

TIME: 2:30 p.m.

CONCURRENT COMMITTEES OF SUPPLY  
ESTIMATES — PUBLIC WORKS

**MR. CHAIRMAN, Mr. D. James Walding (St. Vital):** Order please. We have a quorum gentlemen. The committee will come to order. I refer the attention of honourable members to Page 52 in their Estimates Book. The Department of Public Works. Resolution 102 — Gimli Industrial Park (b) Other Expenditures. The Honourable Member for Crescentwood.

**MR. STEEN:** I believe, Mr. Chairman, when we broke off prior to the noon hour, I was about to ask the Honourable Minister about the Mossport Park vehicle race track and how often it is used and if he would comment on it and that was the time that he was called away to the telephone. Perhaps the Minister might comment at this time.

**MR. DOERN:** The Mossport is Toronto; ours is Motorsport which is similar. We have a leasing arrangement with the Winnipeg circuit management — is that the name of the outfit? — and it is at their discretion as to how many meets they have.

**MR. STEEN:** How often, Mr. Minister, would it be used on average in the summer, once a month or . . . ?

**MR. DOERN:** Say in the last few years?

**MR. STEEN:** Is it a once-a-month proposition or weekly?

**MR. DOERN:** Three to five races per year. Major races. There's probably many events but I guess these are public events that are publicized and attended.

**MR. STEEN:** The Graf-Tech Publications, commercial printing and technical publications, is that a government printing firm or is that a privately operated printing firm?

**MR. DOERN:** These are apparently ex-Saunders employees who formed their own commercial printing and technical operation and there are 17 full-time employees. They are not all Saunders but I guess the majority.

**MR. STEEN:** Yes, but it's a privately owned function today. The Flying School — Interlake Aviation Flying School — is that just a small flying school that has a few persons in the area that are taking flying lessons or is it a fairly good size?

**MR. DOERN:** Apparently business is picking up for them and they are doing fairly well but it is only one person full-time. It is more of a club than a commercial operation.

**MR. STEEN:** Jumping down the list a few to the Leocraft Industries, a manufacturer of recreational vehicles. What in the way of recreational vehicles does this particular firm manufacture?

**MR. DOERN:** They manufacture recreation vehicles, motor homes, trailers, etc., 59 full-time staff. It's a very big operation.

**MR. STEEN:** Mr. Chairman, the Public Insurance Corporation Autopac Claims Office, there is one in Selkirk, Manitoba which has been established recently. Would this be just like a one-man operation as a sub-branch from Selkirk?

**MR. DOERN:** This is a once-a-week operation. It's a claims office and there are two part-time employees.

**MR. STEEN:** Can the Minister tell us whether the prefab home, Misawa Homes, is still operating at the Gimli Park and what would their size be?

**MR. DOERN:** There are seven full-time staff and I am not too familiar with whether they are actually manufacturing or shipping. I don't know whether there is any production going on yet or whether it is of a minor nature but they are certainly shipping and I guess that's about all I can say.

**MR. STEEN:** Can the Minister tell us what the term of their lease is with the Industrial Park?

**MR. DOERN:** It is a one-year lease which expires at the end of the year.

**MR. STEEN:** In the list of tenants, there is Saunders Aircraft Corporation. Can the Minister tell us how much of the Saunders is still in operation at the Industrial Park?

**MR. DOERN:** This is, in technical jargon, product support and there are eleven employees full-time.

**MR. STEEN:** And are they on a lease basis?

**MR. DOERN:** They occupy one-and-a-half hangars I think they had a couple before, that's three, they're down to one-and-a-half. Their lease has expired, but they are on a month-to-month lease, which is still a lease.

**MR. STEEN:** Can the Minister tell us what their rental rate is?

**MR. DOERN:** It's the same as our other leases. I think it is 50 cents a square foot, plus they pay, I think, heat and light, etc.,

**MR. STEEN:** Their utilities themselves.

**MR. DOERN:** We intend to increase the cost of the basic rent starting next year.

**MR. STEEN:** Mr. Chairman, to the Minister. In this particular case, the Saunders Aircraft

Corporation, are the Saunders people paying the rate or is the Manitoba Development Fund paying the rent.

**MR. DOERN:** Well, I think the finer details I won't be able to answer, but we deal with Saunders Aircraft and they, in fact, owe us rent. But because of the fine record of the people who are behind them we take them on faith because we know that it will be paid.

**MR. STEEN:** Mr. Minister, are you saying then if the Saunders Aircraft Corporation were to default on their payment then the department could collect it from the Manitoba Development Corporation?

**MR. DOERN:** We would have the same position as any other secured creditor. I don't know who else is in line but you know, we know we'll get the money.

**MR. STEEN:** Can the Minister give us the exact amount they are in arrears?

**MR. DOERN:** \$150,000.00.

**MR. STEEN:** Mr. Chairman, that's all the questions I have for the time being.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. ROBERT G. WILSON:** Well, my concern would be the housing aspect of the Gimli Industrial Park. But first of all I'd like to ask the Minister, and I hope these questions haven't been answered. Last year, in a newspaper article on March 19, the Minister projected the deficit would be \$810,000 for the coming year and that the 1975-1976 deficit had been around \$200,000.00. Was the Minister correct in his crystal-balling or did he understate or overstate the deficit?

