

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8 p.m., Thursday, April 1, 1976

SUPPLY - NORTHERN AFFAIRS

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before we proceed I draw the attention of the honourable members to the gallery where we have 20 Scouts of the Beaver Scout Troop #123 of St. Edwards School. They are under the leadership of Mr. Peter Kyryluk and Mr. Jim Osborne. This Scout Troop is located in the constituency of the Honourable Member for Wellington.

On behalf of the Assembly Members I bid you welcome this evening.

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MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, when we were last dealing with the Estimates I was dealing with some of the questions raised by the Member for River Heights and a couple of the matters raised by the Member for River Heights had already been raised by the Member for St. James and by the Member for Lakeside, especially in regards to the Manitoba Northland Agreement. The Manitoba Northland Agreement does not specifically appear as an item in our Estimates but I think probably the Planning and Policy Development Section of the Budget would be the best place to deal in some more detail with the Manitoba Northland Agreement as that is where some of the co-ordination and the planning for the future of the Northland Agreement takes place within the department.

I suppose the comments by the Member for River Heights and the fact that they had already been asked by some of his colleagues brought me back to the last time we dealt with the Estimates of Northern Affairs, the previous day that we dealt with the Estimates of Northern Affairs when a number of my colleagues had the opportunity to speak and the First Minister and the Acting House Leader of the Opposition, or whatever the title they refer to him by, engaged in a fairly long exchange not directly related to the Department of Northern Affairs and the Estimates of the department. But I think we have a fairly unique situation. For the first time perhaps since Bracken's days in the House, where we have a leader of one of the parties being very familiar with northern Manitoba, very interested in northern Manitoba and quite anxious and willing to participate in the debate when it comes to northern Manitoba. So that is a big advantage to those of us from the north and a big advantage to myself as Minister of Northern Affairs although occasionally it's a disadvantage like when the First Minister likes to do all the talking on the specific subject.

One of the items raised by the Member, I think, for St. James as well as the Member for River Heights, was talking about the travel of officials of the Department of Northern Affairs and implying that most of the staff of the department - at least I got the implication that they thought that most of the staff within the department were located in the City of Winnipeg. I think that this department, and we emphasized it the last few years, is one of the most decentralized departments and the majority of our staff are located in the northern part of our province. But there still is some travelling because a lot of the decisions and a lot of meetings take place in Winnipeg. So even though the staff is decentralized to the north and is able to get to the communities more conveniently, they still have to come back into the City of Winnipeg to attend numerous meetings because the general system is still located in the City of Winnipeg. In percentage terms 82 per cent of the staff is located outside of the City of Winnipeg in northern Manitoba. The main staff that is still in the Winnipeg area is the executive which is myself and the Deputy of course and the administration, although there is a large part of that branch operating in Thompson, and the Planning and Policy. Planning and Policy still plans in the upcoming year to further decentralize some of their staff into the field areas.

There was some discussion the other evening about the policies and programs of the various parties when they formed the government and as I mentioned in relation to the remarks of the Member for St. James, that my interpretation of what the Conservatives

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(MR. McBRYDE cont'd) have been saying is basically "me too" or that we agree with the direction of the goals of the department. That being obtained from what they have said in the House and what the press has reported about meetings that they've had in northern Manitoba. But although they were heading in a similar direction, they might do it differently or more effectively. I suppose the doubt comes in when we look at the past performance which is hard to go on because it's becoming quite a few years now since Conservatives had the opportunity to form the government.

MR. TOUPIN: Not long enough, not long enough.

MR. McBRYDE: We can look at past performance or we can look at what is being said in what members of the House say. I for one am not too optimistic, if that day should ever come when they again have the opportunity to form the government, that they will be able to do anything more effectively or very effective in the northern part of our province.

But, Mr. Chairman, I wouldn't go so far as my colleague for Flin Flon, and say that nothing, nothing happened during the time when the present opposition was the then government because there were a few initiatives taken by them, some of them fairly early on in their administration. When they came in as the new government, throughout Manitoba they took a number of steps, because nothing had been done for so long by the administration before them. A number of positive steps were taken in terms of physical development and for example, the road improvements into The Pas and the Flin Flon areas, which were quite significant to that particular part of our province. There was a fairly extensive study done during the time they were in office by Mr. Legacy in terms of the native population of the Province of Manitoba and some programs brought forward that were in the forefront in Canada in terms of ways to assist and develop the underdeveloped communities where most of the population was native.

Although I don't think that he necessarily understood the dynamics of what was taking place in remote communities, I think my predecessor from The Pas had some concern and some desire to attempt to assist and work with the remote communities and try and help them in their development. So there were a number of steps that happened.

Of course, Mr. Chairman, some of the steps ran into problems, the same as some of the steps we take run into problems. When the Conservatives were in office they, for example, attempted to develop a pulpwood co-operative in the Jackhead area which is in the far north part of the Interlake. That particular operation lost a lot of money and had to close down. I'm not saying that of them critically except to tell them that it's just not a simple matter all the time and that in the one or two attempts when they were in office, when they made some serious attempts in this area, they also ran into very difficult problems. They ran into very difficult problems when they contracted for the clearing of the Grand Rapids Forebay and hired a contractor with the instruction that he hire native people on the job and where his payment was quite a bit more than the payment that ended up going to the native people employed on that project and where, in fact, a strike took place and there was quite a fuss about that particular development.

But, Mr. Chairman, that doesn't mean that they didn't make some effort and didn't make some attempt. I suppose if you put it on a scale of the kind of things that need to be done and need to happen in northern Manitoba, let's say a scale of 100 if everything that has to happen was happening, then maybe the Conservatives got up to seven or eight on that scale in their effort to attempt to do something. Perhaps this government is getting up in the nature of 40 on that scale of 100 but we still have a long ways to go to begin to solve the problems and meet the problems.

I'll repeat again that when I'm speaking on the Northern Affairs Estimates, I am speaking mostly of the remote communities because that is what most of our expenditures within the department relate to, the remote areas. I have a personal interest and many of my colleagues do on the whole area of northern Manitoba and on the urban centres in northern Manitoba which face some fairly specific problems of their own and have fairly specific concerns of their own. But I haven't dealt with those in detail because they don't relate specifically to this particular department.

Mr. Chairman, with those few comments maybe I'll await some further questions

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(MR. McBRYDE cont'd) and some further ideas from the members opposite or on this side. I'm certainly not upset if the other northern MIAs on this side wish to speak on these particular Estimates and I'm sure that if we attempted to keep the Member for Arthur, stop him from speaking on the Department of Agriculture or attempted to stop the Member for St. James speaking on the City of Winnipeg, that we would run into the same problems we'd have if we tried to stop the northern members here from speaking on the Estimates of the Department of Northern Affairs. I certainly welcome their contributions as I do those from the opposition.

MR. CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: Thank you, Mr. Chairman. I'm happy to hear the Honourable Minister state that he has no objections of contributions from any member in the House. He obviously has different opinions than the First Minister who thought that the Honourable Member for Morris was not qualified to speak with any authority on Northern Affairs.

At any rate, Mr. Chairman, I would like to thank the Minister for advising us of the general operation of the winter roads program and I hope that the department will strive to try and develop a designated long-range all-weather road program and the information is properly passed on to the northern residents so that they are aware of what is actually happening in this regard.

Mr. Chairman, I would like to comment on the statement the Honourable Minister made with regards to the historical background of economic development in the north whereas it had been, as he stated, that the native people or local people seemed to be left out and that people from out of the general area were brought in to develop the projects, whether it be mining or whatever it was. I might draw to the attention of the Honourable Minister that this is not uncommon in the resource industry, that the same thing happened in Calgary and Edmonton when the oil fields were developed. This is why you want that private investment, because with private investment comes the expertise and the technical knowledge and the research. That's exactly what happened, I would suggest, in northern Manitoba when the mines were developed, that if there had been local residents with the expertise in mining or in the mechanical operations of mine sites, I'm sure that they would be hired immediately. But because of the technical knowledge required in the development of mining and the processing of minerals, that the expertise was obviously brought from outside. This has been the history of any development, I think, of expertise requirements, that it's not uncommon. But I'm sure that the pattern changes as the age of the project or operation is extended in life and that many of the operations that were done by outsiders are now done by local people in the north, the same as they are in Calgary and Edmonton. I'm sure you'll find in such developments, as is going on at Syncrude that they're still bringing people from the outside in because the local people do not have that expertise or technical knowledge that's required but as the project goes on in age, that the local people will be taking on more responsible positions. It's the way it should be, that the local people do take on the authority of responsible positions as they acquire the expertise and the technical knowledge.

I was also interested in the Honourable Minister's comments that he hopes that all options will be left open for the economic development. I hope that the Honourable Minister is sincere in those statements. If I understand him correctly in his comments, that his options that he was proposing be left open for economic development either in the local areas or generally in the north if I understood him correctly - would be one possibly by co-operatives, another one possibly by the government which I presume he means by the Co-operative Economic Development Fund. I hope also that the option that's left open is the private development.

If he is sincere in a third option of private development in our north, then I would suggest that he strongly consider the right of people in the north to have freehold title to land as this becomes very important in the financing of any project. It's much easier to get a mortgage or money from the bank if you have title to the land and it's much more difficult if you have a short-term lease or any type of lease of Crown land. I would hope that the Minister was sincere in his comments with regards to leaving all options open for economic development in the north and particularly the avenue for private

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(MR. MINAKER cont'd) development by the people either locally or even outside the boundaries of the north. If this is to be achieved then obviously the policy on the right to own your own land in the north has to be once and for all decided upon and a policy announced and followed.

I would also like to make comment at this time that I hope the Honourable Minister during that part of his Estimates, will advise us of the Northern Affairs policy on the development of tourism and recreation in the north. What is the policy of the government with regards to tourism in the north and particularly recreation, the use of resources by the local people. I hope that the local people will have some say in where campsites will be opened up, which often just require a few miles of roads to take them into a lakeside, and also the general policy of the department with regards to tourists coming into the north. That is an industry that I understand, in talking to some of the residents, that they welcome, as long as they are a designated type of recreation options. What I mean by that is that the tourists who come in know where the sites are for them to use and to have for their use. Not what had happened in the past year where many American residents went up to Leaf Rapids or to sites in the north expecting facilities for them and when they got there, there was nothing for them to look at or to camp at and they were sent back to the areas like Thompson. So that I hope there will be a policy comment on that particular problem that appears to be in the north at this time.

The other comment I would like to make at this time, because the subject was brought up this afternoon, is that I did mention earlier in the debate that the Northern Affairs Department is a travel and talk department. The Member for River Heights did indicate some figures that were spent on various items in the budget of last year from the Public Accounts. I'd just like to reiterate at this time that in the talk department such as the stationery, postage and telegraphs and phones and publications and advertising, the department spent in excess of \$560,000 in 1975. If one looks at the numbers of employees that are operating in the department, I think they are in the order of some 400 employees, that means they're talking to the tune of \$1,500 per employee and further the travelling as was mentioned.

