess I would like to flag a problem that I know the Minister is well aware of, but I would like it on the record that there is an increasing amount of concern about the rapidity of the water flow in that area which caused the flood this spring.

I'm not able at this moment to give you facts and figures to back up the situation, but it would appear from the history of the floods in the area and the increasing frequency of them that the flooding problem in that area, while the town will be protected once this facility is in place or once this structure is in place, there is an increasing concern for those who live in the flood plain of the Turtle that the water is coming more

rapidly each year, and it seems to be from the people who have lived there for a fair length of time that they are convinced that it is because of an increasing rapidness with which the water is able to move into the basin, if you will.

I hope the department is taking the situation seriously and is very carefully considering the ramifications of what is happening not only in the Turtle but in some of the other watersheds in the province that we are compounding some of our problems with some of the installations. There's a two-pronged problem. There's a problem with rapid movement; there's also a problem with certain areas. I presume that we don't need to dwell on it tonight, but there are an increasing number of concerns out in the rural areas where drainage facilities have been put in place and because of some deterioration over the years or silting, perhaps even such things as beaver dams coming into the drainage system, that in fact where drainage facilities have been in place they, instead of helping, have backfired and contributed to problems in various areas.

So the problem is not only the construction of drainage; it's also the maintenance of drainage. I have a long-standing concern about the fact that there has been over the years - many would argue not enough - but at least there have been funds available for drainage, but the amount of funds that have been available for maintenance of those drains once they have been in place has been less than adequate.

The Minister might wonder, well, why am I talking about flood problems on one hand and drainage problems on the other, because the first may be very well contributing to the second problem. But it is the responsibility of the province to make sure that we have a well-balanced approach to the management of the great amount of water that we have in the watersheds in this province, and obviously our hydro power that we have the potential to generate demonstrates how much water moves in this province and a good deal comes out of some very productive agricultural areas.

I would challenge the department to take a look at what they're doing in the area of drainage maintenance, that perhaps new constructions in some cases may have a lesser cost benefit than the maintenance and improvement of some of the older drains that have been in place for some considerable length of time and may have been neglected.

I don't want to take a lot of time out of Estimates tonight to get into details of specific drains, but the problem is out there, certainly to greater or lesser degrees and depending on which area you look; but the area around Ste. Rose is suffering severe damage if they get many more floods such as they had this year, that the agricultural damage will be considerable.

On the other hand, as I pointed out, there are drains that need maintenance. The Almond Drain (phonetic) to the west of the town of Ste. Rose, while I understand it is no longer a priority or it has not been made a priority - and I stand to be corrected if I've got the name of the drain wrong - but it's a proposed plan to the west of the Town of Ste. Rose, but I wonder if the staff, or the Minister from his staff, could tell me whether that drain is anywhere on a priority list or is it simply a plan that was once drawn and is now perhaps forgotten?

**HON. L. HARAPIAK:** On that specific item, if we could have clarification on the name of the drain and determine whether it is part of the conservation district, then we would be able to determine, firstly, the location, and whose jurisdiction it would be in.

**MR. G. CUMMINGS:** I understand that it was a proposed drain to the west of the town of Ste. Rose which would cut off a lot of the water that flows into the Turtle and direct it north. It was my understanding that it was referred to the Almond Drain. Perhaps I'm pronouncing the - I have never seen it in print, to tell you the truth.

I've been approached a few times by those in the rural area who have had problems with the Turtle backing out for two and three miles out into the farm lands, wondering if this drain has been forgotten and apparently it has been, if I've got the name right. If it isn't recognizable, then I presume that it doesn't show up anywhere on any department's priority list.

**HON. L. HARAPIAK:** Mr. Chairman, we will follow up with that name, but what I would be anxious to know is whether that is within the conservation district. If it is within the conservation district, we would expect the conservation district to incorporate that into their plans. It would rest more with them than it would with us.

Having reacted to that item specifically, I wanted to respond to some of the comments that the Member for Ste. Rose made. He obviously has a good understanding of what is happening in that area with respect to erosion and water control. It is a very, very serious problem. I think, just in terms of the comment that was made, that sometimes a construction process itself could have a bearing on the drainage in the area. That is one of the very reasons, when we are involved in a project or we proceed with a project, we want to be absolutely certain that we are contributing to the solution of a problem and not to the creation of a problem. That I think results in frustration sometime for people at the grassroots level, whether municipal authorities or individual landowners, where they would like to see us simply come in, get a dragline or a backhoe or some other piece of equipment and put a ditch through their property and get the water off the property. I can understand the need for that but, from our perspective, we have to be aware of what impact is that going to have somewhere further downstream. We have to be conscious of that.

The other point that the member makes which is a very valid one is that there is a changing pattern of runoff off the farmland and we as farmers contribute to that by way of our own cultural practices, by way of clearing land and doing some alterations of water flow on our individual properties. We tend to view it, I think, in terms of solving our own problem, but we do not often appreciate the cumulative effect of what we do on our individual properties and there certainly is a growing problem in that respect. We see it; there's evidence of it not only in terms of erosion and the resulting siltation, increasing the maintenance costs of drains contributing to siltation in lakes such as Dauphin. Dauphin is a good example of a lake which is being impacted quite severely by the changing patterns of run-off.

So what I think has to be done and what I see happening is that we need an overall strategy for water management, that it is not just a question of putting in another ditch and removing the water very quickly. I think it is a question of looking to some extent to improve drains, perhaps installing some new facilities, but certainly there has to be, I think, within individual farm operations, some consideration given to what might be done in their own operations to affect the pattern of run-off and erosion. So it will take a coordinated effort. We will not solve the problem simply by way of digging more ditches.

I want to make reference to a point that was made very shortly after I arrived here and took on my responsibilities as the Minister of Natural Resources. There were some flooding problems in the Ste. Rose area and in the Portage la Prairie area. Having discussed this in the Chamber, I was interviewed by some press people and I indicated that perhaps in some of the areas that were in the escarpment, that were very much prone to erosion, that consideration should be given to forages.

The reporter, not being that conversant with agriculture, I learned, when she asked what are forages, wrote up the article, and it appeared in the papers that the Minister of Natural Resources indicated that the farmers should plant forages to take care of their flooding problems. That was a misrepresentation of how I view the question of water management. I think cultural practices certainly are one component of water management and erosion control.

I'm pleased to indicate that we are involved with the PFRA in the escarpment study which will give us a better understanding of erosion control and run-off patterns in the escarpment area, and we are involved in demonstration projects to try and address that. But certainly it's a very difficult problem, a very serious problem, because we are dealing with what I consider to be a nonrenewable resource in terms of soil management. It is far more than just digging another drainage ditch and I think too often it is viewed simply as that; just dig another ditch and the problem will be solved.

My final comment in that area would be with respect to maintenance. We are in fact keeping pace with maintenance. We're not falling behind in terms of our maintenance. That does not suggest that there aren't more projects to be undertaken, but if we would be criticized of anything in this year, I think it would be with respect perhaps to new projects rather than the maintenance. I think we're doing a fairly good job in maintenance.

**MR. G. CUMMINGS:** Well, I would qualify about how well we're doing with maintenance of ditches. I have some evidence that we are not keeping up as good as many people would hope.

But I would like to, and I don't necessarily want the Minister to respond, but there is one thing that I think is very important out in the country - the relationship between conservation districts or watershed districts and the Department of Highways.

There have been too many horror stories, and I can appreciate the problems that are involved, but there are too many horror stories where the Department of

Highways and the Department of Natural Resources seem not to be on the same wavelength.

I understand that there is a gentleman in your department now whom I have not met and perhaps he's here - I haven't met your staff; I wasn't here when they were introduced; I'm sorry - by the name of Mr. Ian Dickson who is doing a good job of improving communication between those two departments. I would hope that from what evidence of some of the work that he has done, that that type of liaison would be sharpened up because I think that there are too many situations where the Department of Highways has either caused or has not taken into sufficient consideration what some of the natural drains are or has caused drainage to go where it caused problems or in fact stopped natural drains.

Now it can always be argued that that's a matter of opinion, depending on whether you talk to the engineers or whether you talk to the local people that are involved, but I would tell the Minister - I'm sure he's probably aware of this, but if he isn't, I would like to make him aware of it - that in fact one of the largest complaints that I have received from across my constituency, and being wedged between the Riding Mountain and the lake, pretty near the whole constituency is a watershed, and one of the largest single type of complaints that I receive is that there has not been adequate cooperation between those departments when construction has been going on.

I don't intend to make an issue of it at this point, but I think the Minister and the department should give it some consideration and do everything certainly from your side of the fence to facilitate that type of cooperation.

That's my last question. Thank you, Mr. Chairman.

**HON. L. HARAPIAK:** I want to thank the Member for Ste. Rose for reminding me. I have not introducing all of the staff that is present here. The gentleman that has joined us for the evening presentation is Ness Mudry. He's the Chief of Water Management. The individual that you referred to in the name of Ian Dickson is the Executive Director of the Conservation District Authority and we're pleased to hear that he is doing effective work. We are aware of his enthusiasm for the conservation districts and we look forward to a continuation of that kind of a relationship between the conservation districts and the people.