**MR. CHAIRMAN:** The Honourable Minister.

**MR. DOERN:** I think we'll have to dig that out, go back to it perhaps.

**MR. WILSON:** The next aspect is: I asked the Minister a question in the House pertaining to the shortage of housing in Winnipeg, especially for families on social assistance, handicapped, the sick and elderly, and Minister quoted to me at that time that approximately 50 percent of the housing units were vacant. I was wondering has this vacancy been caused by the fact — you suggested to me that you have increased the rent. Could you give me a breakdown of the rents' say six months ago and what they are today?

**MR. DOERN:** I think it's quite clear that the reason for the vacancy is the wind-down of Saunders. That is the reason. The rents are the same.

**MR. WILSON:** Is the Minister telling me that in the last six months there's been no increase in rent?

**MR. DOERN:** That's right.

**MR. WILSON:** Would the Minister care to give me an example of a two or three-bedroom unit, what type of rent. Does it include the light? Does it include the heat? Does it include the water? Or are they all separate metered? Last year the Minister promised me he was going to look at the idea of metering them because of the fact of suggested statements on my part that had been reported to me that because the tenants did not have to pay for the heat, they were leaving the doors and windows open in the winter months; because they didn't have to pay for the lights, they were leaving the lights on all night and because they didn't have to pay for the water . . . they were a very interesting group of tenants.

**MR. DOERN:** Did they draw their shades?

**MR. WILSON:** Well the question I am asking is, could the Minister give us some indication, because after all, we don't mind supporting people if they are the needy but we can't see supporting people if they are paying a subsidized rent. The rest of the taxpayers in Manitoba are subsidizing their rent. In other words, if a three-bedroom apartment is going for \$135 and in the Town of Gimli it's renting for \$225 then obviously you're competing with the housing market in the Town of Gimli and you're also, you know, giving out accommodation at a questionable low rent. If these people don't work for the government, or even if they do, has this been a union negotiated situation, or what?

**MR. CHAIRMAN:** The Honourable Minister.

**MR. DOERN:** Mr. Chairman, I would provide as food for thought the following points of information. Down the highway are a number of large apartment blocks the Federal Government has paid for, and I think they've been vacant for what, ten years? — (Interjection) — Selling them as condominiums. Well, let's just say that regardless of their success, for years they have been vacant, which to me is a crying shame and scandalous. In our case, we want to be able to lease these facilities. What's the alternative? The alternative is to leave them empty, so we try to provide what is a reasonably attractive rate, I guess bearing in mind the real estate market in Gimli, and also within the AIB guidelines.

Let's take the rates. You wanted an example, I'll give you an example. A two-bedroom rents at \$135.00 a month, three-bedroom \$148.50. This includes Utilities. A four-bedroom is \$165.00 and a five-bedroom is \$214.00. So the rates are attractive, but at the same time, as attractive as they are, they are half empty.

I don't know if you've ever seen any of these units. I stayed in one last year when we had a Public Works conference there for a couple of days. We had an annual conference there. They're nice, they're clean, etc., etc.; but I don't know if they're well insulated, not insulated at all, and it's not 1977 Winnipeg standards of construction. They are comparable, I suppose, to the dormitories, namely

that they were built during wartime, etc., they're older. I don't know how many women would be thrilled about living there. I think many women would be satisfied, but if someone is used to looking at these lovely developments in Winnipeg, they would find this a far cry from that.

**MR. WILSON:** Well, this government is always famous for turning the tables on the Federal Government, sort of like the pot calling the kettle black. We have a situation here where the Minister, on one hand, holds a seminar to talk about heat conservation and everything, and then, under his same department, he's renting out homes that aren't insulated and then having the taxpayers of Manitoba paying for the heat. I alluded to problems that I think arise when you do have the tenants having the utilities all-inclusive. I don't think that is a wise policy and it should be looked at. Furthermore' as I say, I can't for the life of me understand, when the City of Winnipeg is failing to condemn some terraces and that because of the unbelievable housing shortage and the lack of dwelling for native families and, as I said, sick and handicapped people, I can't see why these units are not made available for people on social assistance if there is that drastic housing shortage.

I think the Member for Gimli should answer the charge as to, would his constituency welcome people in that area to help fill up these units, or what is the story pertaining to them if there is that type of vacancy. The second thing is, during the summer months, you can very seldom acquire accommodation if you want to go up there, most of the motels are filled. Why doesn't the Minister look at — there is one area probably that would pay for itself, unlike the one down the road called Hecla Island that's going to cost about \$9 million. I think the Minister has to project to us here at this committee what he intends or what he envisions the future of this complex. Is it going to be condemned, is it going to be upgraded? In other words, we've got to have some idea in this committee where we're going with these units.

**MR. DOE:** The honourable member says that he finds my criticism of the Federal Government a case of the pot calling the kettle black, but he's privileged to be neither a pot nor a kettle, so he can condemn both of us. He has that privilege. We have installed metering in these units for electricity and heat, and we will at some point in the near future, cut in with the metering, so that should satisfy the honourable member.

We have also a new firm that's on the verge of coming into the industrial park. They are waiting for final approval of a DREE Grant and if and when they come, we expect them to come, they will have 75 staff, and we expect that a goodly number of them will then occupy these particular units.