I would like the Minister to explain transportation because there is two particular charges. There's one for travelling and there's one for transportation and last year in the travelling, the end of 1975, there was an expenditure of \$540,000 and for transportation another \$63,000 making a total of somewhere in the order of \$610,000. Again this adds up to something in excess of \$1,500 per employee to spend travelling. So we weren't talking through our teeth when we said it appears that it's a travel and talk department when you add up all of these particular items.

I also would like the Minister to comment on what subsistence is. My understanding of subsistence is life sustaining. The department last year in the Public Accounts spent \$166,000, in excess of \$166,000 on subsistence. So when you add up all these travel and talk items and whatever subsistence is, I would presume it's part of the travel costs, you're looking at more than \$1.34 million. Very close to 10 percent of the whole budget last year, in the year ending 1975, was used for travel and talk. This is why I think it's important that the Minister review his budget and we will be asking the Minister during the Estimates on the various departments to fill us in with some of this information, that there is a lot of fat in the particular department that isn't making its way to the north for use by the people but is actually being used in travel and talk, putting it very bluntly, in propaganda. We think that it would be much better spent in the economic development of the north, not talking about it and moving around to talk about it.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, I replied fairly specifically to the points raised by the Member for St. James. When I talked about the outside persons taking advantage of the employment not only in northern Manitoba but other areas, I don't think anyone disagrees that a certain amount of expertise has to be brought in from outside. But what has happened is that a lot of jobs that were of a nature that people were already qualified for, or could very easily be qualified for, went to persons brought in from outside. Sometimes when a contract is let or when a contractor moves into a remote community he'll bring

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(MR. McBRYDE cont'd) . . . almost an entire crew in of his own. That would be carpenters but not only carpenters but carpenters' helpers and labourers as well. This is the type of thing that if local people are to be given the opportunity we can't very well have them continue to do that because that employment then is lost to local people who have to be assisted in other ways, out of public funds.

Yes, Mr. Chairman, I agree that the options in terms of economic development and who and how economic development is done should be left open, that is the best option in a particular circumstance should apply. As a matter of fact when we prepared the Northern Task Force Report, the Minister of Mines suggested we call it Option Northerner because what the proposal was: to increase the number of options available.

But we have run into some fairly specific problems. Even when opportunities have been made available for people from remote communities, for a number of reasons they haven't been able to take full advantage of those opportunities. When we get into the Northern Manpower Corps section we could maybe take a few minutes to talk about the fact that we have a pulpwood cutting operation that grew out of a training program. It grew out of that training program because people weren't surviving somehow directly with the ManFor crews and were ending up back in their own community or ending up back at the training site asking to go to work. With some change in the work structure and the fact that the foreman and a number of people happened to be native people, their production was quite good. But they still didn't survive in the ManFor camps, yet they could survive at this camp and produce as well. So there is those kind of things that have developed and we've had to try and take advantage of those opportunities.

We do not intend, as I think the member said earlier and I think the Member for River Heights repeated, to become the main employer or "the" employer of northern Manitoba. I mean the amount of people that need employment, the amount of employment that's there now, we have to take full advantage of everything that's there right now because of the tremendous number of people coming into the job market. There's no way that we could become the employer although we can be a gap filler or a bridge to the other employment. Basically that is what we've been doing, is a gap filler and a bridge to other types of employment.

I got the impression from the Member for St. James that maybe he wasn't clear on the economic development options that were available right now and maybe I'll just outline them very briefly for him. If in fact a local community wants to enter into the field of economic development, there are a number of choices open to them as I understand it.

One is formation of a regular company, either one individual or a group of individuals, under The Companies Act and that particular type of operation would be eligible for financial assistance through what's called the Special ARDA IIB Program which is a loan grant program. If that particular operation was run entirely from people on or from a reserve then it would also be eligible for assistance from the Federal Government through their Economic Development Fund.

Another option that would be open for that community would be the co-op route which I think he knows and understood.

Another option would be a non-profit company under The Companies Act where in fact the community could control the operation through that device and hire a manager, etc., and run an operation through that device. If it could be shown that that operation was in fact controlled by the community then they would not only be eligible for the Special ARDA type assistance but they could be eligible for some assistance from the Special Northern Employment Program or the SNEP program, depending on how many new jobs they are creating for people in the community.

Another option open to them would be the - and there's still some confusion around the legality of that - under a community development corporation.

Another option that would be open to them would be what I still wrongly refer to as Bill 17 companies. I forget the full title - the Resource Development Act or some such title, such as Moose Lake Loggers and Channel Loggers and Minago Construction are under that particular section. In that case legally it is a Crown corporation or a government corporation although there are local people on the board. Those operations

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(MR. McBRYDE cont'd) have been set up in such a way that in fact the community could buy back the operation; it could be a community controlled operation. So far none of those have been successful enough to be in a stage where they can really consider seriously that particular option.

Another option that was opened up when we passed The Northern Affairs Act changes was the fact that a community council could enter into business and this is legally provided for within The Northern Affairs Act.

Of course a Band Council has a number of options open to it as to how it gets into business and a number have used that particular option.

There is a wide number of choices open to the community and as I say, whichever one is decided by them, with outside advice, to be the most practical in that circumstance is the one I would like to see tried.

The member also raised the matter of tourism and recreation in the north, Mr. Chairman. We don't have in the Department of Northern Affairs a direct role in tourism and recreation. We do provide assistance or advice and have discussions with Tourism and Recreation especially if any development relates to a remote area. Also that local community has some say in the normal municipal responsibility. If a tourist development is proposed for their area, it requires subdivision, etc., then the local community has some say, as any municipal government does, as to how that government should proceed.

I think the member would be well aware if he has travelled up north of the very mixed feeling in northern Manitoba. I don't know if he talks to the same people that I do or other northern MLAs do up north but there is a real mixed feeling. There is some real hostility in some areas towards tourism. There are people that don't want tourists to come into their area. There are some, like the member indicated that, yes, tourists are welcome as long as they go to the tourist places and don't interfere with my particular recreation in my area. Then of course there are others that look very much forward to the development of tourism in northern Manitoba and that are anxious to take advantage of tourism as an industry for their own development. That continues to exist and a number of communities are coming forward with proposals for tourist development as part of their economic development program or the thing that they would like to see happen in terms of economic development.

The other question raised by the member, Mr. Chairman, was the land titles question. As I understand it the majority of remote communities that are not reserves, or the part of them that are not reserves, were basically located on Crown land and that is people were squatters or held some type of lease from the Crown Lands Section. However there are a number of the older communities in the north such as Cormorant and Wabowden where private individuals own a big piece of land. In fact people are squatting on privately owned land and this has been a real problem in some cases to try and find out through the estates as to who in fact was the owner of the land, to find somebody to represent that estate to see if land could be purchased when there was new housing sub-division to be done in the area.

When we are on the planning section of the department, the planning doesn't just deal with the long range planning, but it's actually a community planning function or a subdivision creation, a function within the department. This subdivision work is usually initiated through the Remote Housing Program. That is the community is eligible for some housing but the Federal Government regulations require that title is vested in the MHRC. Therefore when a subdivision is created the title in fact doesn't immediately go to the individual who moves into the remote house under that program, the title is vested in the owner of the house until purchase is complete. But then title would be transferred by MHRC, not by ourselves, when the particular unit has been purchased. As part of that there are some individuals, but not that many who are able to build on their own and to purchase the lots directly from the department.

The creation of legal title is still a fairly complex problem in the north. In southern Manitoba right now we have a problem of updating surveys in southern Manitoba, but in the north they have a problem of getting them done for the first time in many areas.

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(MR. McBRYDE cont'd) There has been sort of an overall program in terms of aerial mapping etc., that has been included under the Northland Agreement when we get to it. Then there has been specific community planning done by the community in conjunction with expertise or professionals from outside. Then there has been the actual subdivisions themselves that have been developed. So that I think answers the question raised by the Member for St. James.

I felt there was maybe some contradiction when he spoke the other day about travel and talk and yet saying that there should be consultation and people have to be involved in the decision making. Because at the particular stage of most communities outside advice and expertise is still needed. I suppose even at the City of Winnipeg or the - I'm not sure of the official title - Minnedosa would need when they go into planning or other such items, that they need outside expert advice and assistance to go ahead. Sometimes the talk can lead to better action and sometimes it can delay the action or results. So I think you are right, it needs a certain amount of balance. There has been, I think it's fair to say an increased amount of travel into remote communities. Rather than civil servants dropping in for an hour or two, they stay a few days in that particular community to work with them on a particular program, particular problem that the community council or other organizations within the community happens to be working on, and I don't see that as a negative thing, I think that has to take place.

When you come to the area municipal government there is another possibility in northern Manitoba and that is to appoint a sort of an administrative person in each remote community to deal with the non-treaty local government. But I have been personally very hesitant to adopt that approach as sort of a full time administrative person to assist the community, because what usually happens in my experience is that that person becomes the community, becomes the council, becomes the non-elected representative of the community; in fact ends up being a dictator, a controller of the community. We've certainly seen that - I don't think you have seen it so much in the southern LGDs where the system has been different and the coming into existence has been different, but we certainly have seen that in the northern LGDs. It has taken some time to actually bring up the elected council to have some meaning because there has been a person there who is always a non-elected person, hired by the province, who has actually run the community in the past. So I personally have some hesitancy to place somebody there to be responsible for that community.

What is happening though is there is a clerk program being developed through the New Careers system so that at least the basic management, bookkeeping, etc., can be done by a local person. But they are not a municipal secretary; they are not a town secretary-treasurer. They are simply an employee of the local council and in the process of training now. There is still lots of problems with the financial administration at the local level as people learn how to handle that particular responsibility and if people are trained to carry out those kind of functions. I suppose that is one reason why, for example, our Administration Branch might be heavier than a department delivering traditional functions. There's quite a bit of training involved in assisting those people and there are always more problems come up so we need to send in some outside people more often to assist them to deal with those kind of problems.

I think that in the general request from the Member for River Heights and the Member for St. James about the specifics - and I'd be quite pleased, as we move into each section, Mr. Chairman, to break down the specifics for that section, that is how many people are involved in that section, what are the administrative, travel, etc., etc., costs related to that particular function. Then it will give members some idea what that section's responsibilities are and how the travel and other expenses relate to that particular responsibility. So if there are too many postage stamps in that section they will be able to see that that is one of the problems there and be able to make their recommendations, their suggestions as to where services can be curtailed, where services can be changed, and where they can be expanded if they see that as a necessity.

MR. CHAIRMAN: The Honourable Member for Flin Flon.

MR. THOMAS BARROW (Flin Flon): Thank you, Mr. Speaker. Well, Mr. Speaker,

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(MR. BARROW cont'd) you know they say who is the Minister of Northern Affairs? There is no doubt in my mind who the Minister is; there is no doubt in the five northern members who the Minister is. We know who he is. So let's have no doubt about that. I could ask you the same. I wouldn't do it because I would embarrass you. Who is your leader? We could get involved in that and we could get in a big hassle about it.--(Interjection)--They don't have one, that's right.