The one point I wanted to make in terms of the lack of cooperation, it's not deliberate, and if there are some specific items that can be brought to our attention that can be improved upon, we would certainly want to make note of that.

**MR. G. CUMMING:** I've got a list; I'll bring it over.

**HON. L. HARAPIAK:** Sure, bring them over. I don't think that we should ever come to the point that we would be so satisfied with the manner in which we work with other branches that we couldn't see some improvement. So, if there is room for improvement, make us aware of those and we will.

**MR. CHAIRMAN:** The Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman.

Following on the Minister's remarks about drains and drains that cause problems and so forth, I would like to remind him that in December of 1985, the Manitoba Court of Appeal upheld a ruling concerning some farmers in the Gladstone area with an appeal about repeated flooding. It's estimated that probably \$2 million in compensation will have to take place to uphold that ruling. I wonder, could the Minister tell us how that has developed so far. How many people have been paid, or what action the other member, since there was only one that actually went to court with the appeal, what action has been taken since December concerning this matter?

**HON. L. HARAPIAK:** Mr. Chairman, I don't have the exact figure and we can get that for you tomorrow as to what was paid out in one case where we lost the appeal. So we would provide that information for tomorrow and there are, I believe, three other cases pending. I think this does point out the seriousness of the whole question of drainage and, again, it may cause some people to look at us as being very cautious but, given these kinds of experiences, we have to be aware that undertaking a particular project may, and in fact has, brought about a liability on our part. So, in proceeding with any of the drainage projects, we would want to be very careful with our assessment of the projects to ensure that to the greatest extent possible, we were not incurring the liability by undertaking it. So the one case we lost the appeal; the information will come tomorrow. There are two or three perhaps cases pending.

**MRS. C. OLESON:** I understand, to the Minister, that there are more than two or three involved. In fact, there were possibly over 80 people involved in the original case. This, as the Minister will be well aware, is a precedent-setting case where there will probably be many other cases across this nation that it will impact on in the future. So I would like to know from the Minister what plans his department has to do something about this problem to forestall this type of action in the future?

**HON. L. HARAPIAK:** The Member for Gladstone is correct in saying that there are several potentially - something in the neighbourhood of 80 farmers who could bring a challenge on this very matter. What we will be doing, we will be trying to with whatever resources we have available in the cases that are coming up to demonstrate that we are not responsible. So we will have to look after the position of the province.

The Member for Emerson says, oh, certainly. You know, should we the moment a matter comes up not try to look after the interests of the province? We don't want to walk away from any of our responsibilities, but certainly I think we should not avoid having those subjected to the test that they are being subjected to now. Because, if what the members opposite are suggesting by way of their comments, that we should undertake drainage projects, then at the same time, if some liability arises out of that, we should pay that as well. The alternative then, I suppose, would be not to undertake any drainage projects, because you are exposing yourself to a liability. So I understand the

Member for Gladstone to be supportive of what it is we are doing in this case.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, I have great difficulty with this Minister and I'm getting more frustrated all the time. This government and this department has been charged in court; they have lost a court case. It's a substantial one. It's one individual at this stage of the game. There are approximately 80. He indicated two or three others of concern. When the Member for Gladstone raised the fact that there are about 80, he agrees there are about 80, and this business of saying, well, we're going to defend it because we feel that we are not liable. You've been found liable. The Minister and his department can very easily overcome this if they go back to the people out there and start coming forward with a proper program to resolve it. All the rest of the people who are looking at possibly coming forward in court and challenging on the same lines as has happened, if they had some indication that the problem could be resolved they'd back off.

But this Minister is telling us here that we're going to take and look at all avenues to try and defend our positions and we're not liable. You are liable right now. Why don't you come forward with some positive plan in terms of resolving the problem instead of ending up fighting in court and spending all kinds of money there. You are liable right now on a \$2 million court case. I don't know the exact amount, and you will be liable for another 80, because they'll start picking at you one at a time. You can resolve it by showing some resolve and finally getting out there and coming up with some good capital programs instead of trying to fight with the people in court. I find it very frustrating. There had better be some positive action from this government for a change.

**HON. L. HARAPIAK:** We have accepted our liability in the first case. It was appealed in the courts, we lost the appeal and we've paid the settlement. Now, in terms of the outstanding cases, we want to determine the extent of the validity of the claims that are against us.

**MR. A. DRIEDGER:** It's been established once already.

**HON. L. HARAPIAK:** I was certainly not suggesting to the Member for Emerson that there were only three individuals involved. I said there were three cases pending . . .

**MR. A. DRIEDGER:** And more coming.

**HON. L. HARAPIAK:** . . . and potentially, yes, 80-some cases involved. I think we have a responsibility to determine to what extent we are liable. Surely the Member for Emerson is not suggesting the moment a claim is brought against the government, whatever department, that simply because a claim has been brought forward that we should pay it without testing that with some body, the courts that could be judged to be independent in this matter. Because, if it were left for us to judge on our part, I'm sure the Member for Emerson would say we're not objective.

**MR. A. DRIEDGER:** Mr. Chairman, the difficulty I have is the Minister keeps saying: well, we're going to test it and there are two or three more cases pending and we want to test the liability. The liability has been established; the government has been found guilty. They have already made settlement and he knows, the Minister knows, there are possibly another 80 cases pending based on this.

All they would have to do, and I'm suggesting to the Minister, come up with a program that's going to be a positive program and all these people will drop their court cases and their challenges. But, if they're going to sit back and say, well, we're going to test each case in court as it comes along as to our liability, that's stupid, then come forward with a program.

There is a major problem and that's the reason they took this government and this department to court, because there is nothing being done. If there was some kind of program coming forward, consultation taking place so that a program was worked out, even if it was long-range, nobody else would take them to court. But because they sit back and try and fight it through the legal system and say we're not liable, they have been found liable. They appealed it and were found liable. There's a whole raft of cases coming on. All they have to do is go back and finally come up with a plan. We have professional engineers that are hanging out of our hats and certainly they should be able to come up with some kind of a long-range program. Let's establish it and go back and tell the people, listen, we're short of funds. This is a long-range program; we can alleviate it doing this, and this, and this, instead of trying to take everybody to court and challenging their liability. That is an ass-backwards approach, as far as I'm concerned.

**HON. L. HARAPIAK:** The Member for Emerson seems to be at a bit of a loss for words to express that.

I want to point out for the record, Mr. Chairman, that some of the projects in question go back to 1910, so the problem arises not out of activities undertaken — (Interjection) — Mr. Chairman, the Member for Emerson points out that the government is liable and surely when there are changes in government, that government is not absolved of the liabilities incurred by a previous administration. One government doesn't pass it off. The liability doesn't end with the change in administration. I'm simply pointing out that some of the drainage projects which are involved in this particular case go back to 1910. There is a liability attributed to the government. One has been paid and the others are being challenged.

But for the Member for Emerson to suggest that all we are doing is taking people to court is an exaggeration of what exists. In many areas - we were just discussing the Conservation Districts and projects in various parts of the province, that people are wanting us to drain more land. I'm wondering what the Member for Emerson would suggest, that in terms of bringing a delegation to my office to drain some of the area from the Rat River, if we undertake that project, there could be some liability at some point in the future. Should we shy away from these projects because there would be some liability associated with them? The member can't have it both ways, suggesting that we simply pay the claims

and not challenge it, and at the same time say we should be doing more drainage.

**MR. CHAIRMAN:** The Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman. The Minister was wondering if I agreed with him about what he was doing. I really haven't discovered, from all he has said, what he is doing. I can't agree or disagree. All I can say is that this group of people who have fought for years and years to get to court and get this matter dealt with, would like it settled. By the time those 80 people go one-by-one to court, half the people who started the action will be dead before it's settled, and their heirs won't know what they're talking about.

It's about time this Minister came up with a program to present to these people, to meet with them. I would be very surprised if he has met with these people. Well, you know, he's new; he hasn't maybe had time.

If you took the time to meet with the group that launched the action and to look at those extensive, extensive drains in that area that have been compounding for years, I think you would realize, as many of the rest of us do, that it's imperative something be done.

There are alternatives. Perhaps some of that land, as the Member for Arthur in speaking on Bill 4 the other day suggested, perhaps that type of land could be taken out of production and the farmer compensated in some way. Have you looked at that idea? What have you looked at in connection with solving this problem?

**HON. L. HARAPIAK:** Mr. Chairman, I want to indicate that this now falls - this is part of the Conservation District, so simply to suggest that we have done nothing does not represent what is in fact the case. We have considerable sums of money going into the Conservation District. The Conservation District plans the different kinds of projects for the area and we are providing the funding. We have established the Conservation District's authority to provide support to the efforts of the Conservation District. We are undertaking different projects to try to resolve that problem.

Surely the members are not saying that we should simply pay every claim that would arise out of a particular incident. There will be a range of claims arising out of a particular problem. One already has been found to be a case where we are liable. It has been paid. Should we then pay every claim that would arise without trying to screen those in some way to determine the range of liability? I don't think that is what they would suggest.

We are, by way of the Conservation Districts, dealing with drainage problems. If what exists is not satisfactory, I would ask the Member for Gladstone whether there has been some direct communication with the Conservation District as to what is needed in that area now. I, personally, have not had any direct communication from the Conservation Districts. I would welcome it if they did, in terms of what their view of the current situation is.