The other point I make to the Member for Wolseley, counter to the same point that I made to him in the House, and that is, that it's all very well to say that there are people in Winnipeg who need certain housing, etc., etc., but these homes are in Gimli. And I don't know whether people who live in Winnipeg and maybe like Winnipeg and perhaps have relatives in Winnipeg, whether they be on welfare or whether it's their own money, want to move 60 miles out of Winnipeg so that they can commute. Some might think it very fine, but people live in communities for a variety of reasons. We all know that there are parts of the country and there are parts of the province where jobs are available. I suppose people can go and work in the mines in northern Manitoba but there are people who won't go. We certainly can't run a shuttle service between Winnipeg and the industrial park. So I think that we have been very successful.

We suffered a setback in terms of our operation because of Saunders, but I think it's picking up again and with a little bit of luck, we may again approach full occupancy.

**MR. WILSON:** Then I can have the assurance of the Minister that once new industry comes to Gimli under the help of a DREE Grant or whatever, and that the units are again 80 to 90 percent full, that we can look at turning that complex into a viable one by having competitive and realistic rates in light of the fact that costs have gone up. Certainly to have a zero rent growth is not very encouraging.

The other thought that occurred to me is that we should be looking at some indication from the Minister again, are they going to be upgraded in any way to allow us to demand higher rents? The other comment is that his government brings a lot of people in from the north with promises of a Utopia in the City of Winnipeg and a lot of these people would welcome housing I'm sure.

**MR. DOERN:** I don't know if I heard all of the comments of the honourable member but I agree with most of what I heard.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** The last comment. Because of the transient nature of some of these tenants that were in there, could he give us an indication, did they have any rental revenue write-off or did you get stuck with any major repair bills from tenants?

**MR. DOERN:** I think like most landlords, we did get stuck with some, you know, a small percentage which we didn't think was too far out of line. I also want to say that on the operation last year, last fiscal year, on a \$2 million budget, we were within \$5,000 of breaking even. So for all intents and purposes, on the housing, we broke even.

**MR. CHAIRMAN:** Resolution 102(b). The Honourable Member for Birtle-Russell.

**MR. GRAHAM:** Well, Mr. Chairman, I would like to go back a minute to the \$150,000 in arrears that Saunders is on their lease. Could the Minister indicate how many months that figure involves?

**MR. DOERN:** Sixteen months.

**MR. GRAHAM:** Sixteen months. Mr. Chairman, if other agencies were that far in arrears, would the management of the Industrial Park be concerned about collecting their money?

**MR. DOERN:** A letter was sent by Mr. Dunlop on April 4th asking for the money and we assume that it will be paid. It's rather embarrassing to sue yourself:

**MR. GRAHAM:** Mr. Chairman, is that the first letter that has gone out requesting payment of an outstanding account in this particular respect?

**MR. DOERN:** Well, there has been a general withdrawal as everyone knows, the operation is being wound down and we have had general correspondence. This particular letter I think maybe would bring matters to a head. The situation, though, remains the same, namely that they have declared bankruptcy, there is a Receiver and we stand in line with other creditors.

**MR. GRAHAM:** Mr. Chairman, if some other user of the park gave indication of phasing out their operation, would the park not take action before 16 months was up to try and recoup some of the overdue rent?

**MR. DOERN:** If there was a bankruptcy we'd be in an identical situation. We haven't had any other experience and so therefore the question is academic.

**MR. GRAHAM:** Mr. Chairman, I ask the Minister, is it the policy of the Industrial Park to wait until bankruptcies are declared before they press for rentals?

**MR. DOERN:** No.

**MR. GRAHAM:** Mr. Chairman, to get onto another subject again, I'd like to go back to the operation of your Aspen Lodge Cafeteria. I would like to ask if that cafeteria has in its operations a liquor license?

**MR. DOERN:** No, there is no license, but for occasional do's, etc., there are occasional permits. So liquor is served when there is a permit.

**MR. GRAHAM:** It's all done by occasional permit. Thank you very much.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** Mr. Chairman, just to finish up what the Member for Birtle-Russell was talking about, it would seem to me the Minister might be well advised — because in a bankruptcy the landlord is entitled to three months as a top priority and anything over and above that he then gets down amongst the soap and the dishes and whatever else bills may be owing, in other words he's an unpreferred creditor. I wondered if the Minister could indicate to me if he knows if the Minister in charge of Saunders Aircraft has added that \$150,000 loss to his statement, because in my election material I want to advise the public how much Saunders Aircraft has lost, and if somehow or other a \$150,000 in rental arrears is not being shown I'm not giving an accurate figure and I'm one who doesn't like to be too conservative.

My second part is, if the cafeteria and the complex are operating at 50 percent occupancy, what has the staff reduction been and has there been any move by the government's management team to rent out the cafeteria space for weddings, banquets and what-have-you? Is it suited for that?

**MR. DOERN:** In the first part I assume that their financial statement should show their accounts payable or their arrears.

We did answer that question earlier — the second question. There were 106 events held there. I'll give you the larger ones: 4 camps, 33 banquets, 8 weddings, 6 luncheons 4 socials, 14 seminars, 22 conferences; all kinds of things, teas, workshops; quite successful and quite popular, making money.