Decision making. Who makes them? Ever since we came into power we've advocated people making their own decisions. Our reserves have their Bands and their Chiefs, their councils, and it's obvious. Schoolboards. They have the same local government. A good example is the LGD system. We're destroying that slowly but surely. The system is to get it by you people. A man appointed runs things in a local community and we went on a Task Force thing with this and it was quite obvious people wanted to run their own affairs under the circumstances.

But the Member from Birtle-Russell did not say that. At the last meeting he said I see nothing wrong with it. Now you're saying, let them run it. Why don't you make up your minds and get together. Don't you have caucus meetings? And your leader, as such, he brought up Frontier Collegiate School where I got my start. I did. I got involved in the Frontier Collegiate School and I'm very happy I did this. In 1966 I was in the mining racket. I went into something different. I became involved with Metis children and that's why we left Nova Scotia, because the coal mining as such was just another form of slavery. At 37 years old I made up my mind I would move out of there to give my kids a chance for a better life and the north's been good to me. Really good. My kids, I wouldn't mind them working in the hardrock mines, it's not that bad. Advantages that we never had: running water, bathrooms, a better way of life compared to the Nova Scotian way of life. But they chose different and I owe the north a lot and through these efforts that we've put in here in this House I hope to better their lot one way or another.

But to go back to Frontier Collegiate - and I will give you credit for that - a radar site that was obsolete. Out of the goodness of your hearts you formed a school there and it is a good effort and I appreciate what you did. Back in 1965 when they started with 60 kids, then went up to 450 kids and they've built on to it. They built a residence there, \$800,000 and it was terrific; three cottages and there's a beautiful effort. But the effort has not been successful in its entirety because what we're doing with these kids of forcing our education on them and they don't want it. They don't like, they don't buy it. I will tell you - and I've asked several people - how many people have graduated from that school gone to university? They wouldn't answer that. If there's any one of them that's gone there, how many have graduated from university and went on to greater things? They didn't answer that either. I would say none. It is not that successful.

We have to revise that system and give those kids an education pertaining to their way of life. It's going to be tough, it's going to cost money. And when we spend the money you will criticize but we'll get there; we'll get there sooner or later, hopefully sooner.

You say that we're copping out on the mining and so on. My God Almighty. I have some facts and figures and I will table this for you. The HBM & S you know and a good example of how they operate.--(Interjection)--Probably from fishing. Well, was it just recently we copped out? Just this last year? You know the fishing's been going on for many many years.--(Interjection)--Pardon? No, no.

But anyway we will get back to corporations and how they operate and how they're going to take them over and there's an article here in the Free Press, "Killing the Mining Goose, Killing the Goose that Lays the Golden Eggs." We're driving them out of business. We're taxing them to death. They're hard done by people and this is the tactic they used during the strike of five months.

If ever I respected a man during that time it was my Minister of Labour. When the strike hit the crunch, they wanted to settle it, they didn't want to lose face, they said if the strike does not end we'll have to close down the operation. I didn't know what to say being just a humble backbencher and very shy and introverted.--(Interjection)--Mr. Speaker, isn't he being rude?

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(MR. BARROW cont'd)

But they said, Mr. Chairman, they said we will have to go out of business and my Minister, not once, twice or three times said, go out, we'll take you over. All of a sudden there's no more talk of going out of business.

And the profits, let's look at the profits of different operations. Wait until I get my glasses on. I don't want to miss a word of this we have a program now of price restraints and ten percent increases and I will give you these companies from a paper that was on the table. I won't mention Inco or HBM & S or Sherritt-Gordon, it's just hazardous.

Now here is some of them. Algoma. Percentage increase in net profit in 1972-74, it was only 201.6 percent. But Cominco did one a little better. Their profits, my friends, were 331.2 percent. And here's Inco - Inco had a bad year, two bad years - they really were uptight. They only made 178.4 percent of a profit. Noranda, 140.8 percent profit. Stelco - Stelco was hard-done by, 62.2. They'd been to the Royal Bank for a loan, my friends.--(Interjection)--Right.

You say, you know, we are going on the wrong track. My God, when you think the Member from River Heights talking about the north. You know, it's fantastic. What do you know about the north, my honourable friend? Have you ever gone up there and stayed with these people? Have you ever ate bannock? Have you ever went fishing with them and got to know them? Have you ever invited them to your house in River Heights and have a hoe-down and a rap session? Have you ever done this? Have you ever listened to them talk? You know, you quote from the facts and statistics and figures and I admire your perseverance and your tenacity, but you're on the wrong track my friend. You're on the wrong track.--(Interjection)--Yes, right.

I'm going to mention this again. I do it year after year, and I'm sorry the Member for Lakeside is not in his seat, but I'm not going to attack him personally. Not any more because, gee, you know, he feels bad and I feel bad and my conscience bothers me, so I won't mention him personally. But at one time we wanted safety inspectors in mines so my friends from the steel company went to your Minister, who I won't mention, and asked him, will you put government mine inspectors in our mines because the company inspectors are crooked; they're dedicated to the company; they're liars and they're ugly, useless. Will you give us government mine inspectors? The answer? And this is your philosophy, every one of you, you new people too, all Conservative, and your policy when you go up north and run in the next election you'll have to answer this. Your answer was: we are not interested in safety, production is what we want. Now this is terrific.--(Interjection)--What? Speak up my honourable friend.

MR. CHAIRMAN: Order please. Would the honourable member address his remarks to the Chair. Order please. I haven't recognized the honourable member. I was calling this member that is speaking to order, to address his remarks to the Chair. The Honourable Member for Flin Flon.

MR. BARROW: Well I will answer it then for my honourable friend. That's one thing about bank managers, they've got lots of gall, lots of nerve. A bank manager is a person above. And how will they get their start, Mr. Chairman, I will tell you. They study hard, they work long hours and eventually they marry the manager's daughter and they make it. Was I right? Keep me really going, Mr. Blake.

Now leasing, not owning. You know I don't own my land, I lease it. I think it's \$20 or \$30 a year, 21 years, and I'm quite happy. That's all it costs me. This came up in Flin Flon, the value of owning or leasing and the Minister of Social Services was there. Then it was Tourism. It was brought up at the meeting.--(Interjection)--Well whatever. But he was there and your old friend was there, Mr. Jobin, chairing the meeting. It came up, we want to own our land, we don't want to lease it and it went back and forth, back and forth. Finally he got up and acted really excited. "I don't want to own my land," he said, "I want to lease it. There's nothing wrong with this."

So my honourable colleague was quite happy, you know. Do you want to own it or do you want to lease it? And you take an isolated case - from Morris, you know, this lady came up and you take a thousand people who are happy and one who is not happy and

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(MR. BARROW cont'd) you pick that one. You know we could do that time after time. If we had known, any MLA in this backbench had known her circumstances we could have done something about it. We don't know. We didn't know at the time. If that lady was hard-done by by leasing and not owning, we'd have rectified it. But you only take one little example.--(Interjection)--Well, if we had known, I say if we had known.

You know, we can go on and on and on. What are we going to do for the Natives? We'll give them their heritage; we will let them trap. My God, trapping. You know we're all for them trapping but the natives aren't. There's no kids at that school that'll be trappers because you make about \$1,500 a year and trapping is a very hazardous profession. You know if Elizabeth Taylor wears mink, gee mink's high. If the Queen wears beaver - that's a bad word - there's the Queen.

A MEMBER: Don't get on that, Tom.

MR. BARROW: And then there's beaver. And the prices will go up and down.

MR. CHAIRMAN: The member state his point of order.

MR. BILTON: On a point of order, Mr. Chairman. The honourable gentleman the other evening mentioned Her Majesty in this House and he has mentioned her again tonight and I would suggest to you with a little disrespect and I would prevail upon you, Mr. Chairman, to see to it that this is brought to a halt at the earliest possible moment.--(Interjection)--That's right.

MR. CHAIRMAN: Order please. The Honourable Member for Flin Flon.

MR. BARROW: Thank you, Mr. Chairman. But talk about respect. Some day when I get the opportunity I will show him exactly how respectful his attitude is to our society. The minute he gets his spurs off. Mr. Borowski had a plan for native people, to give them so much land for so much money. He said we will pay you so much for doing this but you use swede saws, you must use axes. But people aren't that naive. There is no one going to go in there with a swede saw when you can knock down ten times more with a chain saw. Then the living thing, the living accommodations. I don't want to make any mistakes . . . Mr. Chairman. They signed a contract and it didn't go in for anything else except tent living. But they complained and they got it. So the voice is there. They know what they want. It wasn't a good thing at that time but at least they are speaking up a bit.

I think we should talk a little bit about communal. The native is a communal person and the old native was good. You know he goes out to shoot a moose, he didn't carry the moose to camp, he carried the camp to the moose and everybody enjoyed it. But it's not that way today. Today they're getting into our selfish way of society. If you go up to Pukatawagan, Sherridon, Cormorant you will see these people cut enough wood for one day, no more no less. I have often wondered and said, why don't you go out in September, October and cut enough for the whole winter. That's fine, they said, but every son-of-a-bitch in this community would be using my wood.

MR. CHAIRMAN: Order please.

MR. BARROW: I retract, Mr. Chairman, it slipped out. You know the way to handle problems is go to the people themselves which we have done. We have done through the Northern Task Force and the Minister of Northern Affairs, as nice a guy as he is and as clever as he is, will take directions from us poor people in the backbench because if he don't we'll tear him apart in caucus, personally. He has to go along with this way of thinking. We're a very solid group, very solid, and he will be a Minister as long as we support him.

Now, Mr. Chairman, we are going to go into the past a little bit here. I have a book here and it's by Farley Mowat, "The Desperate People." I think we all live lives of quiet desperation don't we. I'm worried if I'm going to make enough money - if I lose the next election I don't have to worry. The Member for River Heights is worried, I'm never going to be Premier, where where do I go from here? Federally? East, west, north, south? But anyway it is a very small problem. My friend here is worried about things in Churchill. His wife left him and went to Churchill. He hasn't been in Churchill for months but tomorrow night he is going to Churchill. He is worried about that.

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(MR. BARROW cont'd)

I would ask permission to quote his four paragraphs from his book, and I will speak in between the quotes a bit, Mr. Speaker. It's relative to what we are doing. Well it was up in the barren lands, it is only 700 or 800 miles from here north, but it pertains to the Eskimo which is in the same position as the Indian. We really put them in a tough spot by introducing them to trapping when they weren't exactly, that wasn't their thing, where the deer were depleted and they were starving, they were starving to death. They were hungry; they were in a state of between life or death. Anyway they sent word down to The Pas and here's what happened.

The chartered Norseman belonging to Lamb Airways of The Pas with the Indian Affairs doctor as a passenger had carried food with us out from The Pas. In fact it had been laden with 1,300 pounds of food. But at Brochet they stopped to pick up Charlie's father as a guide and then for some unexplainable reason it had flown to the south end of some lake where it had landed and the supplies had been loaded on the ice before the flight to these Eskimos could be complete. For no reason, no rhyme the food didn't get there. Anyway they asked them, would you come back? It says this: "The plane did not return the next day, nor the next. On the morning of the sixth day of waiting Charles hitched up his remaining dogs, four had died now of disease, and he had already started for the south when he heard the roar of the plane approaching. He hurried back and was in time to help unload the relief supplies. These totalled 800 pounds: 100 pounds of which consisted of dried white beans that would be of little use to starving people on the plains. They were as much use as lead pellets might have been. In a land where half a day's hard searching may sometimes yield only enough twigs to melt sufficient snow to make a pint of water these beans were worthless and were still lying untouched a year after being flown there." That's what we've been doing, doing things that were just utterly impossible. I won't quote it, it is quite lengthy and I'll just be very short.