**MRS. C. OLESON:** The Minister speaks of the Conservation District. I think if he was fully apprised

of the situation, he would realize that it is far too large a project for a Conservation District to do on their own. They will have to have some input of funds over and above what they presently get. They'd have to have a great deal of help in engineering if the route was going to be a different type of drainage.

For instance, there's been a suggestion that there be a large drainage ditch in the vicinity of where the Whitemud flows into Lake Manitoba, to increase the flow. That's a massive project, far too large for the Conservation District to take on their own.

I think if the Minister would meet with these people and discuss this, I think he'd find they won't go to court one-by-one forever, if they can see there's something going to be done. But when they face the prospect of every few years being flooded, then, you know, why wouldn't they go to court?

One of the problems with this is that the spring runoff can be well past for everyone else and past possibly for that area. They plant their crop and then the spring runoff comes down from the side of the mountain; it flows later than the usual spring runoff, partly possibly because of the complexity of the drains. They get their crop planted; there's a flash flood or a rain in the mountains, for instance; it comes down quickly, floods their crop and ruins it.

If this is going to go on and they've got this prospect; they don't know when this is going to happen. This has happened periodically over the years. As the Minister says, it began possibly even earlier than 1910, so it isn't a new problem. But it has never been addressed and dealt with. All that has been done over the years is add to the problem, and the Minister alluded to that problem, and it is a real problem. One area corrects its drainage; the next one downstream corrects their drainage; and you end up at the mouth of the outflow into Lake Manitoba of the Whitemud River, it just cannot take the flow.

I see in the annual report where there has been some suggestion, of course, over the years of a ring dike around Westbourne, and that was found to be not feasible because of cost. That may well be but that would be attacking a problem after it had already flooded the areas to the north and to the west.

The problem, Mr. Minister, is very complex. I think a meeting with the people in that area, those people that are part of the group that have been taking the action against the government on this. I think a meeting with them would be very beneficial, and he could better understand. Even if he sat in his office and looked at the drainage map, I think he would be amazed to see it. It's a very complex problem. This has dragged on for years. It has cost them a fortune in legal fees alone to fight this problem, and they still see no hope that it will ever change. All they see in the future is, when it floods, they'll have to sue the government again, and that isn't what we want.

**HON. L. HARAPIAK:** A couple of points that I would like to make, when the Member for Gladstone indicates that this would be a pretty large project and it would be beyond the capacity of the conservation district, I want it known that 75 percent of the cost is a contribution from the province. The province does contribute significantly to the operation of the conservation district.

I want to indicate that, for the Whitemud Watershed alone, the major conservation district in 1984-85, there was 842,000-and-some additional funds that flowed in that year, also to the Turtle Mountain and Turtle River Watershed, Alonsa and Cooks Creek, for a total of \$1.862 million in 1984-85. We've just flowed the funds for the current year, and I believe it's about \$1.9 million for the current year. So we are funding the conservation districts.

What I would ask the Member for Gladstone to try and appreciate that, in that the conservation district is the authority in that area, has the issue been addressed there? If I could have some feedback as the Minister from the conservation district, it would be give me certainly a much better understanding of the issue.

But I think it would be inappropriate of me, where we have a conservation district in place and they have accepted certain responsibilities and we've agreed to do the funding, that our department or I as the Minister would step in now and say, this is what you must do. I think that would go contrary to the intent of the conservation district, which puts the responsibility with people at the local level who, in many instances, have a very, very good appreciation of the drainage issue.

But if there is some issue that the conservation district feels has been brought to our attention and that I, as the Minister, am responsible for not having addressed, I would want to be aware of that because I, to date, have not been made aware of that issue. I am aware that there was the court case to work things out, and there are some pending. But in terms of the solution to the problem which, as we said, goes back to 1910 - and the other complicating factor in this is that there are several jurisdictions when it comes to water. There are municipal authorities; there are conservation districts, but water flows from one jurisdiction to another. So there are some very complicated issues to deal with.

So to suggest that, in that area because there is a problem, it is only the responsibility of the province, does not agree with our view of it and we are prepared to have that tested.

**MRS. C. OLESON:** I think the Minister just made my case. Since it does involve several jurisdictions, then I think it is incumbent upon this department to get on with looking at the matter.

One of the solutions that has been suggested over the years, I am told, would cost in the neighbourhood of \$30 million. Well, that's not something that you're going to just say to the conservation district, here's \$30 million, do the project. No, that's a Department of Natural Resources project if you're going to go into something like that. You talk about megaprojects and job creation. There would be an excellent thing to go into in this province would be drainage, and you'd have all kinds of job creation. I think perhaps it would be a very good idea to start with this one.

**HON. L. HARAPIAK:** I just want to indicate that, in terms of the various authorities that I spoke of, that was over a long period of time where there were different jurisdictions. At this moment in time, the conservation district has the responsibility for those

issues. I agree that it is not an easy project to solve but there are, as I'm sure the members on both sides of the House know, more requests for drainage than we can ever accommodate.

The Member for Emerson asked earlier about the project at Carman, which would be some \$7.5 million. There is this project that you speak of. The Member for Emerson spoke about the Rat River Project, which is a large project. There are more projects, more requests for drainage than we, as a province, could ever afford to do. There will always be some outstanding drainage issues.

**MRS. C. OLESON:** I would just say to the Minister that conservation districts fall under his department, and I would assume - and I hope correctly - that his department has a great deal of liaison with those conservation districts, and will be shortly talking to the Whitemud Conservation District to find out what can be done in this area.

**HON. L. HARAPIAK:** Certainly, we want to keep those lines of communication open. Earlier, we heard reference by the Member for Ste. Rose to the effective job in that regard that was being done by Mr. Ian Dickson, the Executive Director of the Conservation District Authority. That conservation district authority is carrying on discussions with the Whitemud Conservation District, and they are entering into some discussions, I'm told, on a long-term strategy to deal with the water problems in their jurisdiction.

**MR. CHAIRMAN:** The Member for Morris.

**MR. C. MANNES:** Thank you very much, Mr. Chairman.

It's a pleasure to rise and welcome yet again another Minister to the Natural Resources Department.

Mr. Chairman, no doubt there is quite a mess to clean up within that department, particularly since the tenure of the last two Ministers within that department. But I would say from the outset, I've had an opportunity to meet with the new Minister earlier in his tenure as the Minister responsible for Natural Resources, and appreciate the manner in which he's accommodated some of my requests, indeed the manner in which he's met with delegations of rural people from my constituency over specific issues.

However, Mr. Chairman, in listening to the debate this evening, I feel it's incumbent upon me to ask of the Minister as to the location of monies within his Estimates that would allow again Mr. Dickson - and his name has been mentioned often tonight - to come into the area south of Portage, famously or infamously known as the Overhill Drainage area, to come into the area and tell people there that there is money available for the formation of a conservation district.

Mr. Chairman, I want to believe that, in fact, that is the case. Even though the Minister has met with representatives of the area, I hope he'll spare me the long-winded discourse as to the project developing to this point in time, because I think I'm fairly familiar with it. But I just wanted to ascertain at this time on the record, Mr. Chairman, specifically the location in the Estimates where money could be available during this

fiscal year to support the development of a new conservation district in the area immediately south of Portage, that being the Wet Sands Soil Classification Zone.

Just a few more comments, Mr. Chairman. It's the same area that made an awful lot of news last May when, again, there were significant acreages within that region that experienced flooding. Mr. Chairman, I don't have to tell you, or indeed the Minister, the serious consequences of that area experiencing heavy levels of moisture, again, for the second straight year.

My only plea at this time is one, as I've indicated in the past, that this Minister personally take the lead. I know he's flown over the area. I believe he's sympathetic to the wishes of the people within that area. Most importantly, I would hope that any of his department staff who are encouraging the citizens and the municipal governments within that area to come together to form a conservation district, that indeed those comments that are being put forward by his department staff are (1), totally sincere; and, secondly, within this fiscal year, have behind them the force of dollars that are contained somewhere within the Minister's Estimates that we are discussing here this evening.

**MR. L. HARAPIAK:** The member asked that I not give him a long discourse so I'll simply indicate that there's \$300,000 in Capital to support New Initiatives on the surveying; and under the Conservation District Authority, there's a \$400,000 allocation for development costs.

**MR. C. MANNES:** Development costs, Mr. Chairman, firstly, with respect to the survey, yes, I understand that there is some agreement, written or otherwise, towards hopefully being able to complete a survey this year. But within the development cost area, can the Minister indicate whether that would be in place for the establishment of new conservation districts; and, secondly, a corollary to that question, would that be specifically developed towards the building of an administration, or thirdly, to actual physical construction?

**HON. L. HARAPIAK:** The allocation under the Conservation District Authority is not intended for any physical construction, as such. It is for the organization, for the administration, for the development of a conservation district as such. Some of it would be allocated to existing, but there's provision there for incorporating a new district as well.

**MR. C. MANNES:** Mr. Chairman, that's fine. That suffices at this point in time. I suppose I feel badly when I think this House may be recessing some time maybe within a month or two, at which time I won't have the opportunity on a weekly basis to ask the Minister a specific question on this because for the last time, for the record, I would urge him to realize the importance of proceeding in some fashion with that project this fall.