**MR. WILSON:** That's all my questions.

**MR. CHAIRMAN:** The Honourable Member for Crescentwood.

**MR. STEEN:** Mr. Chairman, to the Minister, we're approving the Estimates for the year ending '78. We have the figures for the year ending '77 — the Estimates. The report that we have for his department is for '75-'76. In this, your report on the Gimli Industrial Park, it says that "The park is maintained and operated by 58 Department of Public Works staff. The Minister, this morning, said there were 74 employees there, but no change. So I would take it that there was no change this year from last year, but a year ago from two years ago there was a change from 58 to 74.

**MR. DOERN:** That figure could have by accident, not included the 20 staff from Aspen Lodge. Let's just check here a bit.

**MR. STEEN:** A lot could depend on how one reads this then. It says, "The Park is maintained and operated by 58 Department of Public Works staff. Aspen Lodge, a dining and banquet facility is operated by the Department of Public Works with 19 full time employees."

**MR. DOERN:** That's correct. You add those together, and there were three transferred out.

**MR. STEEN:** The operational cost of the Gimli Industrial Park appears to be in the neighbourhood of \$2 million with Salaries and Other Expenditures. Can the Minister tell us what the gross volume at the Industrial Park is with all the rents from all the various agencies. It's costing the department \$2 million approximately a year to run what size of a business?

**MR. DOERN:** I wonder if the member could just recap that question.

**MR. STEEN:** If you add the salaries for the employees, plus the other expenditures you're in the

neighborhood of \$2 million. What is the gross amount of business done in the Industrial Park? What I'm trying to do is get a ratio of what it's costing to run the Industrial Park in comparison to the volume of business that is done there.

**MR. DOERN:** Are you talking about retail sales by the people who rent from us, or government expenditures and income?

**MR. STEEN:** I think that the amount of money that comes into the department books in the way of rent and revenue. Is there a way of comparing expenditures to revenues?

**MR. DOERN:** I'd like to correct a statement. I think we got a couple of figures mixed up earlier. I made a statement of a \$2 million operation and within \$5,000, and then I said right after that, on the advice of my Director, that we were within \$5,000 of breaking even and then I added — on the Housing. Okay? I was using two figures there, one on the total operation, one on \$5,000 in the Housing.

On the Park's operation, the total operation of the Gimli Industrial Park, and Aspen Lodge and everything, we had a revenue of thirteen forty-five, one million three hundred thousand, forty-five. There was, in fact, a loss of \$692,000 last year, operating.

**MR. STEEN:** The revenues of \$1,345,000, Mr. Minister, those moneys are paid to the Minister of Finance?

**MR. DOERN:** Right.

**MR. STEEN:** So, therefore, in your books you don't show an item recoverable, because it's paid directly. All revenues are paid to the Minister of Finance.

**MR. DOERN:** Right.

**MR. STEEN:** I see. That's fine then.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** Well, one of my last questions would be possibly just a recap by the Minister. We talked about a loss of \$692,000 operating, together with a \$150,000 rent owing by Saunders Aircraft. This means that the Minister's projections last year of \$810,000 are, in fact, low. Can the Minister, again he said he was going to get those figures for me, maybe he did read them into the record, but would it be fair to say that since the Minister took over this department this particular Gimli Industrial Park has been steadily, for a number of reasons, not all his, whatever, but it's been going down and it's costing the taxpayers more and more money. Is there any hope for the future, that we can promise the taxpayers of Manitoba that we're not going to continue to pour money into this Industrial Park. What is this government doing to attract business, attract industry, attract people to live there so that we won't get into the situation where we're losing a million dollars a year on an Industrial Park that certainly could be, with incentives, attracting business, with the help of the Federal Government and their DREE Grants. I know a lot of businesses that have located in Winnipeg because of this DREE Grant situation and I would like some comment from the Minister. That's my hope, that we can get the Minister to indicate we're not going to continue to lose a million dollars a year on this operation.

**MR. DOERN:** I suppose the big ace-in-the-hole that we had was the fact that the Federal Government had put up a million and a half dollars as a contribution and we have been negotiating, I guess for months, to attempt to get another contribution from the Federal Government. I think that they should, that they are morally obligated to make such a contribution to the Industrial Base. So if we're successful there of course that will be a major help. The \$150,000 is included in the \$692 so it's not \$692,000 plus \$150,000, it's within the \$692,000. So, if we're successful at recovering that, then that will take it down to \$540,000.

Promotion, etc., we largely leave to Industry and Commerce, all their campaigns that they're so adept at, going back to when the Member for River Heights was the Minister and he had the drummer boy theme and all sorts of other fanfare and hoopla. That sort of specialty is. . . Us, we're just a solid low profile department. But I'm sure that Mr. Dunlop gets inquiries and does his little bit of PR and promotion. We have pamphlets prepared, etc. that are sent out.

The alternative to what we're doing is' of course, to close it up and I think that would be a disaster. I think that, as I say, given some federal support, which I think is required and reasonable, and given some additional industry, I think we will be in a strong position again. I guess we've had our ups and downs. I think we've been quite successful in the first few years and I think we're now in a slight downturn, but we're hoping to come out of that.