After many many months of starvation and thousands of people had died and the Eskimos were almost extinct, they got help from Ottawa. What was on that plane? What was on it? Axes, in a place where there was no wood to cut and stoves where there was no wood to cut had there been wood to cut for the stoves. They had no fires for no one had the strength to spare for the arduous search for wood and twigs beneath the drifts. They lived on scraps of skin on frozen . . . and some of them even searched out and ate human excrement for there are no niceties of taste when death lies hard and cold within the belly. Mr. Speaker, they've been eating that for many many years and for the first time in many years . . .

MR. CHAIRMAN: Order please. It is a very interesting story that we are hearing but I don't think it has anything to do with salaries and wages. Will the honourable member come back to salaries and wages please.

The Honourable Member for River Heights.

MR. SPIVAK: Mr. Chairman, I listened with interest to the Honourable Member for Flin Flon and I guess there's a tendency on my part and probably on some others to try and answer some of the things he said. On the other hand I think discretion in the interests of pursuing the Estimates of the Department of Northern Affairs would be to ignore what he said and just continue on. I say that because there is difficulty in approaching any debate with him. Some of what he says is correct. Much of the emphasis in certain areas is correct as well. He unfortunately sees things through political eyeglasses at this point which I think prevent him from being as objective as he should be with respect to the accomplishments in the north. The fact that there have been some achievements does not in itself mean that the accomplishments are great enough to warrant an excess of feeling on the part of the government for the actions that it's taken.

The fact that one doesn't live in the north doesn't mean that one can't have some understanding of the problems of the north. I have to say to him and I say this not in any rebuttal of what he said but only as a brief remark to what he said or a brief answer. I've spent a considerable amount of time in the north. I saw a lot of people, a lot of his own constituents, both where he lives in Cranberry Portage and in Flin Flon--(Interjection)--No. I must tell you the interesting part is that I think I've knocked on almost

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(MR. SPIVAK cont'd) every door in Cranberry Portage and I think I can tell you that many of them were not Conservatives. If anything, they thought very highly of the honourable member and his wife. But they have offered criticisms of the government.

One of the problems I think is that some of those criticisms have not been communicated to him or if they have been communicated, he hasn't been listening; or if he has been listening he hasn't communicated it to his ministers. That I think may be one serious problem.

But I would like to, if I may, pursue the whole question before we get into the specifics of northern development and northern policy by dealing with one other aspect that has not been - well it was not discussed today. It may have been discussed earlier. I think it has to be said and I hope the Honourable Member for Flin Flon will agree with me because you see when we talk, we talk about two norths. We talk about the organized communities and the unorganized and the remote communities. We're talking about really almost two different kinds of environment in terms of living and style of life and background and tradition and heritage and education and amenities and potential for work. I think we know that. The Minister has basically suggested that the costs of his department really relate to the unorganized and remote communities and therefore it should be assessed on that and that's what he is really dealing with. Northern Affairs deals with the north and the problems of people of the north and I am not in any way trying to take away from the arguments that have to be brought forward and the discussion that has to take place about the remote communities. But you see there are some problems with respect to the organized communities and the people that are living there.

First, the cost of living is very high. There are many who have been fortunate in that their style of life and their living has been satisfactory. For many it's only recently that it's been satisfactory. They've struggled through their lifetime. And the problem at this point is, the problem in every part of our country with inflation as it is, it is how do you make ends meet? How do you manage your affairs? How are you able to finance the things that you want? How are you able to be able to provide for your family, for your children, for their development in the future and how do you provide for savings for yourself for your time of retirement? It's the basic problem that exists everywhere, it's not just peculiar to the north.

Northerners have always felt that to a certain extent they have never received the full share of the benefits of government services, that in many respects they have paid proportionately a higher amount of taxation than other areas and have not received the benefits of the services that they were entitled to in proportion to the incomes that they have paid by way of taxation. Now whether that's right or not isn't the issue. This is what I believe they think at this point and you can go through these arguments. So, in recent years, with the capital investment that has taken place, with the thrusts that have taken place in the housing programs, with the hydro development, with the CFI development, with all that has taken place so far as they're concerned, to a certain extent, that money along with all the other activities appears to now be providing some of the equality that they thought they were entitled to.

But they are caught in one thing that government can't control unless it regulates it or subsidizes it and then the question is whether the subsidy will go to the individual and that is the increased cost of transportation for goods, the basic essentials that they require. What they have had to bear is a high cost of living. What they have had to pay for are high costs because of transportation costs, the increased costs that take place with respect to transportation. And their cost of living has gone up, and the argument of course is that their standard of income has gone up proportionately to sort of compensate for that. At least that's what is hoped for. Certainly in the union negotiations for those who are involved as union employees with the major mining companies, that's obviously considered. But there are a number of other people in the organized areas who live in the service section of the community and work in the service section of the community who are not in that same kind of position, and for them there is severe difficulty.

So the problem at this point is, how are you going to correct it? Now I mentioned this earlier. Transportation is a component part of the increased cost of living in

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(MR. SPIVAK cont'd) the north and as yet the government has not developed the comprehensive transportation policy with respect to the north and it may be that what will come of the Canada Northlands Agreement will be part of it. But my suspicion is at this point that it's still really in a very early stage and in a formal way it's not coming through. I mean sure, there are things that have been done, and you can cite certain examples and you can show certain money that's been spent but you can't really bring together a comprehensive program that lays it out and shows that within a certain period of time targets will be reached which will, in fact, accomplish the kinds of objectives that I've talked about.

So the problem with the people in the north and I'm now talking of those who are earning income and those who are paying taxation and those who are producing in the north and I'll come back to those who are in the less fortunate position for many reasons and because of circumstances that were not under their control, But for those people who live in those organized areas, how are you going to, in any way, try and equalize opportunity and the position with respect to the south? It would seem to me and it's been discussed before, that the kind of serious consideration that should be given by the government, should be for the equivalent of the northern cost of living allowance which would be similar to and workable as the basic rebate programs that the government has now in terms of cost of living and in terms of the education program. So that in effect the northern person would be in a position to deduct off his income tax or to apply as a result of the income tax, an amount to be given to compensate directly for the increased costs that he has to bear. That can be equated on a formula which would be based on two factors. One would be the income level the person has and the nature of tax that he's paying and the second would be the remoteness of the area in which he lives, in the regions within the north in relation to the increased costs he really has to pay. So that in effect what you would have would be a basis for a reduction at source or a rebate at source which will reflect the increased costs. So that in effect the government would be directly contributing to the person who is earning income and whose income has risen and whose tax bracket has risen but whose cost of living has risen because of the inability to be able to provide goods in the north at the same prices as in the south.

I think that the government should consider this as a measure of relief to the people who live in the organized communities and as one way of effectively applying as an option to a full comprehensive program of transportation which, at this point I believe does not exist nor do I believe is forthcoming although there is some elements of it that I think you can see in the Estimates and from the announcements that the Minister has made in the last period of time. Now that would be the organized communities.

Now let me talk about the unorganized communities because here I think we come to something very basic and philosophical and we've discussed this before but I think the point has to be made. The remote communities cost the people of Manitoba a tremendous sum of money and they will continue to cost the people of Manitoba tremendous sums of money. Those sums of money are for the basic essentials of life. Those sums of money are needed to be able to allow people to subsist and we know historically the reasons why this has existed. But the problem is: does government tackle it at one time and try and correct it or does government try and tackle it over a 20-year period in stages and say, what we're doing is sufficient because we provide a little bit of housing now and we provide some water treatment equipment now and something else the year after and something else the year after and something else the year after. In the course of doing it we ultimately will bring them to a point where they will have caught up and in the course of doing that, we will have staged the expenditures that we must supply in the north in a way that will be sufficient for our budget to be able to carry those amounts of specific things that have to be done to provide amenities and services for people who at this point do not have very much of what is provided in the south.--(Interjection)--Well, I'm not talking about something that I have talked about before, I'm talking about something that I think has to be considered now and I wonder whether there is such a disagreement of the members opposite.

Because you see it would seem to me that from an economic point of view it is

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(MR. SPIVAK cont'd) in our own self-interest to do those things now and in one sense to mortgage part of Manitoba's future to do it. Because in the long run the costs to us are not just the costs of doing it but they're the increased costs that we have in health care; they're the increased costs that we have as a result of all the failures of the ability to be able to organize the communities to be able to live in contemporary terms, a lifestyle that would recognize the developments that have occurred. We've got a problem because you've got a problem of education; you've got a problem of change of style of life and you've got a problem of all the difficulties within a community. What the Minister said is true with respect to the communities. They're close-knit and there are pressures and there are politics within it and it's hard to adjust.

But what I'm saying is this: how can there be communities in which the water supply is not proper, in which the facilities are not proper because the government's program is such that the staging will be over a period of time rather than doing it now. Simply because we're not going to spend all the money now. Because you see if that happens, then what you have is you have an infant mortality rate which is high - and I think the government has those statistics and I think if those statistics were produced in this House they would be shocking. It's within your possession, and I'm not sure what department, about the infant mortality rate in the north. You wouldn't have that kind of infant mortality rate nor would you have the kind of costs you're going to have to bear in health care because of the fact that everything that's been done has been staged. And what I'm saying is this: the failure here is not the failure of being sympathetic to the people; the failure here is not the failure of not understanding the nature of the problem; the failure here is having the courage to do the things that have to be done now, recognizing what we're talking about are substantial sums of money in huge amounts to accomplish the objectives in those remote communities and to provide the amenities in services and housing requirements that are needed and recognizing that in doing that, what you are doing is you are providing for the future and you are giving opportunity to people now, with many who will not appreciate necessarily all that is happening for them.

Now the argument that we have advanced is that, well, that's hard and that's difficult and that won't be realized and it won't accomplish the immediate result and you have to have the capacity and organization for it. But in the earlier remarks when I said we've got to go through the Estimates and look through what people are doing with respect to programs, when we talk about all of these things I think we've got to look at the money that's being spent in relation to the programs that are being provided and see how they really relate to the kinds of things that I've talked about.

Now I'm not suggesting that it's going to be perfect in any kind of achievement that may occur in this area. But what I'm simply saying is that with respect to the remote communities, the thing that has to be done now, the effort that has to be put forward now, is a much more supreme effort to accomplish the result and the mortgaging of Manitoba's future to do that is justified from an economic point of view, from a future cost point of view as far as the taxpayers of the province and it's more than justified, forgetting about that, on pure humane grounds. What's happened in the past to me is irrelevant in this debate. Now you may want to stand up and become political and sort of wear the glasses that the Honourable Member for Flin Flon wears sometimes, but I say to you, forget about that, because that isn't going to accomplish something that really is required.