Similarly, Mr. Chairman, I would ask whether his department is giving any thought to providing new surveys or indeed dusting off old surveys which I'm sure do exist, with regard to the southern portion of that soils classification zone, which is just immediately

north and northwest of the Town of Carman, indeed where two farmers within that area have experienced incredible flooding problems.

I'm well aware that some caution has to be shown in any potential drainage scheme because, of course, it could lead to erosion, firstly, and secondly it could lead to a reduction in the water table, which would not be wanted by anybody within the district.

But I think it's incumbent upon local governments and, I daresay, staff within the Department of Natural Resources, to look seriously - not that they haven't in the past - but to continue to look seriously at these drainage problems on soils which traditionally are almost self-drained. After all, they are sandy soils and they're great internal drainages.

But when we have these large dosages of moisture and at times when a loss of one crop really can spell doom for so many individual farmers within a very narrow, selected area, I think any provision of drainage that will take away top water and yet, again I repeat, it has to be properly controlled, can do nothing but help the very real problems that those people and those farmers within those areas find themselves today.

So, Mr. Chairman, I just wanted to put that on the record and say to the Minister that there's another problem within those soil classification zones and that problem is immediately north of Carman.

**HON. L. HARAPIAK:** I want to have noted on the record, Mr. Chairman, that this is a case that was brought to my attention very early in my tenure in office by the member opposite. Subsequent to his making me aware of it, I visited in the area with farmers. Two of the farmers took me for a flight over the area to show me the extent of the problem. Subsequent to that, I had a meeting in my office with farmers from the area. Then there were a series of meetings in the area with the Conservation District Authority.

Perhaps about two weeks ago, I had a meeting - I expected to have present the three municipalities involved - Gray, South Norfolk, I believe, and Portage la Prairie. The meeting was called. One municipality was not represented. Another municipality stated its support for the conservation district; and a representative from the third municipality then changed the tone of the meeting very drastically with a scathing condemnation or severe skepticism about the conservation concept and that caused the process to really break down.

My advice to them at that time was to go back to their respective municipalities and determine whether, in fact, there was the commitment to petition for a conservation district. I have since heard, and as recently as today from the R.M. of Portage la Prairie - this was not from a councillor or from an official of the R.M., but somebody who resides in the R.M. - that, in fact, there is a resolution coming forward from the R.M. of Portage la Prairie indicating their preparedness to involve the entire municipality in the conservation district. So if we get over those hurdles, certainly we are prepared to participate in this project.

I do want to indicate again that this is not a new issue. It has been on the record for sometime and without wanting to absolve myself from some responsibility to carry it forward, it was an issue during

that period of time when the members opposite formed government. Now granted it may not have been as severe, given the weather conditions of that period of time - perhaps it was slightly drier - and it wasn't as critical an issue. But it has become a very critical issue in the last few years.

I just want to have it known, Mr. Chairman, that this is not the only administration that had the opportunity to deal with this issue but I am hopeful it will be the administration that will finally address it.

**MR. CHAIRMAN:** The Member for Springfield.

**MR. G. ROCH:** Thank you, Mr. Chairman. To the Minister, I would like to ask a few questions in regard to the Cooks Creek diversion project, a project that's already been approved and the construction, half way completed approximately, on which approximately, I believe, \$3.2 million has been spent already. I understand that the federal contribution has been all used up and all of a sudden the project has been cancelled.

According to the Cooks Creek Conservation District, the Regional Water Manager advised that the province has allocated \$400,000 to the Cooks Creek diversion, which corresponds to the figures received tonight; instead of the previously expected figure of \$1.4 million.

My question is - or one of them is anyway - will this project be completed? And, if so, will it be completed on target?

**HON. L. HARAPIAK:** The member is correct in that the federal funds that were allocated to this project have been expended and there is a cost of \$1.4 million attached to the completion of the project which will be shared by the province and the Conservation District.

There will be \$400,000 spent on that particular phase. Then we will have to determine the timing of the completion of the balance of it. I think members are aware that there was a reduction in the capital budget for this department and that particular project is one which was reduced and will have to be worked in over future years.

**MR. G. ROCH:** Mr. Minister, it's kind of frustrating for the people out there, especially those who are still in the Conservation District. I realize there was a cutback there, but this was a project which was already started.

Right now, it's half built, cannot be used; it's caused all kinds of, shall we say, inconveniences, to put it very mildly, for some people who have had property expropriated, some of whom are really upset over this right now, especially given the fact that the project is not going ahead. It just doesn't seem to stop a project mid-stream.

The people out there are still up in the air as to whether the project is going to be completed in the near future. I'm just wondering, has there been any kind of communication with the Cooks Creek Conservation District, the Board of the Cooks Creek Conservation District as to when they can expect completion of this project? The last time I attended a meeting there, the person representing the department - the name escapes me right now - did not seem to have the information on hand at that time.

**HON. L. HARAPIAK:** Mr. Chairman, we are not able to give a commitment for funding in future years. Our budgets are approved on a year-by-year basis. We can indicate to them, and we have indicated to them, what the allocation was for this year, \$400,000, but I cannot indicate to the member that a specific number of dollars has been allocated for the coming year. It will have to be considered in the budget process, along with the other projects that are on line.

We heard about some of them tonight, Rat River, and a whole number of people who are queued up for their particular projects.

**MR. G. ROCH:** Can the Minister clarify for me, for the record, the exact year that the project was originally scheduled to be completed?

**HON. L. HARAPIAK:** I've asked staff to get the information for tomorrow. Perhaps we can have it for you as to what the time frame was initially for the completion of that project.

I think the member is right in indicating that there was the anticipation of a flow of a larger sum of money, \$1.4 million, but given the budgetary process, that was reduced, but we will determine for tomorrow what the initial projected completion date was.

**MR. G. ROCH:** I'm not exactly sure the year myself either right now; but all I know is that there was a target date, a target year, and the Minister just said previously that this was being funded on a year-by-year basis, according to the budget. But, Mr. Chairman, if that is the case, it still doesn't reassure the people out there because, given the financial situation in Manitoba - and it's not very rosy - does that mean that next year possibly, the year after that, they might just say, there's no money, there's no money, the project will never be completed.

I mean, there's half a diversion out there. No excavation has been scheduled to the east of Provincial Road No. 206; so there's \$3.2 million which has been spent and it's useless until it's completed. What kind of reassurances can these people get? You say it's dealt with on a year-by-year basis. You could go on forever saying that; that won't reassure them.

**HON. L. HARAPIAK:** Mr. Chairman, I want the member to know that a project having been undertaken, it is not going to be left uncompleted. So certainly I will endeavour to see that funds are put in place for the completion of that project, but I cannot at this time commit myself to a specific dollar amount for the next year or to a specific date for completion of that project.

I can only say that we will work, given the resources that we have and given the concerns that exist on both sides of the House for the deficit, we will do the best that we can with the resources we have available.

**MR. G. ROCH:** Mr. Chairman, that's hardly a reassurance that the Minister gives. He says he'll do the best that we can, which mean what? It doesn't mean anything.

There was a date originally targeted for that project. A certain amount of money was supposed to have been spent. I don't know if it's because the department's

changed Ministers so many times, but all of a sudden when they start cutting - first they hit Highways and they hit Natural Resources - all areas which affect the people most closely it seems. It's just not fair that those people out there who have been through a state of upheaval, especially those who have had their land expropriated, and the other people who were all expectant, the value-added crop lands, to all of a sudden say, well, we'll have to wait and see and go by on a year-to-year basis. I'd like to have something more specific and, especially when you said you would endeavour to do the best you can.

Will this project be completed by the date originally targeted for, originally scheduled for, especially in light of the fact that you spent federal monies already?

**HON. L. HARAPIAK:** Mr. Chairman, I hope the member can realize that given the problem that we just discussed in terms of the Overhill Drain, that there are people facing different kinds of issues, and some are more pressing than others. Given the plight of the people in the Overhill Drain area, and given that we have limited resources and I'm using that only as an example, but from time to time, given the issues that arise, there will be the need to repriorize spending. I suppose it would be easy to say that if there were an agreement to proceed with the Conservation District and the related costs in the Overhill Drain area, there will be a need for funds to be directed to that project. If we didn't proceed in that direction, we could proceed more quickly with the Cooks Creek. Those are just two examples of the many that exist and it is impossible to accommodate in any one year all of the needs the people have for drainage. I recognize not only in terms of the ability to fund it, but in terms of the ability to deliver it.

So I cannot make a commitment to a specific dollar amount for the coming year or to a specific year for completion, only indicate, as I said, in good faith. The member seems to be doubting that that is of any value. I would have hoped by way of the progress that we have made, in the case of the Overhill Drain, that there is an indication of good faith and a preparedness to follow through on commitment.

**MR. G. ROCH:** If I understand you correctly then what you're saying is that despite the fact that there were certain amounts originally committed or promised and despite the fact that there was originally a target date, now you're saying that well, because of other projects and prioritization, that those commitments may not be honoured. Am I correct in assuming that's what you're saying?

**HON. L. HARAPIAK:** Mr. Chairman, I want to indicate clearly that I did not in any way indicate that the commitment would not be honoured. I simply indicated that if the member is asking me to specify a date and a dollar amount for expenditure in the coming year, I cannot make that commitment. But that does not mean that we will not honour the commitment to deal with that issue.