**MR. WILSON:** Well, my only comment is obviously this Minister doesn't have the communication with Industry and Commerce that might be necessary, because I notice there was a very viable paddle company up in Dauphin that the government saw fit to go in and compete with and now both are in trouble. I notice that the paddle company, the Credit Union foreclosed on them. If the government is insisting on going into the paddle manufacturing business, why not locate it in Gimli? That's just the type of suggestion that I'm talking about. So, I'll take the Minister's comments and just leave it at that until I can offer some concrete suggestions.

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

**MR. GRAHAM:** Mr. Chairman, I wonder if the Minister could give us the assessed value of the Industrial Park?

**MR. DOERN:** We can provide that information but it is not available here. We can tell you the taxes.

**MR. GRAHAM:** Well, is it taxes or grant in lieu of taxes?

**MR. DOERN:** Grants in lieu.

**MR. GRAHAM:** Could the Minister indicate that?

**MR. DOERN:** \$146,000 this year, which goes to the R.M. and it'll be \$171,000 next year, so that can't be ignored.

**MR. GRAHAM:** Mr. Chairman, for that amount of money what services does the Rural Municipality provide to the Park.

**MR. DOERN:** Garbage pick-up and police.

**MR. GRAHAM:** No fire protection. I was waiting for an answer from. . . .

**MR. DOERN:** Well we have some fire protection from the RM, but we've also worked out an arrangement whereby we have a volunteer fire department on the base which is paid for — the expenses of the volunteer fire department which is ours operates on the basis paid for by the town and the RM.

**MR. GRAHAM:** There is no cost then to the Park itself for the fire. . . how about the initial cost of the equipment?

**MR. DOERN:** We bought a fire truck, a used fire truck.

**MR. GRAHAM:** That is all, Mr. Chairman.

**MR. CHAIRMAN:** Resolution 102(b)—pass; Resolution 102(5) Provincial Land Acquisition (a) Land Acquisition Branch (1) Salaries. The Honourable Member for Crescentwood.

**MR. STEEN:** Mr. Chairman, to the Minister. Salaries \$25,900, I would imagine that's one person, right?

**MR. DOERN:** I am sorry. We are on Land Acquisition.

**MR. STEEN:** Okay. No, higher, (a)(1) Salaries, \$678,800. That is for how many persons?

**MR. DOERN:** Forty-nine SMY, which is the same as last year.

**MR. STEEN:** I have no further questions at this time. Some of the other members do, though.

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

**MR. GRAHAM:** Mr. Chairman, I think perhaps it may be more appropriate to deal with the whole Land Acquisition activities under this particular aspect of it dealing with the Salaries. Maybe I will deal with the Land Value Appraisal Commission later on, but has there been any significant change in the policy and the direction of the Land Acquisition Branch in the last several years of its operation?

**MR. DOERN:** No.

**MR. GRAHAM:** At the present time then, the Land Acquisition Branch still acts, say, on behalf of Manitoba Housing and Renewal Corporation and other agencies of government?

**MR. DOERN:** We operate on behalf of all of the government except the four excluded by legislation.

**MR. GRAHAM:** Has there been any consideration given to removing Manitoba Housing and Renewal Corporation from the umbrella activities of the Land Acquisition Branch?

**MR. DOERN:** No.

**MR. GRAHAM:** Through you to the Minister, Mr. Chairman, what is the general policy of the Land Acquisition Branch as far as purchasing is concerned? Is it to try to keep the price of land down or is it to acquire as quickly as possible the land that is required by the various levels of government or just what is the general policy of the branch?

**MR. DOERN:** We are really talking in generalities now, but I suppose the task of the Land Acquisition Branch is to act quickly and to acquire at a fair market price. I mean we don't go in and offer a tenth of market, try to club the citizen into submission. Our job is to look at comparable sales. That is the key word here, what is comparable in the area, similar property for similar use at a similar point in time. And when you know that, that is the basis. Now then, after that the matter is referred to the Land Value Appraisal Commission and they are a watchdog not only to see that the government isn't paying too much, but to see that the government isn't paying too little. So it is kind of a two-pronged operation in the end but we have, I don't know how many, qualified appraisers on staff, about ten fully-qualified appraisers and I guess other people who are at various stages of acquiring their papers and their experience.

**MR. GRAHAM:** Mr. Chairman, the reason I asked the question is I believe there are some examples in some cases that have caused some consternation to the various levels of government where the Land Acquisition Branch and the Land Value Appraisal Commission have in fact, either because they felt the price was too high, have not recommended the purchase of land for a specific purpose as was requested of them by the various authorities.

**MR. DOERN:** I just this week composed the longest letter to the editor that I have ever written. It is a three-page, singlespaced letter on that topic concerning the Member for Fort Rouge and a Free Press editorial on Bill 4. And there is no way that you can run the gamut and not get hit on one side or

the other. There is always going to be somebody who will say you are paying too much and there is always going to be somebody who is saying you are paying too little.

On one isolated example you might have agreement but essentially that is the nature of the business, somebody saying you are throwing away the taxpayers' money and on the other side is somebody saying, look at that poor little widow or that poor immigrant. —(Interjection)— Yes. And in the case of the Liberal Party we have Mr. Arenson saying you are cheap, hard, and paying too little, and Mr. Axworthy saying we are throwing away money, so how can you please everyone? You are trying to determine price.