It comes back to a question of the mobilization of effort and the courage to do the things that are required. I suggest to the members opposite and to the Minister who is involved in this and to the members from the north that the time has come to do this. There may be some spin-off for you politically but probably not for ten years and maybe by that time you may want to be re-elected again. But the truth of the matter is, the truth of the matter is this is what has to be done and the kind of plea that I make is to consider this as a priority item for the north and to consider this as the kind of effort. Because I think that the assessment that can be made on some of the other efforts that have been made - and there's been criticism that's been offered by myself and probably will continue to be offered on a number of programs, but the criticisms that we have

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(MR. SPIVAK cont'd) offered are legitimate criticisms at least from my point of view, of management situations where the government has managed these programs poorly. But having said that that doesn't mean that some of the programs that were offered were not desirable or necessary or worthwhile. They failed but failed for different reasons. I'm saying now I'm not interested in the fight on the management issue as much as I'm interested in saying to you that the twofold problems are to try and recognize that for the organized communities and for the people that live there there is a concern and apprehension about the future. That's real. Anyone that doesn't believe that doesn't know what's happening up there. It's a combination of a number of things but it also is a reflection of the government policies and the concern and in a sense the helter skelter attitude of the way in which things are happening up north. Now that has to be answered by government.

The second factor is that the cost of living situation is real and the allowance for the northerner is something that really should be considered.

The third thing is that the things that have to be done for those remote communities should be done now, not later, and a government committed to people should be concerned about doing that.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRIDE: Well, Mr. Chairman, I would like to welcome the Member for River Heights back to the human race almost. I'll have to admit that last year and the year before I was hoping that because of his desperation he was behaving in a certain manner and now that the desperation is gone and he is freed of the problems he faced last year, he is taking a much better approach and an approach that certainly I can respect him for. It is rather unfortunate that he does stand alone in this particular regard.

I would like to first of all deal with some of the items raised in terms of the urban centres or the industrial centres of the north because certainly the cost of living is a real problem in northern Manitoba and it's a problem that we have tried to come to grips with but I think we'll have to admit to the honourable member, not completely successfully. I think you have a few options open to you in dealing with that kind of a problem.

One is certainly a transportation system. That is only a small or a part of the particular answer. I suppose one of the ironies of the north is that we have a railroad running through many of the communities in northern Manitoba and yet the cost of hauling goods on that railway are such that the cost of living is very high in communities only served by rail. So then the government has to spend \$4 million, \$6 million and \$8 million to put a road into that community and as soon as the road arrives then a Federal Crown corporation lowers its rates. There's not much logic to that. The member I think is probably fully aware of that, the NorMan Regional Development Corporation, the Chambers of Commerce up north, the Churchill Port Authority and others have raised this, as well as all kinds of individuals, numerous times. But it seems the only way you can get them to lower the rate is build a road and the cost of building that road to the taxpayers of Manitoba is very very high.

Now it looked as if action were being taken and even our own Industry and Commerce Minister said the CNR is now lowering its rate for goods in northern Manitoba. There was a slight lowering of rates on boxcar loads so maybe that helps Churchill to some extent or Thompson or Lynn Lake. But the communities along the way are not such that they order in boxcar loads. So in effect their price has gone up with that price change rather than gone down with that price change. So there is some very real transportation problems and maybe I was a little bit short with the member today at Question Period because there was a more recent report done under the Northlands Agreement and basically we were not that happy with the technical information, with what was provided in that particular report. As a matter of fact we felt the report not to be very useful and said that we are not going to pay for the printing costs of it. If the Federal Government as a partner in having study done wants to have it printed up then it's fine with them. But it was not that useful. I suppose one of the reasons is that it didn't get at the kind

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(MR. McBRYDE cont'd) of thing that the member is asking us for and that is we had hoped to get better guidelines for a longer term transportation. Instead of one or two years in advance having an idea where roads are going to go, where airstrips are going to go, to get some long-term projections as how things should work. I suppose one of the weaknesses is - and I'll get into this when I talk about the Northlands - the Northlands is aimed basically at remote communities. If you read the preamble above the agreement we have signed it's main emphasis is on providing opportunities in the remote areas. But the study itself was supposed to look at the overall and come up with some options, long term options, for us. One of the things they came up with is saying, is the transportation the thing or should you be spending this money right now on water and housing and other things? Now we felt because they went that route they didn't give us the information we needed on transportation. Yes, we need to look at all those things and set the priorities as to which are most important but we didn't feel that the long term information, the long term alternatives, the long term cost benefit analysis on various modes of transportation was very good. It's very disappointing. I guess maybe some people were disappointed with the Mauro Report because it didn't answer some of the questions they had at that particular time.

But to deal with the cost of living in Northern Manitoba. It won't even be solved. I mean there are good highways; there are good airstrips; there are scheduled air services there; there are train services; the infrastructure is in place and yet the cost of living is still quite high. I suppose that I'm going to have to use an example of The Pas because I know that more intimately than the others. Not only is the cost of goods high in a community like The Pas, but The Pas has the highest taxation rate of any community in Manitoba. That is if you just take a house, Standard A, so many square feet, such and such a type, as opposed to assessments, etc., etc., that if you just take a house and plop it in Winnipeg you would pay so much; plop it in Thompson, so much; plop it in The Pas so much and The Pas would be the highest of any community. The Pas got in that situation basically because of the lack of the long term preparation or planning of what was going to happen.

At one time the community itself was in what you'd call a Receivership or administered by the province and no services were improved or provided. Things were not upgraded in that community. So when the expansion came along with the CFI development not only did they have to expand but they had to replace existing services and the costs went out of sight. It was a cost that was impossible for them to meet. So there was a Federal-Provincial agreement to provide assistance in the physical rebuilding or physical structures that had to be done there. But even with that massive input - and The Pas probably got more than any other community in Manitoba in terms of Federal-Provincial funds that went into it - and yet the tax rate is still the highest in Manitoba. My honourable friends opposite, concerned about planning, will be aware of the role that was played by the Provincial Government of that day which urged and convinced the elected representatives and the town council of The Pas to sign an agreement which provides for a tax write-off, which provides tax concessions. That was the last thing that The Pas could afford. Even now that we have removed that tax advantage from ManFor the problem is still very serious. If that was left the way it was the problem would be even worse than it was today. So there have been a number of specific and limited steps that have been taken to try and assist. But there is one example of the higher costs.

Then again I guess it comes back down to the free market economy because there was a time when your groceries in the town of The Pas cost more than the groceries in Flin Flon. The merchants in The Pas would say well, it's because of freight costs. But the freight costs in Flin Flon were higher than the freight costs to The Pas so it wasn't an acceptable answer to the people in the community. We have a very unique situation in The Pas right now with a price war between grocery outlets and The Pas prices are lower than most outlets in the City of Winnipeg. But that doesn't mean that two individual stores haven't already gone bankrupt because of that particular price struggle.

So then comes the problem, how do you help lower the transportation costs? There is a problem, and I think the member will acknowledge it, if you develop a subsidy

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(MR. McBRYDE cont'd) system because you never know who's going to benefit from that particular subsidy and you have the same trouble that we have with the railroads as to when it's subsidized and who subsidizes what and how it works. So there must be some other ways to assist in lowering the cost of living. The approach that I have taken, I think other northern representatives have taken, is at least to attempt to initially move to the equalization of costs as much as possible and out of that have come a few things like the Patient-Air-Transportation Program. I think members are familiar with that. But we have had some very serious examples of emergency flights costing a couple of thousand dollars for a person on average income and you just can't handle that kind of cost in your budget, so to emphasize those types of programs and so at least the cost of those services is not greater to a person just because they live in the north, a person is not penalized because they live in the northern part of our province.

I recently had occasion to visit someone who had just moved from The Pas to Dauphin and they listed about ten different items that make up the cost of living, only one of which is the town taxation. But all kinds of other items. Every item was lower and they couldn't believe it. They were so pleased with the reduced cost of living in Dauphin as opposed to living in The Pas. So we have that very real problem.

The other problem that I think is important that the members might want to address themselves to is sort of the method of the development. We had The Pas developed in a certain way, of course it's a very old-time community area, historic community, and we had Thompson developed in a certain way with certain types of agreements with the company and who provided what services and basically the people of Manitoba were stuck with a good part of the costs of the services that were, for example, provided to the Town of Thompson. I think there'll be some considerable debate which type of development, which is the best method to proceed in developing a new community. Is the Leaf Rapids model a good one? People are coming from all over the world to look at Leaf Rapids as a way to develop a resource community. Or is the more traditional way of developing a resource community beneficial? Certainly when you look at the community on the tarsands in Alberta, Fort MacMurray, is it, the . . . situation, the problems that are being faced by that as a municipal body are even more serious than that being faced by The Pas and they're in dire straits. So it's a lack of some long term planning because when growth comes along how do you plan and how do you implement that kind of growth?

When I've argued like the Member for River Heights about the taxation or the cost of living in northern Manitoba, then sometimes I get the response, well if you're going to subsidize the guys from The Pas to come to Winnipeg to see a doctor or to go to hospital then you should subsidize my cost to go up north to go fishing, because they have a big advantage living up north. They have good recreation facilities, they have the outdoors right in their backyards and they have all kinds of advantages as well that are somewhat made up for by the higher cost of living. That's an argument that some southern people present. In my mind it shouldn't cost any more to live in a northern community than it does in a southern community.

You have some problems already because of isolation and problems caused thereby. I think members would be well aware, for example, of the kind of social problems that develop in areas like Gillam or areas like Lynn Lake where the mental problems of housewives are much higher than in other places in Canada or in other places in Manitoba just because of the feeling of isolation, the fact that it's dominated by one industry. Those various things add up to add extra problems to people above and beyond the extra higher cost of living.

Now the higher cost of living in the north, some people can protect themselves. I mean the steel worker at Thompson or Flin Flon isn't that bad off because he makes sure that his income package is high enough. But there are other industries that are related, service industries especially, where the people do not have that kind of protection and where the cost of living strikes home even harder than it does to someone engaged in the mining business or in an industry where it is highly organized and they can recover what they lose in terms of cost of living.

I mentioned early in my remarks that I feel the member stands alone. I'm afraid

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(MR. McBRYDE cont'd)that if we called a vote right now on whether there should be a tax benefit or a cost of living allowance made available on a general basis in the north, I don't think that you guys would pass it. As a matter of fact I can only see one voting for it. On our side it would be pretty close, on your side it wouldn't even be close. I think that's the problem that we're up against. It's a good argument and it's a good presentation but I don't see it as a recommendation that you and your supporters are going to buy.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SPIVAK: Well, if I submit it as a resolution, will he second the resolution?

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, there are certain advantages that a member opposite or a member of the backbench has that a member of Cabinet doesn't have and on all these kinds of questions it's a question of trying to get as much accomplished in the direction you want as you can. If in fact you can't stay any more because you disagree, you have to leave. At this point I'm accomplishing enough that I don't want to leave yet. I'm not sure how that kind of proposal would be considered. I have made a similar recommendation on a similar basis and I've argued a little bit with my colleagues in the following way, that we have done certain things to relieve taxation for the general public in Manitoba. You guys don't agree but in my opinion the average taxpayer is better off because of those changes and the below average taxpayer is better off. Now we'll argue that for days and days but, you know, you'll accept that as my belief of the present situation.