**MR. G. ROCH:** Well, Mr. Chairman, the former Member for Springfield had promised the area - of course he

made a lot of promises that were not kept - but he had promised the area that this would be of utmost priority and all of a sudden it doesn't seem to be. The Chairman of the Cooks Creek Conservation District seems to think that possibly because the people of Springfield did not return a government member that possibly that had an effect on the postponement or cancellation of this project. Is there any possibility that may be more than coincidence?

**HON. L. HARAPIAK:** Mr. Chairman, I'm simply indicating that I think it is good management from time to time that you reallocate your resources to the most pressing needs. Surely a direction committed and then certain things having changed, resources not being made available or other items coming up in the order of priority, that those resources should be allocated. That is part of our responsibility.

**MR. G. ROCH:** Well, Mr. Chairman, this project has been going on for awhile, has been committed for awhile. A certain amount of dollars are supposed to be spent; I don't have the exact amount in front of me. A certain date was targeted. This government often likes to blame the Federal Government for not having received monies. In this case all the federal monies were received, have been spent. I just can't understand the rationale for not going on ahead and finishing this particular diversion, especially in light of the fact that, as I mentioned awhile ago, so many people have had property expropriated. All kinds of construction has been going on. Right now everything has come to a halt. It's half-way built. What good is half a diversion?

While I'm at it, I'm just wondering, what is going to happen to those people who, for example, have had properties expropriated, feel they have been unfairly dealt with and can't seem to find satisfaction in either case. Will the buck be passed to the construction outfits, to the other individuals, or will the department assume its responsibility because the department is the one that cancelled this project.

**HON. L. HARAPIAK:** Mr. Chairman, I would want to have the records state very clearly that the project is not cancelled, unlike the statement made by the Member for Springfield. He said the project is cancelled; that is absolutely not true. We've just indicated that \$400,000 is being committed to the project in this year. That is hardly an indication of cancellation.

It is interesting for me to listen at this time to the Member for Springfield to say that there should have been more money spent in this area when the Member for Springfield has been one of the most vocal critics from time to time about the deficit that this government is undertaking. This has to be . . .

**MR. G. ROCH:** I didn't say more. I never said more money should be spent on this project, I just wanted monies originally allocated for this project to be spent. Originally this project was - a plan was made. Normally when you start something, you finish it. That's all I'm asking, that it be finished. And you're saying because of budgetary considerations, you stop a project mid-way, half-way through. That means you spent \$3.2 million of it, a lot of it federal money, and just say hey,

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that's it, that's all. Therefore essentially it's useless. You cannot use half a diversion; if it's not completed, it's just not feasible. Until that project is completed, it cannot be used. I'm not asking for more money to be spent, it will cost more because you're postponing it. But if it had not been postponed, if it had been kept on schedule, I assume that you would have been within the amount originally budgeted.

**HON. L. HARAPIAK:** I don't know in how many different ways I can tell the member that we look forward to completion of the project. But he has indicated several times that what he wants is a commitment on my part to a specific number of dollars and a specific completion date. I cannot give him that answer, Mr. Chairman.

**MR. G. ROCH:** Okay. Seeing that the Minister does not want to give a commitment on dollars or completion date, I guess the whole project is up in the air on a year-to-year basis. Can I at least have some idea of what may happen to people who have potential claims because they feel that they have been dealt unfairly with by the expropriation of their lands.

**HON. L. HARAPIAK:** Mr. Chairman, when someone feels that they have been dealt with unfairly by the expropriation proceedings, there is not a political solution. I am not sure that the member is suggesting that we should intervene; there should be political intervention into that process. If they feel aggrieved by the expropriation process, there is a legal channel for them to resolve that.

**MR. G. ROCH:** So you're saying then that there is no possible way that anyone who has been unfairly dealt with can have any recourse with the department, even though the department initiated this project and it is this department which has stopped it mid-way through and left these people hanging out to dry.

**HON. L. HARAPIAK:** Mr. Chairman, I am not aware of anyone that has been unfairly dealt with. There was one case of a person who - there was some correspondence drawn to my attention - of a person who felt that by way of the construction project, some additional travel time was incurred. That person was seeking compensation from the government, but there was clear indication to that individual that his dispute was not with the department, but it was with the contractor involved. So I'm not prepared to accept that we, the department that is, will accept some responsibility for the cases that the member refers to.

**MR. G. ROCH:** Therefore, if I understand you correctly, your department is absolving itself completely of that and any other claims.

**HON. L. HARAPIAK:** Unless the member could be specific and tell me what those were, then we would consider them. But just to make a blanket statement that somebody feels, by way of the Cooks Creek project, that they somehow have a claim against the department without seeing the specifics, I couldn't commit myself to that.

**MR. G. ROCH:** Well obviously I'm not going get then much more on the Cooks Creek project. I'd like to go

on to another area of my riding, a project called, or an area called the Medika Drain. It was supposed to have been originally constructed as a diversion for the Whitemouth River in the Medika-Elma area. I don't know what happened over the years, but part of it was constructed and all of a sudden it was halted. I'm not sure how far back that goes, although I know that this year the area where it was not continued, not completed, there was extensive flooding. Whereas the areas where work had started, there was considerably less flooding. Will this project ever eventually see itself to completion?

**HON. L. HARAPIAK:** Mr. Chairman, I'm advised that particular drain, Medika Drain - is that correct?

**MR. G. ROCH:** Right, Medika.

**HON. L. HARAPIAK:** Is a municipal responsibility. It is not a provincial drain.

**MR. G. ROCH:** In talking with the local municipal officials, that area happens to fall in the local government district of Reynolds and the way I understand it, there were some dealings with the Provincial Government some years ago. I'm not exactly sure how local government districts and rural municipalities differ, but the way I understand it is that local government districts get their funding and some of their direction from the Provincial Government. Therefore, the way I understand it there is some provincial responsibility for that drain.

**HON. L. HARAPIAK:** I'm advised that there really isn't a difference between the handling of those from a local government district and the municipality.

**MR. G. ROCH:** Pardon me, Mr. Minister, I didn't quite get the answer, I'm sorry.

**HON. L. HARAPIAK:** I'm advised that there is no difference in the arrangement, whether it is in the municipality or in the local government district.

**MR. G. ROCH:** Therefore, if I understand it correctly, that particular drain, the Medika Drain, which I understand was supposed to become a diversion is therefore, according to your department, strictly a municipal project without any commitments whatsoever from the Provincial Government, is that correct?

**HON. L. HARAPIAK:** It would be the responsibility of the local jurisdiction which in this case I understand from you is a local government district rather than a municipality.

**MR. G. ROCH:** When I was out there this spring at least some local municipal officials seemed to indicate to me that there was some kind of a commitment made some years ago by the Provincial Government to financially assist in this project. Was any such a commitment ever made, or any such assistance ever promised?

**HON. L. HARAPIAK:** I would have to have the staff check to see whether any kind of commitment was

made. I'm told that there was discussion at some point. This being the third-order drain, the province could take it over provided the local jurisdiction did bring it up to the required standard. When it was at that standard, the province could assume responsibility. So there is sometime that confusion when there is a third-order drain, some people assume that it is automatically a provincial responsibility. Some of the third-order drains are provincial responsibility, some are the responsibility of the municipality or the local government district. So there was some discussion, but to indicate that there was a commitment made to take it over, I would expect that commitment would not have been made unless there was the preparedness on the part of the local government district to bring it up to standard. That, I should point out is not unlike some of the discussions we're having with respect to the Overhill Drain where people felt that it was a third-order drain and it should have been a provincial responsibility. It was allowed to deteriorate. It was not up to standard therefore the province would not assume responsibility for it.

**MR. G. ROCH:** Then, if I understand you correctly, if the local government district brings the Medika Drain up to provincial standards, I take it then the province would take over and maintain it?

**HON. L. HARAPIAK:** That is correct.

**MR. G. ROCH:** I may be new here, so I may have to clarify things a little bit for me. Why is it in this particular case, I realize it's a smaller drain, that first the local government has to build it up to standards whereas in other areas, the province does it from the beginning?

**HON. L. HARAPIAK:** There is uniform approach throughout the province on these; so it is not dealt with differently from one area to another, if I'm understanding the member's reference to third-order drains.

**MR. CHAIRMAN:** The Member for Emerson.

**MR. A. DRIEDGER:** Mr. Chairman, I wonder if the Minister would be prepared to indicate when this change in policy took place where third-order drains have to be brought up to a certain standard before the province will accept the responsibility?

**HON. L. HARAPIAK:** I'm advised by my staff that if there was a change it certainly wasn't within this decade. They are recalling that has been the approach within the decade.

**MR. A. DRIEDGER:** Mr. Chairman, I have great difficulty accepting that statement, because it has been my impression from the time that I was involved with a municipality that if a third-order drain qualified for a third-order drain, was designated by the province as a third-order drain, that the province took it over and brought it up to the proper standards. This change has actually, where it now indicates, the Minister is telling me that for a decade that it was a third-order drain and he's found he was responsible for bringing it up

to third-order standards and then they'll accept it. I find that very hard to believe and I want the Minister to have an opportunity to correct that.