I say unless you have knowledge of a particular instance, you are really shooting in the dark because unless you have acquaintance with a particular situation, you could be completely out as to whether or not, say, a house that we bought for \$14,000 is worth \$12,000 or \$30,000 unless you know the house, know the area, know the market, you are just really guessing.

**MR. GRAHAM:** I would like to ask the Minister, then, if he wouldn't think that possibly if he exerted more of his efforts into the activities of his committee rather than spending a great deal of time writing letters to the editor. Now maybe the editor is going to solve the problem, I don't know, but I think that it seems somewhat foolish that we should pay a man a fairly high-priced salary to be handling these activities and find out that he is spending most of his time writing letters to the editor.

**MR. DOERN:** Mr. Chairman, if writing one letter a year to the editor is spending most of my time, that is a remarkable statement indeed. But I don't really involve myself at all with the Land Value Appraisal Commission. They are semi-autonomous. I don't meet with them and tell them to kick this place up and knock that one down. That is not my responsibility and I am generally acquainted with problem areas and I get a stream of correspondence from my director on matters that he thinks should be drawn to my attention. I guess there are literally thousands of transactions that go on every year and I certainly am not acquainted with all of them and I don't want to be. I have other responsibilities. I have considerable confidence in Mr. de Zeeuw, he has been praised to the skies, I think correctly. I have heard him called by some people the best civil servant in the Manitoba government. I wouldn't say that myself; I would just say he is in the top ten.

**MR. GRAHAM:** Mr. Chairman, has the Minister paid any heed to any of the studies that have taken place and the recommendations of the various studies that have taken place regarding the suggested changes in policy with respect to Land Acquisition?

**MR. DOERN:** I am simply not familiar with what the Minister is referring to when he talks about studies and so on. I don't know if he is talking about appraisers' journals or studies he has heard or read about. I know of no such studies.

**MR. GRAHAM:** Mr. Chairman, I refer in particular to a study commissioned by the Manitoba Housing and Renewal dealing with Land Acquisition. In the summary of their recommendations, and it seems rather surprising, I will quote from Recommendation No. 15, the Land Appraisal Board and the Land Value Appraisal Commission have made policies which are . not within the terms of authority laid down by the Land Acquisition Act. Now if there are activities going on that are beyond their terms of reference, I think the Minister should be concerned.

**MR. DOERN:** MHRC or us?

**MR. GRAHAM:** Your department, the Land Acquisition Branch. If you are carrying out activities which fall beyond the terms of the Land Acquisition Act, then I think the Minister should be doing something to correct that.

**MR. DOERN:** I know of no such activities. If the member can draw to our attention what they are, we could comment. I might point out that the author of that document is no longer with MHRC so I don't know what credence has been placed on his comments.

**MR. GRAHAM:** Well, I will go on, and again it is coming down to what I referred to earlier. It says, "The Land Value Appraisal Commission has refused to certify the price of some acquisitions because they did not believe that the property being acquired was a suitable location for the Manitoba Housing and Renewal Corporation."

**MR. DOERN:** On that point I might concur with that particular criticism. That happened in one or two instances. I think that objection was raised and the objection was accepted by the Land Value Appraisal Commission that that was not in fact within their terms of reference so they ceased doing it.

**MR. GRAHAM:** Can the Minister indicate when that practice ceased? Was it when there was a change in the personnel in the Land Value Appraisal Commission or was that policy instituted prior to the change?

**MR. DOERN:** I think that this arose a couple of years ago and this was sort of discussed and, as I say, it was agreed to and so the practice stopped.

**MR. CHAIRMAN:** If the honourable member has any further comments on the Land Value Appraisal Commission, I wonder if he would defer them until we reach that heading?

**MR. GRAHAM:** Mr. Chairman, it is very difficult to differentiate between one and the other because the two must of necessity work fairly closely together and if it is agreeable with the Committee, I would choose to deal with the two together because there has to be a cross-reference

constantly between the activities of the two.

**MR. DOERN:** Mr. Chairman, on the point of order, though I sympathize with you as Chairman, I think that what the member says is true, that the two are intimately or intricately involved and perhaps we could allow some lenience so we don't get too precise. You really can't discuss one without the other so if we could have some lenience, it might help us further our work.

**MR. CHAIRMAN:** The Chair does prefer to extend a certain amount of latitude to honourable members, but it was the member himself who brought up the commission by name and a decision it had made.

**MR. GRAHAM:** Mr. Chairman, I would ask a rather general question then. Have the activities of the two commissions or the two branches shortened the time cycle appreciably in the whole acquisition process? There has been concern raised on numerous occasions that it is a very involved and lengthy program and there has been considerable delays as a result.

**MR. DOERN:** I think in general that the process by its very nature takes time and the alternative is to ram things through, or "haste makes waste." And I think that there is very little that I can see to speed up the process that could be done. You know it takes time to make an appraisal. It takes time to acquire land. It takes time to negotiate, to serve notice to people, to give them a chance to raise objections or barter and bargain with us. Sometimes I guess it takes us a year or two to acquire a piece of land.

**MR. GRAHAM:** Another rather general question of the Minister. In the total acquisition policy of the government, and I understand they have acquired considerable property over the last several years. In a general ballpark figure, could the Minister give me a rough percentage estimate of the amount of land that has been acquired through the expropriation process rather than through the straight acquisition where there is an agreement on both sides?