A guy who is working in the City of Winnipeg and earns \$12,000 a year, he benefits from that particular program. But a guy who works in Thompson and earns \$16,000 a year, he then is really in an upper income bracket and he is being hurt. But he is still an average income earner for the north because he needs that kind of money because of the higher cost of living. So there has to be some consideration given to the mechanisms by which, and the mechanism that has been bought so far by my colleague, and it's a matter of funds and programming, is to equalizing the costs of services. We've accepted that approach. When the new Leader of the Opposition goes up north and they have a meeting saying that the cost of Hydro for the north should be lower than it is in the south, and we get that argument with our people up north as well, then I say, look, that goes against what I'm working for. I'm working to try and equalize so that your costs are no higher and if we start making exceptions and saying there's going to be a special reduction in one service because it happens to be in the north, then the whole logic of the argument for equalization is lost. So all I can say now is that we should move towards equalization of Hydro rates in the City of Winnipeg which some members opposite might not buy as a good argument.

Now, Mr. Chairman, the member talked also on the situation of the remote communities. You know I welcome his constructive approach this year and I'm quite pleased to see that he is using this kind of approach. Although he did make the odd constructive suggestion in the past couple of sessions, they were few and far between.

The dollars available is always a problem and here again I think the Member for River Heights stands alone, because if I understand what I'm hearing from the opposition and from the new Leader of the Opposition, the program is to cut government spending. That's the program, that's the policy, that's the plank. Everybody would, of course, like to cut government spending and increase services which is always what political people would like to see happen: Collect less taxes and provide more services for those taxes. But it's not necessarily possible. What happens when you cut government programs, as I tried to explain this afternoon, is the developmental ones get cut first. The subsistence ones remain in place because you can't get out of them. You're locked into those type of programs.

But the member said, okay, let's have massive spending and me and my northern colleagues probably wouldn't argue, you know, with him that there has to be more spending in the development.

There are some things, though, that I'd like the member to consider when he's looking at that approach and that is that if somehow tomorrow all these services fell on the community of Norway House or any other community in the north, if there was a good

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(MR. McBRYDE cont'd)water supply, sewage treatment, housing, medical services, if all the services available to a remote community in the north happened tomorrow, that community would not change that much. In other words, in the process of developing the physical needs, the basic physical needs for that community, we still have to do it in a way that's going to cause the development of the people in that community and the development of the economic opportunities for the people in that community. In one way I suppose, you know, if there is not going to be a massive program and it's going to be more massive with this government in office than with that in office, that if there is not going to be a massive program of the type proposed by the Member for River Heights then you have to decide on the priorities of which have to be done first.

I've argued for some flexibility to allow the communities to help to establish those priorities. In one community the water might be the most important thing because they don't have clean water. In another they may have clean water, but they would like a system that goes to all the houses instead of a number of standpipes outside the house, but they might have a dire need in terms of fire protection and that's just as life and death an issue as a reasonable water supply. So the communities have to have some say in setting the priorities.

In the specifics of water supply though, you know, that decision has basically been made not in the community, because you can have so many dollars for water supply, the decision has to be made here. The decision was made on the basis of the reports from the health people that the member referred to, which one has the worst water supply and where is it causing health problems right now? So the worst communities were done this year. In the upcoming year the next worst communities will be done and there's an argument then as to what level of services do you provide. That is, do you get a very basic minimum service into some of the communities that don't have that now or do you provide a system that can be expanded in the future? That's an argument and a priority that we are always discussing.

So I suppose that one of my goals is to put that kind of physical development that is very necessary in the community together as part of the overall development of the community, because I am not convinced that just providing the services solves the problem. Because even if the guy has a very nice house and clean water and a good doctor and he doesn't have a job then you still haven't solved the problem. So the two things have to go hand in hand.

If the members opposite and the majority want to urge us to spend more money on a massive northern program I won't disagree with you guys go ahead. This certainly helps my case or my cause. But within the funds that we have available we are trying to meet the most serious problems as they exist and we are trying to give the communities some say in which are the priorities because they would change from community to community, as opposed to setting the whole program across Northern Manitoba within the dollars that are available.

So that is the effort or the direction we're moving in and the Member for Thompson for example, feels that in many of the communities they can, in fact, become almost self-sustaining. He is one that talks about, for example, agriculture development in remote communities, and greenhouse development in remote communities. It's not that long ago, that many years ago when some of these communities, where in fact they did have cattle, they did have good gardens and sort of what has happened to that community? Why have they lost these things that would help them have a higher standard of living or a better standard of living and how can we assist them to get back to some of those kinds of things? It is possible that in some of the communities some of these things will develop again and that goes back into the priorities and we can talk about water; we can talk about fire protection; we can talk about nutrition; we can talk about a shelter, you know, all those basic things that have to be upgraded. In the process of upgrading them we have to make sure that people are involved and are taking advantage of the opportunities while that work is going on.

MR. CHAIRMAN: The Honourable Member for River Heights.

MR. SPIVAK: I would like to make just two comments or a few comments.

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(MR. SPIVAK cont'd) First, I welcome the fact that the Minister and I are in agreement with respect to the northern cost of living allowance. If there are northern members who are prepared to support that position and I think we may have a debate on the formula exactly, then I think that's something that should be debated. Because I am one who believe and I think understands the rationale of those people in the north who believe that they are entitled to it. I am also one who is very much aware of the costs that are borne by the people in the north and I don't think that it Balkanizes or regionalizes the province in a way that is incorrect to suggest that recognition be made of the fact that the costs of living in the north are very different from the costs of living here, and that we reflected it in a formula that would take into consideration income level and remoteness I'm not suggesting that I know the details of it because I think that would have to be thought out. But I think it could be worked in such a way that it would be reflected, and not only that, it would be based on the numbers in the family because I think that's also a consideration in relation to the kind of contribution that would be recognized by government as the additional costs the people in the north are paying for, their contribution. Not a contribution of government but their contribution. That's why it should be related to income.

With respect to the other issue, and I think the points are being made here, I want to say a couple of things. First of all I have not said this for the first time in the House, I've said it in other years. The Minister may have been more upset with some of the other things that I said and did not realize that I had said this, so that I am not saying something for the first time. I am one who believes that the program of government should be one of a massive program in the north rather than the piecemeal program, recognizing the difficulty is budgetary and mobilizing yourself to do this, mobilizing the forces of government to do it. Now I want to say I don't believe that that's a contradiction when we talk about government spending. I do not believe that it's a contradiction. There are some that will say, well, if you are talking massive sums of money and you aggregate the total of government spending then you are saying essentially that we are going to be spending more money, substantially more money, so how can you talk about cutting government spending.

But we recognize that we have put massive sums of money to produce a benefit for the people of the province and to be able to fulfill the needs with respect to our Hydro development. We have to recognize that if we examine poverty in this province and examine the problems of the native people generally we have a legacy that we have inherited and a responsibility because our resources are more plentiful than they were before and because our economy has in fact produced incomes that were never contemplated in the kinds of situation that we live in today, to apply them and to apply our ability to be able to make some amends for the past inaction on the part of everyone.

Now I must say to the Minister I agree, I don't think that will solve the problems, the basic problems of the communities. But it will assist the human condition and fundamentally, if I read the guidelines correctly, that maximization, and I can quote the terminology that was used. That was when we were talking about the Guidelines. "Maximizing the general well-being of Manitobans." Well maximizing the general well-being of Northern Manitobans and those in remote communities, that will accomplish it. I think that objective becomes the important one.

The other problems are still going to be very severe with respect to economic development and the educational process and the process of living and the process of being able to develop the community so that they will be self-sufficient and the skills will develop and there will be an ability to be able to manage within the economic framework of what will develop, with the opportunities that can be developed further for jobs and for actions and activities that will be meaningful to the people and be a contribution to the overall community and to the region.

But having said all of that, it would seem to me that there are a tremendous number of government programs that have no cost benefit. There are a tremendous amount of programs that could be curtailed. There are terrific restraints that could be exercised and those are the kinds of restraints that have to be reflected in the actions of

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(MR. SPIVAK cont'd) government to try and control government spending. I'll come back to some of those. Having said that, I look upon the prospect of providing the services that are essential and needed and are essentially considered basic in the south, that they should be provided for the people in the remote communities. I think that is something that we should recognize as a cost and recognize as something that has to be done and do it.

Now when I come back to the whole question again, which is contradictory, with respect to the whole question of government spending, you know, when we talk about restraint - and I think we will have an opportunity when the budget comes more so than here because it doesn't reflect just this department, I am talking about a tight-fisted kind of restraint that will recognize that things are going to be really controlled. No one can tell me that two people have to travel up to do a job when one person can do it. I mean nobody can tell me that part of what is happening in the paper work of government can't be controlled and that in fact costs can be pared down by the kind of tight-fisted action and this is the kind of activity that has to take place. This would be reflected in tax reductions in terms of income coming in. What I'm talking about, and I think the Minister recognizes as well, is if we are going to accomplish the objectives in the north you're talking about borrowing, substantial borrowing, to be able to accomplish that objective. That's why I talk about mortgaging the future. You're talking about borrowing to be able to accomplish the objective of providing amenities that are standard for a whole host of people who do live in poverty and live in the most intolerable conditions and many of whom have not really gone through the complete transition that has taken place in other areas, but whose lifestyle is changing and we recognize that, but whose standard of living has to change, because in effect what is really happening is that the basic costs of servicing them, aside from any question of the human condition, is also becoming a tremendous cost of government and in our own self-interest we should be doing that.

So it would seem to me that if something is to be accomplished from this debate I would hope that real serious consideration would be given for the northern cost of living allowance and I would hope the resolution that will be introduced will be supported by the Minister and by members of the north and there may be a way we'll influence the Finance Minister, although I suspect that he will come back from his meeting in Ottawa not in a very happy mood.

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

MR. ADAM: The Honourable Member for River Heights has agreed to answer a question. I am wondering how much would he be willing to spend in the north to bring those amenities which he speaks of? How much in dollars and cents in the next five years, not one year, but in the next five years?

MR. SPIVAK: Well I could ask for an Order of Return. I think that would be a . . . answer and that it would get me out of it. Let me say this. I don't know what the costs will be. It would be interesting to know whether there has been any estimate of what those costs would be. I think that I could guess but I could be out a substantial amount so there is no point in guessing. But I would say to the Honourable Member for Ste. Rose I would spend whatever it would cost. I have no hesitation saying that whatever it will cost I would spend. Because we are going to spend it and it's going to cost you a lot more. It's going to cost you a lot more in 15 different ways in addition to just supplying the basic essential things that you are talking about. So let's do it now and let's recognize that if we really want to deal with social problems in this province and with the problem of poverty, that one area, one great area of poverty exists there, one great area in which really it blights the history of this province exists for what has happened. You can go back and say, well it's the administration of 11 years ago and that administration will go back and say it was the administration of 20 years before and I really don't think it makes any difference. The resources of government are different; its borrowing capacity is different. The whole situation is changed. If we're trying to apply a contemporary situation to it then we spend whatever it is. I say to the Member for Ste. Rose, we're talking hundreds of millions of dollars, no question about that. That's what has to be spent and we are going to spend it anyway so let's be realistic and let's be humane and understanding and do it.