**HON. L. HARAPIAK:** I'm not sure that I understand what it is the Member for Emerson wants me to correct, but I'm saying that in order for a drain to qualify, it would have to be up to standard. He is suggesting, I think, that there is a different process in place and I'm not sure what his experience was at the municipal level, whether he can point to specific projects wherein a different approach was used. But my advice is that the approach is that they qualify. They would be taken over, but in order for them to qualify, they would have to be up to that standard.

**MR. A. DRIEDGER:** We have a great problem here getting established exactly, you know, how this process worked. It is my understanding that in the past if a municipality felt that they - I hope the Minister understands what a third-order drain is because the system that works and the approach in the past has been that when a drain qualified for third-order rating, third-order drainage rating on it, that the municipalities made application to the Department of Natural Resources or Water Resources and they then decided whether they would accept it and designate it and then the Government of the Day once they accepted that would bring it up to this standard.

But I'm saying that I maintain there has been a change in policy where now the municipalities have to bring, if they want a third-order drain to be accepted by the province, they have to bring it up to the standard that the government dictates, then the government will take over the responsibility for the maintenance of it.

I challenge the Minister and say that's been a change in policy and you know if he claims that I am wrong, I will be contacting the municipal people over the weekend and I'll come back and indicate to him that there has been a change in policy in the last little while where the municipalities now have to bring a third-order drain up to the proper standard before the municipality will accept that. I daresay that has not been the policy for a decade.

**HON. L. HARAPIAK:** Perhaps it may help our discussion if we clarify the matter of standards in that there are different standards: the pioneer, standard, the forage standard, the cereal standard and the value-added crop standard; so that there are different standards for drains.

Now, if a drain was at a particular level and it was accepted, that would not mean that after that point, for example, if it was at a cereal standard and a decision was made to then upgrade it to a value-added crop standard, that there couldn't be some improvement after that. So I think that may help the understanding of the question of standards. There are four different standards; as I said, the pioneer standard, the forage standard, cereal crop and value-added crop standard. So having been at a particular standard, there could be some improvement after it was taken over.

**MR. A. DRIEDGER:** Mr. Chairman, it doesn't help a darn thing; it gets more confusing because we've been

used to talking first order, second order and third order drains, now we're talking of four different standards. I haven't even heard of the different standards. This is the first time that has been approached to me and I don't know whether the municipalities know the different standards. Maybe I'm misinformed and I will certainly try and get my information together before I come back to this Minister after . . .

But what it illustrates to me, there has been a definite shifting and renegeing of responsibility by the Department of Water Resources over a period of time; whether No. 1, they're trying to establish water conservation districts. And the Minister illustrated when the Member for Gladstone raised the concern about the Whitemud problem out there, says well it is the conservation district's responsibility. A lot of these responsibilities are the responsibility of Water Resources and by promoting and pushing the idea of water conservation districts, they are passing the buck.

What it also illustrates to me, and it's very obvious, is that there is a lack of planning. We've just illustrated with the few members that have spoken and raised some concerns illustrating many areas that have been there for a long time. The Minister waffles around and says well some of them have been there since 1910, some of them there for the four years we were in government. This doesn't wash. But it shows that there's lack of direction in terms of what are priorities. It's a knee-jerk reaction in terms of what comes on the projects.

Can this Minister indicate to us what the long-range planning is? The Member for Springfield indicated the lack of planning and direction really with Cooks Creek. That was a federal-provincial program under the Agro Value-Added Crop Agreement. Those are the only major projects that actually have been undertaken for the last four years where there was federal money involved.

The Minister wants to look back at last year's projects and I had a lot of room in my area and was pleased because when you look at the projects across the province, there weren't that many. They were basically only involved with the ones that had federal money in it. There's really no planning at all in this department and with this Minister in terms of where they're going. These projects keep festering and festering.

When we consider the Department of Health, they have a five-year capital program so that somewhere along the line people in municipalities have an idea where they're going. If it comes under the five-year program, fine. At least they realize that somewhere along the line, with a political will and the ability there, financial ability that these projects will happen.

In this particular case, we don't have anything like that. It's totally devoid of planning. That is why the Minister is having all kinds of problems; the Underhill drain. Why isn't there some specific project, you know, of planning going on? How long are these people going to have to wait until they get a project going? How long will it take for the Member for Springfield to have his project completed; the Member for Gladstone and the Whitemud problems out there? There's just absolutely no planning.

I suppose based on the delegations that come in, there's a knee-jerk reaction and maybe if we can find some money, we'll look for the smallest project. Because I warned this Minister in my opening speech in this

House, as a new Minister, that his department was going to be vulnerable, that probably as a new Minister, with the kinds of things that have happened within the department, that there's going to be cutbacks in his department. He can read my Throne Speech Debate where I indicated and warned him - fight for your case. We have a reduction in here, more problems building up all the time.

I find it just disheartening really to even debate these things because, you know, what are we debating? The Minister's defending that he's doing nothing; we're getting no commitment and no planning going on for a long-range program. I find that very disheartening.

There has been a shift in terms of responsibility. This Department of Water Resources, an inactive department as far as I'm concerned, has been trying to promote the ideas of water conservation districts and that's exactly what's going to happen. They could get the whole province into these kinds of districts, then they'd turn around and say we have no responsibility; water conservation districts are the ones that are responsible.

Well, many of these problems have been there for a long time. This Minister talked in his opening statements about long-range water planning. Why can't there be at least a five-year capital planning going on instead of the kind of planning that we have now? That way, I can see when this Minister comes to Cabinet and he says well listen, I'd like to have as much money as possible for my projects. They'd ask what projects? Well, I don't know, I have many projects. If he came up with a proper program and planning, at least then he could build a case with his Cabinet colleagues instead of being vulnerable and getting the stuffing kicked out of him in terms of his department. That's what I find frustrating. And we've gone through this now already for a few years like that. And we're going nowhere; we're going in a straight circle. I can appreciate the embarrassment to the Minister. He gets up and he tries to defend what? What is he trying to defend? You know he valiantly - he is a relatively good speaker - he keeps talking in a circle. But there's very little action; no action to speak of. Yes, and I feel very frustrated with what's happening here.

Mr. Chairman, I could bring up endless further projects that have been there for a long time. We could talk of Dauphin Lake. I could get the rest of my colleagues in here to talk of cases within their areas of responsibility that something should happen. We have a raft of people within these departments. This staffing alone of these departments, when we look at engineering construction, we're almost \$7 million. Has the Minister looked at what his capital asset program is? - \$7 million. When we look at Water Resources, are there any capital projects in Water Resources? I'm asking the Minister because the expenditures there are almost 9 million. Under Capital Program, Construction, there's 7 million. I'm asking the Minister; are there capital projects under what we're looking at under 4. Water Resources?

**HON. L. HARAPIAK:** The last point that the critic raised in terms of capital under Water Resources 4.(c)(3) Water Maintenance 3.770, that is the capital project there.

I want to indicate, Mr. Chairman, that I find it rather interesting to listen to the comments from the Member

from Emerson indicating that we should not change our plans as the years go on to accommodate the different issues that arise; that we should have a fixed plan. Yet the Member for Emerson is one of the people who came in with a group from his area, two different municipalities, the R.M. of De Salaberry being one of them, and he said do something about the Rat River; can't you do something this year? So he, on the one hand, asks for long-term planning, but when his specific interest comes forward, he's saying do it now. The same is true in the case of the Overhill drain, the Overhill Drain had not been brought forward as a priority. The members opposite came forward and said, can you look at this issue, can you bring it forward, the members are facing considerable difficulty, which I accepted that they were facing considerable difficulty.

But I think the two specific requests I've cited give evidence that they expect that the plans will be modified from time to time, depending on the issues which we are facing, and that is the nature of dealing with the water issues, the issues will vary from region to region and will change from year to year. We've seen evidence of that this year where, in a given part of the province, you may have a problem; in another area, due to weather conditions, there may not be that kind of a problem. I think we should, to some extent, be flexible. The Member for Emerson is wanting to have it both ways. He is wanting to have long-term planning, but when his specific project comes up, Rat River in particular, he is saying, do it now. So I think he's somewhat inconsistent in his arguments.

**MR. CHAIRMAN:** The Member for Gladstone.

**MRS. C. OLESON:** Thank you, Mr. Chairman. I wonder if this is the appropriation, this area that we could discuss the lake levels?

The Minister has had it drawn to his attention by a letter and a Resolution from the R.M. of Lakeview with the problem of the level of Lake Manitoba. I wonder if the Minister has had time to look into that? He did ask me, in conversation one day, to tell him where the Reeve of Lakeview got his readings and I understand that he gets his lake level readings from the Steep Rock Station.

**HON. L. HARAPIAK:** Mr. Chairman, I have the charts here for the month of July and if I could just take a moment - it indicates here where the desirable range of levels on Lake Manitoba at Steep Rock is 247.15 to 247.75. During the entire period for July, the lake level, according to these readings taken at Steep Rock, were below the maximum level.

So I'm having some difficulty and I shared that with the Member for Gladstone before. There seems to be some difference in the readings that I get - and I can only go by the charts I get and the information that is submitted to the member from, I believe, the Reeve of that particular R.M. We're using the same point, we're reading it from Steep Rock, but there seems to be some discrepancy and I'm not sure, at this point, that I can explain that until I know more specifically when and by whom those readings were taken.