**MR. DOERN:** First by agreement, on 260,000 acres, there were 14,000 by agreement — 14,000 agreements equalled 260,000 acres. My Director is giving me an estimate that probably an additional ten percent was by expropriation.

**MR. GRAHAM:** About ten percent of our land acquisition ...

**MR. DOERN:** Additional.

**MR. GRAHAM:** ... then goes through the expropriation process.

**MR. DOERN:** A maximum of ten percent.

**MR. GRAHAM:** Has that figure changed appreciably from year to year, or is it a slowly increasing process annually?

**MR. DOERN:** The Director has been with us for about 12 years, and again we're talking generally here now. He says basically it's constant from year to year but possibly in the last year or two there has been a little more difficulty than had been experienced previously. Remember, you're into a period of high inflation, and land prices people want more money, they figure they should get more money. Everybody is making a killing, they should make a killing. I guess when the market is static, you have very few problems; when it's hot, then you have more problems.

**MR. GRAHAM:** Well it appears that at the present time there is a levelling out process. Has the expropriation process been decreasing in the last two or three months?

**MR. DOERN:** It's very hard to comment within a period of a few months but expropriations often occur only after there has been a breakdown in negotiations and negotiations may have gone on for months.

**MR. GRAHAM:** Mr. Chairman, I understand that at one time in the land acquisition process there was some difficulties I believe getting the necessary approvals from the Department of the Attorney-General. There were some delays there. Has that problem been resolved now?

**MR. DOERN:** If the member could be more precise we might be able to answer that.

**MR. DOERN:** I believe in the process of acquisition, I think there is one step there where you require signatures from the Attorney-General's office, is there not? Or has that been removed?

**MR. DOERN:** We're not aware of any problem and if so there hasn't been for a number of years.

**MR. GRAHAM:** With the change in the Land Titles Office and the process that they are going through in the processing of Land Title Certificates, have the problems that existed there diminished?

**MR. DOERN:** In the registration of survey plans, there is a backlog but there is a new system that's just right now going into effect and it's anticipated that they will clear that backlog in the next couple of months.

**MR. GRAHAM:** So the change in processing there has not been fully implemented then, to your knowledge?

**MR. DOERN:** Right.

**MR. GRAHAM:** I think those are basically the questions I had, Mr. Chairman.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** I wanted to get into the idea of what the Minister seems to be running into in this responsibility he holds. The first observation I make is, does the Minister feel that public



announcements by his fellow Ministers — he talked about acting quickly. He talked about basing prices when he's going around acquiring because of comparable sales. Does he find that sometimes public announcements by fellow Ministers add to the cost of these buildings? I refer particularly to the former Minister of Autopac. He seemed to give an indication that the Autopac Building was going in the core area and I wondered if the Minister might deal with that separately, but maybe give me some indication as to what the commercial acquisition would be on a building like that? In other words, my experience in City Council meant that you did have to act quickly and a lot of times public announcements and ribbon-cutting situations were made far in advance of the staff being ready with the notices and everything, and as a result many strange things happened: Long-term leases are signed, lease options are signed, and things like this. Does the Minister see some problem in dealing with these commercial acquisitions that he has to overcome compared to the private sector? In other words, does the government pay a whopping amount more than the private sector when it comes to acquiring land and assembling land and/or the leases for a government building?

**MR. DOERN:** Well, you know, clearly, if an announcement is made that we are going to build here or buy here, then the word gets out and up go the prices. It's obviously not a good policy to announce a program and then trundle down there a few weeks or months later and start negotiating. That's not the best way to do business. It's clearly better not to be too precise in terms of those announcements or not to make any announcements in that regard.

I suppose the best way to operate when a decision is made and there is a clear act of will or intention on the part of the government, is to actually expropriate. The fact that you expropriate doesn't really mean that people don't have a chance to bargain with you, it simply means that on the particular date of the expropriation, the price is frozen. Then there is also a certain advantage there as well because if someone settles early in the game and somebody holds out another six months or eight months, then often a higher price is paid and somebody is disgruntled.

So premature announcements can be damaging. In the case of the courts, the magistrates' courts or provincial courts across from the City Hall, we started off with an expropriation — it was just "bang" — designated the area and expropriated it. And there was not a single objection raised. I thought there would be and we were concerned about enquiries and this and that. I don't know how many business there are there, four businesses. Russell Foods I think is in there, William Restaurant Supplies rather, etc., you know, both the former councillors know the area well. No objections at all.

**MR. WILSON:** The Minister has told us the good news, now . . . how about telling us the bad news. Did he have any difficulty, because of announcements by his fellow Ministers, in acquiring the commercial acquisitions for some of these other buildings? Could I deal with the Autopac building? It's been rumoured that some very interesting increased values in leases came forward and I wonder if the Minister could tell me the cost of commercial acquisition for that building? I believe that's the one that has the Brunswick Hotel and what have you.

**MR. DOERN:** There were only two properties, neither of which were leases. One was the Brunswick and the other one was the Victoria Candy Company. I think, to the best of our knowledge, the price we paid was reasonable in a sense of reflected market value and the operations of those facilities. I guess the Brunswick was a highly successful beer operation and I don't know about how many candies came out of the other company.