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MR. CHAIRMAN: Resolution 97(a)(2). The Honourable Minister of Northern Affairs.

MR. McBRIDE: I'm sorry I don't have those figures that the member was asking for with me this evening. But for each, to provide a minimum level of service has been calculated in water service, fire, housing and the members estimates, we're talking hundreds of millions of dollars to bring everyone up to a certain particular standard.

In specific relation to the Estimates of the Department of Northern Affairs obviously I wouldn't be bringing these Estimates before you if I didn't think we had the balance in terms of programming and getting at the real need as quickly as possible. The Member for St. James called it a talk program, and in some cases that kind of a talk program is fairly necessary. Let me just explain to him. For example in the past if there was a health problem then people go to the doctor or they have to be sent out and they end up in the hospital, etc. So if somebody can help people in a community that didn't have this kind of technical information before to understand the problems of nutrition or the problems of clean water supply and when you have to boil water and when you don't have to boil water, if it costs them money it's a talk program. But the savings in the talk program are there and I think there are a number of examples. Even let's say in the fishing industry where - I'm getting on the Estimates of my colleague - where what they call an extension person or a fisheries advisor or something, can go into a community and help them to understand the importance of when you take the fish out of the net and when you get it in the ice and what you do with that fish. In economic terms that talk program pays off. I think that when we go through the specifics where there is a program that is not a physical delivery program that I can explain to you the validity of that particular talk program.

Okay, there is no physical delivery in Northern Manpower Corps of what we call a job placement worker. But what used to happen in remote communities is that they wouldn't hear about the job. I mean they don't go to Thompson, they don't go to The Pas, to Canada Manpower on a regular basis. Maybe they get in once or twice a year and check if there's a job there and they used to call the lady at the front desk, "Mrs. Come-back-tomorrow" because that is what they always got told. Well when you're from a remote community it is a little hard to come back tomorrow.

Then the other thing was tried. Okay, send a listing of all those jobs and put them up in the Band office or put them up in the community hall. But even then the response wasn't quick enough for that person to get that particular job. So what we have now is job placement. It is not a physical program but there is somebody from that community working on a part time basis who knows everyone in that community and what their qualifications are so when a job order comes in and they say there's a heavy equipment operator, he or she will know, well there's what's-his-name, and what's-his-name, and what's-his-name that are heavy equipment operators that are not working. Now it may require that person in some communities to get in the boat or in the skidoo and go two or three miles to tell that person that job is coming up in Jenpeg and then to get that back into Canada Manpower and they say, yes, we will hire that person, and then to assist them to make the arrangements to get to the job. So that is what you would call a soft program and yet in terms of what needs to be done in dollar benefit terms it's highly justifiable. So maybe because of that total program there is one less standpipe to deliver clean water. But in terms of the balance and in terms of the dollars available I think that we can justify each of those programs. As I said, I wouldn't be bringing this forward to you if I didn't think there was that kind of balance in here and that we weren't meeting the urgent needs in the best way possible.

Sometimes it is very difficult to set priorities because if a person gets ill from the water supply system the community might not be aware of all the reasons why that person was ill. But if someone is critically ill and the plane can't land there to pick them up and take them to the hospital and that person dies, the community knows. If you guys had an airstrip here and the plane could have landed at night then that person may not have died. So sometimes it is difficult to say there's so many dollars available. What are the most critical areas? Let's deal with those critical areas. As we go through the budget I think that I can show you in each case the necessity of that particular program, how it operates and give the other kind of details you were asking about in terms of those programs.

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MR. CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: Yes, Mr. Chairman. Before we come back tomorrow I would like to make a correction that occurred in Hansard the other evening. I think this is the appropriate time because it is on the subject where I made my opening remarks after the Minister had made his. On page 1736 the second paragraph on the page, I made the statement, "Mr. Chairman, this government has really hamstrung the people of the north." It has been recorded, "Mr. Chairman, this government is really hamstrung with people of the north." So I would like it corrected to read as it was stated, "Mr. Chairman, this government has really hamstrung the people of the north."

I wonder if the Minister - I'll ask a couple of questions and possibly he can answer them rather than go into a long list of questions. I'll raise them at this point because I'm not too sure where they would be covered in the particular Estimates. Maybe if he can detail to me where they will be covered then I will raise the further questions under that subject at that time.

I believe probably the appropriate place to ask this question - it deals with the travel that we've been talking about and the travel costs. In the Manitoba Government Air Division year-end report it listed a total for the Department of Northern Affairs from the various bases of Lac du Bonnet, The Pas, Thompson, Winnipeg and Norway House, a total of 1,039,320 miles that were logged. I wonder if the Minister could advise: would all of this cost of miles logged by the Northern Air Force, would they be charged to the various accounts? Would they be shown as expenditures in his department and would they also be shown as revenue in the Air Division account? Further, would the major portions of the transportation costs in his department relate to air travel? Or would it, as he indicated in his example where somebody hops on a skidoo and goes off to make contact with various people in the community, would there be transportation costs relating to automobile or skidoo or whatever vehicle was used, in his Estimates?

I would like the Minister to advise - he indicated in his remarks in reply to me with regards to the recreation planning of the north, how, we'll say, which is an actual fact, the citizens of Thompson would like a new Provincial Park and there has been mention that there's a possibility that a new park could be opened up. I think it would be known as Partridge Crop. I wonder if the Minister could advise the House how the citizens in Thompson would go about getting either his department or whatever department is responsible for this, the approval and the installation of this new road that would be required. Would it be through his department or would it be through the Department of Tourism and Recreation or to what department in actual fact would the citizens have to apply for this particular park?

The other areas that I would like the Minister to comment on where we can raise questions on is the Churchill Pre-Fab Housing Plant. I have some questions on that.

I think after those particular questions I might also like to ask, relating to the air services that are charged to his department: who can make requests for the air services? If there is air transportation required from an isolated community, who has the authority to make this request? Who approves the requests and who approves the payment for this particular service?

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, on the cost that the member was asking about. What I'll do is in each particular section give you some break-out of the various costs related to that particular section, as detailed a breakdown as we have available as to those costs.

The air travel will appear in each specific section. That section will have so many dollars for their wages and salaries, for the travel expenses of the people that work in that section. So I'll be able to give that information to the honourable member. The same as the example, if somebody hops on a vehicle. One time that might appear in a travel cost because he's hopping on his own vehicle; another time it might appear as an administrative cost because he might be hopping on a snowmobile owned by the department. But we can break that particular information down for him.

On the matter of some requests from the community of Thompson for a park, the Member for Thompson has certainly been pushing that particular item. But he has

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(MR. McBRYDE cont'd) been pushing Tourism and Recreation. That's where the responsibility lies for that.

Again, you know, I have to ask about the priorities. Do people in Thompson deserve equal services to people in Winnipeg or anywhere else in Manitoba? Maybe they don't have as many options for recreation opportunities as other areas. I'm not sure that's the case because they have a lot of areas that are not designated that are beautiful places and where people go on a regular basis. But is it more important to spend a million dollars on a road . . . for a park or a million dollars on another item or program? Those are the kind of decisions that are made every day and every year by whatever government is in office, to where the priorities happen to be.

The Churchill Pre-Fab Plant, Mr. Chairman, is under the Northern Manpower Corps section on the second page. There are a number of programs that Northern Manpower Corps are involved in. But the only one that reports to me, that comes before the Committee, is the Minago Contractors. It comes before committee and that's probably the best time to get detailed information on Minago. But Churchill Pre-Fab is still a departmental operation. A logging operation at Cranberry Portage which is called Mystic Creek Loggers and which we were going to incorporate but we had a cut-back in our quota from ManFor and therefore decided not to incorporate at this time because the production level just isn't there to make it a viable operation. There is also an RTM plant at The Pas that's operated by the Northern Manpower Corps and those are specific items. You might want further details on those particular operations.

There was one thing when I was talking about replying to the Member for River Heights about government costs in general, there was one thing I was going to throw out for members opposite that relates quite specifically. When the member was saying, well maybe you have to reduce one program or reduce some activity so you can increase some other things that need to be done. Well I think it was two years ago, and the rural members will appreciate this, that I went to Cabinet and said we need some home economic service for the remote communities in Northern Manitoba. We need to have at least some service like that available. I think the members realized that because the Department of Agriculture had a home economist service and in fact some of the people in our Northern Manpower Corps had come from the Department of Agriculture, with their Interlake Manpower Corps, so they were well aware of the service that was provided through the Department of Agriculture. So it was realized that it wouldn't hurt very much to take that large number of home economists that Agriculture had and give a couple of them to do the work up north. Just spread things a little bit more so that the north would not be left out of that kind of service. I don't know if there's many members here that recall the fuss that was raised by the members opposite because two home economists were lost to the Department of Agriculture. I think that particular budget, that's the theme they gave the Minister of Agriculture most heck about, which he fought against, he wanted to keep that service. But I mean when you're setting priorities and re-allocating dollars and services, some things make logical good sense but the members opposite might not agree with it.

MR. CHAIRMAN: Resolution 97(a)(2). The Honourable Member for St. James.

MR. MINAKER: Yes. I wonder, Mr. Chairman, if the Minister - I don't know whether he missed the questions that I raised with regards to who can request the air services and also who approves the service and who approves the payment for it. Also, I believe the Minister didn't answer with regards to the over the million miles, whether it is charged against his department as an expenditure and then shown as a revenue under the Air Service or is it all charged to the Air Service?

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: I'll answer the first question first. The operation of the Air Division - I don't know if the member will recall what used to take place as a matter of fact when I was a civil servant for the Province of Manitoba, that you could not only phone Government Air Division but any air charter in order to fly to the area in which you were supposed to work in and quite often you would have a case of two or three charters coming into one community with Manitoba Government employees on it. You

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(MR. McBRYDE cont'd) know this problem, or the way this could be improved didn't really occur to me, but as a matter of fact when the Minister of Mines and I were at The Pas, one of the civil servants said, you should change this policy, it's not very efficient this way. The Minister did that so that everyone had to go through Government Air Division so that they could see, yes, there's four different departments going to Moose Lake so we'll put them all on one flight. Air Division if they couldn't provide the service, could call up LambAir or whoever else could provide that service. So that was a change in the fact that it had to go through Government Air Division. There is some weakness in that because Government Air Division is basically a service agency. So they didn't do anything to restrict the number of flights. So at fairly recent date, in our discussion about transportation costs and travel costs, it is now required that you have a supervisor's approval, and I forget all the people that are eligible, which ones are eligible to give approval but it's sort of at the director's level that that approval is required.

Now occasionally that's adjusted because in South Indian Lake you might have three or four provincial civil servants, none of whom are directors, so a senior person is designated as one to be able to give that approval. Now the Air Division charges for the service provided, it charges the department. I guess in that way it shows the budget higher than it need be although I'm not sure how the Air Division appears now. But we have within our budget funds to hire Government Air Division when the need is there.