**MRS. C. OLESON:** Mr. Chairman, I'll be facetious but perhaps some of the problem is in metric because I'm

getting the readings from the Reeve in feet, and I imagine these other readings you've given me are in metres. Feet and inches and yards is my language, so I'll proceed in that.

Now according to the letter and the resolution that was sent to the Minister from that municipality, and I might add, endorsed by other municipalities surrounding Lake Manitoba, that the lake is maintained - I think they suggest that it is supposed to be at a maximum of - just a minute here - they're recommending that it be 811.5 feet and it's been as high as over 813.

Now one of the problems that the Reeve suggests to me with the summer problem of the level of the lake is that it is not allowed to go lower in the fall, for instance, so that there'd be some room for spring run-off, but it's allowed to stay above a desirable level. From what I say, a desirable level, a desirable level from the point of view of the people in the area, then it's too late in the spring by the time the Fairford Dam is opened.

For instance this year, on the 3rd of May, I believe, I was contacted about this and the Reeve suggested that I find out if the Fairford Dam was open. Of course, that being a Saturday, I believe I contacted the office and talked to Mr. Webber on the Monday or Tuesday, I believe, and he said oh yes, the Fairford Dam had been opened on the Saturday, the very day I had been contacted about it. Well he must realize that that's well into and in many ways past the spring run-off period.

This year, for instance, the lake was at this high level and then we got a great deal of rain, so it's causing problems. The hay land around the lake is badly flooded. A lot of them won't get any hay off there. I believe if the Minister reads the resolution that was prepared, I believe in 1981, it discusses the way that the flooding of the area ruins the hay land, it makes the soil alkaline and it becomes very poor for hay crops.

I'm also told by some people that it is very detrimental to the fish because when it floods over the bank, it takes with it many fish who then get trapped when the water recedes, so of course can't get back into the lake.

The people are recommending that the ideal level be lowered from what the department has set. I believe it's set by legislation, I'm not certain of that. They're suggesting that level be lowered. It's causing erosion also on the shores, of course when the winds get up. I'm wondering if the Minister has considered changing the regulations about the level of that lake.

**HON. L. HARAPIAK:** Mr. Chairman, I'm having some difficulty with those figures in that there seems to be some difference in terms of the level as perceived by the reeve and the information we get here. I'm told that right now - in fact on the 15th which is tomorrow - there will be some stoplogs put in at Fairford, again because the water level is reaching the lower level. So I don't know how we can resolve that. There seems to be some difference of readings.

There is also a report, the Manitoba Water Commission was doing a repeal of the issue which you raised, and that is the matter of - I think it was a suggestion of lowering the level by one-half a foot. So that report is not in yet, but it should be. I think the

review is, for the most part, completed but the report is not in yet. When that report is submitted, I would have some further information, some further basis on which to react to that.

But I wanted to say as well that in dealing with the lake levels, and Lake Manitoba is not peculiar in that regard, there are people with a particular interest from cottaging and perhaps of the fisheries view that would want to have the lake at a higher level. There are others with a given interest that want it at a lower level, so there is a difference of opinion from the different users as to what the most desirable lake level is as well.

**MRS. C. OLESON:** Mr. Chairman, it's indicated to me from the reeve that there is thought by the sporting fishermen, hunters, and so forth, that it doesn't have to be as high as it is. I'm wondering if the Minister has forwarded the concerns that have been addressed to him by that municipality and others to that committee that's studying the matter.

**HON. L. HARAPIAK:** Mr. Chairman, I would want to note that concern was forwarded to the commission.

**MRS. C. OLESON:** I have in my hand a news service release that discusses the levels of Lake Winnipeg. Is there a bulletin that goes out from Natural Resources on the Lake Manitoba levels as well? This is a news service bulletin that was put out on May 30 of this year.

**HON. L. HARAPIAK:** I'm not aware that there is a separate bulletin that deals only with Lake Manitoba, but Lake Manitoba is included in this document which covers several lakes. So I'm not aware that there is a separate one for Lake Manitoba. But it's certainly included in this number.

**MRS. C. OLESON:** Thank you.

**MR. CHAIRMAN:** The Member for Arthur.

**MR. J. DOWNEY:** Thank you, Mr. Chairman.

On this particular item dealing with water resources in the Department of Natural Resources, I just want to put a little bit of information on the record for the Minister, because it appears as if he's walked into the job as the Minister of Natural Resources and taken over the department that I think has played a pretty important role in many aspects.

One of the concerns that I have had, and I'm sure many of the constituents that I represent have had, is that it doesn't take too long unless the Minister is prepared to get a good handle on it himself, an understanding, to change anything. You know, I speak particularly of problems on the Souris River and their ongoing concerns that are brought to my attention as the member.

I would advise the Minister if he would take a look at the whole area of the southwest province, the corner of the province, the problems that have been continually going on there, whether it's too much water or too little water; but there have been, certainly on the records of this Legislature my comments and other comments from other members, the need to do some work on that whole area.

This spring, as the Minister is probably aware, the Province of Saskatchewan and the State of North Dakota have put forward a proposal to build a major water conservation and energy cooling plant at Estevan known as the Rafferty Dam. Mr. Chairman, it was unfortunate that his predecessors, the Ministers who were in his capacity, did not take it upon themselves to be fully informed or involved in the discussions going on, that the Saskatchewan Government had made the decision to proceed.

The State of North Dakota were in agreement to proceed to help fund it, but the recipients of the water in southwest Manitoba which eventually get into the Assiniboine and into the Red River system really were several paces behind what was going on. The blame is squarely on the shoulders of the Minister. Then that was the Minister who is the Member for Brandon East who did not carry out his responsibilities. He was a disaster when he was in there some three or four years ago and he ended up being a disaster in that capacity. Because I'll tell you why, Mr. Chairman, it didn't happen within the boundaries of Brandon East. You see, if it doesn't happen within the boundaries of Brandon East, there is some statistical data that he thinks he's a professional at, Mr. Chairman, he really doesn't care about it.

Mr. Chairman, I want the record to clearly state that this Minister, the former Minister and the Premier were negligent in getting ahold of an issue and participating in what could well turn out to be a benefit to Manitoba, but in the whole process of discussions and negotiations Manitoba was left out. Eventually - and I say this eventually, but it took a lot of pushing and prodding from myself and from other members who were involved, it took a lot of pushing and prodding to get his department on stream and to get to be a part of it.

Subsequent to that, and I thank the Souris River Water Commission, the chairman and the board, who were extremely concerned as to what the future was going to hold when that development took place, for adding pressure. Now there is an involvement by the Department of Water Resources and I'm recommending to the Minister that he get ahold of his department and he get a clear understanding of the implications. There are more rivers in Manitoba than those flowing strictly across the border like the Red and like the Assiniboine. The Souris, as I say, is the third major contributor to the river system and I think it should have a lot more attention paid to it and some works done on it.

Now, I want to make it very clear that it was my position and I know there is a letter in the Minister's office that: No. 1, I want explained to the people of southwestern Manitoba what the quality of water will be when it comes out of Saskatchewan and North Dakota after the development takes place and what the quality of water will be and the length of duration of the flooding that will take place on the Souris River. It is unfortunate, Mr. Chairman, and I say this very sincerely, the department have not been involved with discussions and negotiations and that Manitoba can't at this particular point, and maybe if the Minister can, then I challenge him to do so, tell us what the implications of a major development will be in Saskatchewan. I would like to know that. I'm not standing up here saying that I am opposed to the

development. What I am saying is we're a very important part of the whole stream, the whole flow of water that comes out of that province.

I have to give credit as well, Mr. Chairman, to the former Mayor of Souris who as well jarred the government a little bit when he made a presentation through a letter. The unfortunate thing was it took several weeks for the Premier to acknowledge it, but in fact it took a letter from his as well to bring this whole thing to the attention of the department, and the reason is, Mr. Chairman, Souris draws their water directly from the Souris River, process it and drink it. It's important that they know what the quantity, the quality and the impact will be.

The farmers in the southern reaches of the Souris River in Manitoba have been devastated by floods, have been devastated by the duration of the flooding on their properties over the past number of years. Farms have become virtually useless. There have been individuals who have practically gone bankrupt because of flooded lands. I know that I'm continually getting representation because of either blockage at the Hartney Dam or problems of water backing up over the flats south of the Hartney Dam.

Mr. Chairman, I've said it before and I'll say it again, the Hartney Dam is serving no purpose and the municipalities, all the jurisdictions along the Souris River south of Hartney have asked to have a modification of the dam or a removal of the dam. There are statistics, there are numbers, challenges to his department and I would plead with him to take a look at it. Mr. Chairman, there are individuals whose personal livelihoods have been hurt because of inaction by government. I will as well admit that we were members of an administration where in fact the problem was not dealt with the way it should be. But I'm saying there continues to be a problem. There is a major debate between the civil servants in his department and the people who live along the river. I have to say, Mr. Chairman, and I have the greatest respect for engineers in the Department of Water Resources, but I have to say I have a lot of respect for those people who live along the river and have made an excellent case to me that the Hartney Dam works as a culvert, doesn't work as a dam. There is concrete in the bottom of that. You can see the structure that deters the water. I personally visited again this spring when the water was flooding and so help me the water was piled up two feet higher behind the dam than it was below the dam and it does, in fact have a major impact on the water flows.

I again ask the Minister - it's gone through numerous Ministers - the people are frustrated. There are people, as I've said, been on the verge of bankruptcy and I challenge the Minister to take ahold of his department and take a look at it, particularly, and I say this particularly when we are going to see a major development take place in Saskatchewan which in fact could put a longer period of flooding in the Souris River flats. It could have a major implication and I think it could be to our advantage, through you, Mr. Chairman, to the Minister, if we were to have worked with North Dakota and Saskatchewan in getting some monies expended in Manitoba to accommodate the work they want to do in their region.

I don't think a responsible position is one which is coming forward, again, from a man by the name of

Gerry McKinney who is saying, down with the American and Saskatchewan proposal because it's bad, bad, bad.

I think in this particular situation, Mr. McKinney is on pretty shaky ground. He made a lot of noise and has made a lot of noise on different issues but this one, I don't think he's going to have the support of the majority of Canadians behind him, or those people who are affected with the water that will flow.

So I say to the Minister, yes, he'll get report after report. He'll get the individuals who have been involved in Water Resources for the last number of years, whether it's the Director of Water Resources, whether it's all the engineers who will come forward with the same documentation saying to him, we're right, the farmers are wrong, that individual who has been pressing to have the Hartney Dam changed or remodeled, is all wrong and we're all right.

Mr. Chairman, I say the department is not all right. I don't necessarily say the farmers are all right but they're not all wrong. There is need, Mr. Chairman, and I plead again with you to take a new look at this, not to have it swept under the carpet, not to have the reports come in and say, I'll just rubber-stamp it and say we'll send the letter back to those individuals. It's every jurisdiction along that Souris River, the municipal councils, town councils, individuals who have pleaded with government to do something.

Now I know the Minister, I know the Minister, he's trying to be nice to his department and he's trying to be nice to everybody. Well, there's times that you can't be nice, Mr. Chairman, and that's when you're speaking out and representing the people in the Province of Manitoba who are impacted by the devastation of flood waters and an impact such as these people have had placed upon them. That's the challenge to this Minister. He can get up and soft-talk and sweet-talk and do all those things, but his real test will be how he responds to the pressures that come forward.

I would hope that he could report, Mr. Chairman, to this committee precisely how we are tied into the work and the development that is going to be taking place on the Souris River; what kind of time period we'll have placed before us; or what kind of time frame we're looking at as far as dealing with, again, the quality, the quantity of water we're going to be getting? What kind of steps are being taken? Is there any chance of getting any U.S. and Saskatchewan funding to help work on the Souris River in Manitoba, to assist the passage of that water in a more timely and managed method?

Possibly, Mr. Chairman, and I'm not sure the department has ever given it a serious look but I know when I was in the Ministry of Agriculture, I had an individual take a look at the storage of water on the Souris River. My colleague from Lakeside, to whom I give a lot of credit, who's come from a history of Cabinets and governments that have seen the need for development of our waterways, has identified, when he was a Minister of Natural Resources, the place where a major water construction could take place on the Souris River, holding some 400,000 acre feet of water just north of the U.S.-Manitoba boundary.

Mr. Chairman, those are the kinds of projects that mean things to people in the southwest. Those are the kinds of options that should be laid before Saskatchewan and North Dakota. If they want to hold back water, Mr. Chairman, I'm suggesting that in

Manitoba we have some excellent places to hold back water.

I'm not talking about small water dams on the Paterson or on the Gainsborough Creek, like the Paterson Dam on the Gainsborough Creek. I'm talking about major water constructions on the Souris River that would, in fact, help with what's happening in Saskatchewan, help with what they need in the United States, in North Dakota, and help Manitobans.

I say with the greatest of sincerity, Mr. Chairman, I would hope the Minister, coming from the background that he comes from, would have a little bit of visionary system to him, a little bit of ability to see what could be done. I'd like a report from the Minister. I hope the Minister doesn't drag his feet and pays a lot more attention to what's happening in the Department of Natural Resources than the former Minister, who is from Brandon East, who didn't care unless it happened in Brandon East. If it happened in Brandon East, for his own benefit, then you may see something happening. But other than that, it really didn't count.

He demonstrates it time and time again. He's just a selfish little politician from Brandon East; and ask the former member, Henry Carroll, it was Len Evans - I'm sorry, it's the Member for Brandon East - who kept him from getting that dearly beloved Cabinet post that he wanted. He was spoiled and jealous and he wanted Brandon all for himself.

Mr. Chairman, I would suggest to this Minister that he take a broader view of the whole water system in this province. It's the Red River which is the main artery in the southern part; it's the Assiniboine that is the drainage basin directly out of Saskatchewan; but it's the Souris that is the third link of the water system that has to now be looked at.

Mr. Chairman, I would hope the Minister would take some of the money that he spent in Saudi Arabia, take it away from Telephones and bring it back to develop some dams and do some work in this province. Let's help the people of Manitoba; let's help those people before we start running off on some kind of socialist adventures and experiments with the taxpayers' money.

Let's get real, Mr. Chairman, and I would challenge the Minister - he's on trial - in fact my colleague the Member for Emerson did a pretty good job of showing that everything was just okay in the department, that he didn't think he'd look under the blankets and see what was going on. Well, my colleague, the Member for Emerson, did a good job of embarrassing him into taking some form of action.

Mr. Chairman, the Minister has an opportunity to prove to the people of southwest Manitoba, and representation from that area, that he is in fact concerned about them and cares about them.

**HON. L. HARAPIAK:** Mr. Chairman, I only want to respond briefly. I am getting just a bit uneasy in that the Member for Emerson refers to me as being meek and mild and so nice. I'm tempted to thump the table, as the Member for Arthur sometimes does, in order to assert my determination.

Just very, very quickly, I want to indicate that in terms of the Hartney Dam, I recognize that there is a different of opinion. The Water Commission did look at that. The former Minister did ask the Water Commission, an independent body, to look at that.

But in addition to that, we invited the surrounding jurisdictions to submit resolutions indicating their desire to have that dam removed and none have come forth to date. So I think that is something we should keep in mind and I think it does bear out what you said, that there are some differences of opinion, perhaps even amongst the people in that area.

Very quickly, with respect to the Rafferty Dam, I want to state very clearly for the record, that we are involved in the process. We are in discussion with Saskatchewan and with the people from North Dakota. We are having a part. Meetings have taken place and we've had representation at those meetings and we will continue to be represented.

The project is still at the development stage and if there's any indication that the design of the project threatens those issues that were identified - we are concerned about water quality and any potential impact on Manitoba - we would make that known. We have already alerted the Government of Canada with respect to our concerns and, if need be, we would go to the International Joint Commission to have those issues addressed.

So I would want the Member for Arthur, and indeed all members of this Chamber, to understand that we are represented on that committee. We are making our concerns known. We will continue to monitor that and we will not jeopardize the interests of Manitobans.

**MR. J. DOWNEY:** I don't want to delay us, Mr. Chairman, but the Minister indicated he had solicited or sent to those surrounding jurisdictions of the Hartney Dam some form of an opportunity to put their concerns forward as to the removal or the modification of it.

Could the Minister provide me with a copy of the documents that were sent to those individuals so that I am able to peruse them?

**HON. L. HARAPIAK:** I want to clarify. I am not saying that I did this in my term as a Minister, but there was communication in that respect that I will determine what form that communication was and convey that to the member.

Perhaps, just in closing, what I would like to indicate is the concern about capital expenditures in this area. Just so that it is in the record, I want to indicate that for the purposes of maintenance, there is \$3,770,000 allocated, through the conservation districts, there's \$1,926,000 and an additional \$4.5 million for capital projects, for a total of \$10,196,000 in capital projects.

**MR. A. DRIEDGER:** Mr. Chairman, I certainly don't want to belabour this. I just have a request for the Minister. The Member for Springfield alluded to the Cooks Creek area where we have a certain Mr. Henry Wiebe, and I have a file about yea thick here.

I would like to ask the Minister if he could possibly send me a copy of a response or a position that his department has on that. I think many members have received this extensive document and if the Minister could maybe, by the next time when we meet, indicate to me the kind of response that he is drafting or whether he is responding to the individual. I certainly expect that there must be some response coming. I wonder if he could . . .

**Thursday, 14 August, 1986**

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**HON. L. HARAPIAK:** I will make a copy of that response available.

**MR. CHAIRMAN:** 3.(a)(1) to 3.(c)(3) were each read and passed.

Resolution No. 121: Resolved that there be granted to Her Majesty a sum not exceeding \$6,721,900 for Natural Resources, Engineering and Construction, for the fiscal year ending the 31st day of March, 1987—pass.

Item No. 4.(a)(1), Water Resources, Administration: Salaries.

Committee rise.

Call in the Speaker.

**IN SESSION**

**MR. DEPUTY SPEAKER, C. Santos:** The Honourable Minister of Finance.

**HON. E. KOSTYRA:** I move, seconded by the Member for Emerson, that the House do now adjourn.

**MOTION presented and carried** and the House adjourned and stands adjourned until tomorrow at 10:00 a.m. (Friday)