The other instruction that is issued now, and we've had the same concern as the member's to keep the cost as low as possible, is the instruction to use scheduled - there are now a lot of scheduled flights into remote communities and a number of companies offer scheduled flights into remote communities. But it might be more convenient to use the charter flight from that employee's point of view. But the instruction is that they have to justify not using the scheduled flight when it's available. But that's up to the department itself to put that kind of restriction on their employees and to make sure that they live by that. The billing then comes from the Air Division to the department so the department can review what costs have been incurred. So prior approval is required and then there's what I guess these guys would call a post-audit, after, when the bills come in to see how it worked.

MR. CHAIRMAN: Resolution 97(a). The Honourable Member for St. James.

MR. MINAKER: Mr. Chairman, through you to the Minister. Could the Minister advise - I don't know whether he completely understood my question with regards to who can request the air service - can a non-civil servant, a citizen of the north, request a flight into a remote community? Say it's an Indian Chief or the council. If so, who approves the flight in and would it be charged to his department?

MR. McBRYDE: I suppose these questions might come up again with the Renewable Resources and Transportation, where the Air Division now rests. But I know the information as it was with this department previously, that the, I think it's actually called a charter that the Government Air Division has, is for the carrying of provincial personnel and provincial goods and there is a problem of them being able to charge others for the service. That is their general guidelines from their charter that they have from the Federal Government. But they can fly anywhere in Canada for that purpose under their charter. But the general policy guidelines have been that if there is a flight going that's already chartered, and this has to be authorized like I said by the director or by a superior, if there is a flight going to a location and there is a person there and we generally say that is working sort of for the benefit of that area, for example the Chief or somebody from the MIB, or I took somebody from the Tourist and Convention Association with me one time to one of the remote communities who were talking about tourism, people like that, it's quite acceptable for them to fill an empty seat. Now, nobody except a senior person in any department can authorize a flight to take place. The only exception to that is the patient air transportation and in those areas where there are no nurses or doctors, then there is somebody else designated in the community and it may in fact be a chief or a mayor, who can order the plane to come in for emergency patient flight.

MR. CHAIRMAN: The Honourable Member for St. James.

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MR. MINAKER: Mr. Chairman, I wonder if the Minister can advise the committee is there anywhere in his Estimates or in last year's expenditures, moneys, where a citizen of the north has requested transportation into a remote location and then flies back out. It's not necessarily where there's a known plane going into the area where somebody hitches a ride but where a request comes right from the actual remote location for a plane to come out and pick them up and to fly them back out.

Also I would like the Minister to advise in the case where someone hitches a ride to a port or out, is his department charged on the basis of passenger miles or actual vehicle miles?

MR. McBRYDE: I think the details of the billing - although I'm sure my administrative people can tell me because they handled this for Air Division before - the question is better asked on the Air Division Estimates as to exactly how the bill is sent. Yes it applies the same to all departments and it can be a couple of ways. If you charter, there's the cost of that charter to go from A to B. Okay now if you're the only department then you pay the full cost of that charter from A to B. But if there's two or three departments there's a way to divide that cost between the various departments. There are occasions within our departmental program where some specific trips are basically community business. For example we have brought people in to certain meetings, set up for certain people or certain training sessions set up. Now in those cases we will make the arrangements but the Air Division would be able to pick up some people from community A and bring them into that meeting. There would be no civil servant on that flight. That is a possibility. Or we have for example when one community was considering an economic development project that another community already had under way, and there's only a few of them anyway, we have taken some people from that community to observe and find out how the other project worked and talk to the people who got it going in that particular community. So there would be circumstances where a plane would fly without a civil servant on it but it's been authorized by the department and for a purpose that the department has designated.

MR. CHAIRMAN: Resolution 97(a)(2)- the Honourable Member for St. James.

MR. MINAKER: Mr. Chairman, through you to the Minister. Who would authorize and approve such trips? Would it be a local authority out of that dispatch base such as Thompson or . . .

MR. CHAIRMAN: Order please. Order please. The Honourable Minister has indicated that the Air Division does come under a different department. The honourable member, if he has any further questions on that topic, should direct them to the appropriate Minister. The Honourable Member for St. James.

MR. MINAKER: Well, Mr. Chairman, I question you on that in the fact that we're dealing with the Northern Affairs Estimates here and I'm asking the Minister, in his department, is there cases of expenditures either last year or where does it come in the particular Estimates of Northern Affairs where they pay for this service if somebody arranges that plane to go out. I presume it's the Northern Affairs that give the approval if they're being charged for it and this is what we're talking about, not the operation of the air division. We're talking about the Northern Affairs Department, if they are having expenditures charged to them for the air service of citizens in the north. This is what we're raising the questions on, not the operation of the Air Division. We're talking about the purchases of air service, really, by the Northern Affairs Department. If I might, I'd like to continue on in the questioning, but only relating to the Northern Affairs expenditures of air service.

MR. CHAIRMAN: Continue.

MR. McBRYDE: In the Public Accounts I think somebody mentioned earlier what's the difference between travel and transportation. This does appear, the questions that the member is asking for, and if you look at that the question was raised about the transportation. Usually when we picked up - that's when we picked up community people for specific projects or specific training sessions, etc. What's listed as travel here is staff travel, when they go into the community to carry out their particular function.

If there is a community - let's say there's a training session going on in Thompson and we want to bring in council clerks for training at Thompson. Okay, then

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(MR. McBRYDE cont'd) that particular section of the department, local government development council clerks or training branch, would arrange that particular flight. So they might tell people to take the scheduled flight that's coming at a certain time or if there's a certain number of people, that Government Air Division will arrive at such and such a time to pick you up for that training session. So it would be authorized by the departmental person in charge of that particular program and then Air Division - if it's signed by the director, Air Division would not question that item. It is a departmental decision, the department is responsible for that decision and the Air Division would carry it out if it had the signed authorization and bill the department for that service. If it were a training session run by the training branch, then it would appear under their costs and expenses here. If it were let's say a community group exploring an economic development opportunity and they had to go somewhere to meet with the people to sell their product or something like that, then it would appear under our Extension Services who have some funds for that kind of travel.

MR. CHAIRMAN: The Honourable Member for St. James.

MR. MINAKER: Yes, Mr. Chairman. If I understand the Minister correctly then the \$63,280 shown under Transportation in his Public Accounts last year would be those particular types of travel service provided to the people in the north. Would there be any additional travel services of this nature shown in the grant portion of the Public Accounts? Would there ever be any time that this travel service given in the form of a grant would thus be under the grant section or would it be included as well in possibly subsistence. We don't know what that means for his particular department. I see there's a total of \$166,000 approximately for Subsistence when you total them all up, in last year's Public Accounts. Would there be any air travel service in that?

MR. McBRYDE: The department now, for example, makes an annual grant to the Northern Association of Community Councils. Now they might have some, I believe they do, I think they have some travel in their budgeting that we give them the grant for. They have some travel in there. Now they would not be eligible. The President of NACC could not phone Government Air and say I want to go such and such a place. He would have to travel like someone from a separate agency. He'd have to make his arrangements other than that, and there is a limited amount in their budget. So, for example, what they sometimes do - let's say that there was a training session for mayors called to take place in Norway House and people were brought in from around Norway House for that training session. Then the NACC might have a meeting the next day or later that evening to take advantage of the fact that people are gathered together. So for the training session we would have paid the travel bill; they might take advantage of the fact that people are there to hold a particular meeting with them. But they could not on their own use Government Air Services. They would make their own arrangements the same as anybody else outside of public service.

MR. MINAKER: Yes. I know the Minister was talking with his Deputy at the time I asked if there was any air travel service expense included in the Subsistence which is listed in different sections in the . . . It's not too clear what subsistence is to the tune of \$166,000.

MR. McBRYDE: I'll agree with the member that it's not too clear but now it's been clarified for me so I'll clarify it for you. The Subsistence is basically on the travel of non-civil servants, or it is for the travel of non-civil servants. So for example I would assume that if we held the meeting in Norway House and have to rent a meeting hall and the people had to stay overnight, their accommodation and meal costs and the cost of the hall for that particular session would appear under Subsistence. --(Interjection)--- No, the air travel would be under the Transportation item unless the circumstances were such as I explained before.

MR. CHAIRMAN: Resolution 97 (a)(2). The Honourable Member for St. James.

MR. MINAKER: This will be my final question, Mr. Chairman, on this particular area. I wonder if the Minister could advise us the number of employees that are covered in that particular resolution and are any of them located in Northern Manitoba?

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

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MR. McBRYDE: Under that particular appropriation the executive - I'm just trying to see if I can recall all the people under there. The Minister appears under there, Minister's secretaries, the Deputy Minister and his secretaries, and the Minister's Executive Assistant appears under that, and if the Deputy Minister has any special assistants, and I believe that my Deputy has an assistant as well, and in this particular case too there are two people under Executive that are related to the South Indian Lake and Nelson House compensation program. That is to assist those communities to apply to Manitoba Hydro for example to get their traps replaced or their cabins replaced if they had a trapper's cabin that may be affected by the flooding. So out of a total of eleven that appear under Executive, eight are located in Winnipeg; one is in Thompson and that relates to the South Indian Lake and Nelson House; one is in South Indian Lake and one is in The Pas. The one in The Pas is my Executive Assistant.

MR. MINAKER: If I understood the Minister correctly, Mr. Chairman, there's a total of eight under that section?

MR. McBRYDE: The total is eleven. Eight are in Winnipeg.

MR. MINAKER: Eight located in Winnipeg and three are located in the north. I wonder if the Minister could explain why the particular assistants that deal with the South Indian Lake with regards to compensation would be shown under the Executive portion, why they have been selected to be shown under this particular section when they're on a specific program? Normally my understanding is the administration or executive sort of is the overall operation of the department rather than one specific responsibility.

MR. McBRYDE: I think that it's partly a sort of an historical accident and partly out of the various places it could be put, it was one of the most logical.

I think the member would understand how that came about. When people were asking for assistance to get compensation from Manitoba Hydro extra work was required in those two communities.

The other reason is that the Deputy Minister of Northern Affairs is fairly directly involved. That is, he sits on a hydro committee dealing with the effects of flooding in Northern Manitoba and the assistance that is given to communities and individuals as a result of that. These people appear in the Executive because they report directly to him. They're not in a regular section of the department.

MR. CHAIRMAN: Resolution 97 (a)(2)--pass; (a)(3)--pass; (a)(4) - the Honourable Member for Birtle-Russell. The Honourable House Leader.

MR. GREEN: Mr. Chairman, I presume that there's going to be discussion on this item. It might be an appropriate time for the committee to rise.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

Mr. Speaker, your Committee of Supply has considered certain resolutions, reports progress and begs leave to sit again.

IN SESSION

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

MR. D. JAMES WALDING (St. Vital): Mr. Speaker, I beg to move, seconded by the Honourable Member for Churchill, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The hour of adjournment having arrived the House is adjourned and stands adjourned until 10 a.m. tomorrow morning.