**MR. WILSON:** Well then, what I maybe was looking for — because the province pays for 50 percent of a lot of the capital projects that the City of Winnipeg has, could the Minister in discussions with the City, if his success with the City Courts is so fantastic — could the Minister see that all levels of government operate in an expropriation manner rather than making premature public announcements which cost us a fantastic amount of money? Now that is a compliment to the Minister if in his short period in office that he realizes that, because I've been saying that all along. I said that when we were dealing with the Portage and Main operation. We had companies that were bankrupt all of a sudden became worth a lot of money because of an appearance of a ten-year lease. And people who had signed leases with their wives and things like this; and ten-year options for automotive supplies, five and five. This is the kind of thing, somebody has to buy them out.

We're in agreement on that aspect, but I would like to get back to the problems the Minister had with the new Government Garage and the problems he had with the Law Society. Is the Minister satisfied that the Law Society dealt properly with his complaint or his enquiry pertaining to the conduct of Mr. Arenson with his dealings with them? Did they do anything at all?

**MR. DOERN:** That was an interesting episode and I drew to the attention of the Law Society certain activity on the part of a lawyer which I thought was . . . I don't know if I want to use the word "unethical" but let's say that it was peculiar at any rate, because I thought that the lawyer was taking to the streets and taking to the media to argue his case in court as well as being sort of one foot . . . I guess he had one foot in the streets and in the media, one foot in the political arena and two arms in the law books.

The result is that I just felt that he had gone beyond normal conduct for a lawyer so I drew it to the attention of the President of the Law Society who is a distinguished lawyer in his own right. He wrote

me back a very very interesting letter which I thought was written more for posterity than for me. It sounded like a learned judgement written for history. I then replied to him and said that I did not know why he had answered the letter in a particular way. I pointed out that his defence was not a very good defence, which was perhaps presumptuous on my part. He wrote back and said he wasn't at all dealing with the case at hand, that he was simply writing some sort of a philosophical letter on the matter. I assumed that what triggered the letter wasn't philosophy but was the argument that I had with the other lawyer.

Then I thought, well, I'm not satisfied with him. He said that I sort of shouldn't hide behind the fact that I was a Minister of the Crown or something. He then said that he wasn't answering me as a President of a Law Society, he was simply answering me as a citizen or a lawyer. So it was sort of okay for him to not act as a President of the Law Society, or write as a President of the Law Society but it wasn't okay for me to act as a Minister. I then thought, well, I'm not satisfied with Arenson's behaviour and I'm not satisfied with the letter that I received from the President of the Law Society, so I will formally lodge a complaint with the Law Society.

Now, I have to only tell you my personal feelings on the matter. I did not think that I would receive a fair hearing because I was attacking a lawyer and attacking the President of the Law Society. I assumed that people and human nature being what it is, that the Law Society would not spring to my defence but would be inclined to support their own members.

Many months later, I received a very terse letter from the Law Society, I think a paragraph, saying they had looked into the matter and there wasn't anything there, period. I was also threatened by a lawsuit by Mr. Arenson, he was going to haul me into court and he hired himself a lawyer; and I asked a lawyer, a very very good lawyer to act as my lawyer in the event that anything came of it other than a few letters. So my lawyer, Murdoch MacKay, who is not only a good lawyer but a good candidate, wrote back a few letters and there was about 20 cents of postage wasted in the process but nothing ever came of it.

So I don't know if it was a tempest in a teapot or we fought to a draw, but I was not surprised with the result, the result being that my complaints were ignored and the other result being that the threatened lawsuit evaporated. I anticipated both and both happened.

**MR. WILSON:** Maybe I should be asking the Minister the same question I asked the Minister of Labour, could he indicate Mr. MacKay's fees for this service?

**MR. DOERN:** I think he did it for posterity, less six percent.

**MR. WILSON:** I would like to again get the Minister's thoughts because I'm concerned as well. My experience at City Council was that if we didn't expropriate, if we went in as the good guy — what I'm suggesting to the Minister and maybe I'll ask his comments first — but mine was that if you sent the private sector out, whether it was Oldfield, Kirby or Aronovitch and Leipsic and asked them to assemble some land for you, they would go out and buy up the houses at the market value, or market value plus. They would do this for you because the people were very, very happy to be able to make two or three thousand dollars over and above what their neighbours sold for.

However, it seems that as soon as the Government announces that they are going to go into a section, or the City is going to go into a section, immediately the Legal Aid Lawyers or lawyers from the private sector, immediately converge on the area and try to look for customers. I would wonder if the Minister has any indication as to the fees in this particular case that the lawyer in question, that he was dealing with, received for the battle that he had with the Minister. Did the Minister ever take it upon himself to inquire the legal fees that he received?

And how many of the nine residents did the government have to take to expropriation, or take to court? Did they go as a group? Were they all on Legal Aid or did each one go separately? Did they all have different lawyers or were they all represented by the same lawyer?

**MR. DOERN:** Well, first of all, I want to say that I couldn't agree more with the Member for Wolseley, that practices of making public announcements and then moving in to acquire property is, in fact, the height of folly. I mean nothing could be more stupid than that. And I also, like the member as a Winnipegger, have felt rather uneasy about some of the deals made by the City of Winnipeg. I can tell you that I look with some trepidation on this new arena proposal. I think there is something very fishy about this private proposal that is before City Council. I think they would be well advised to look at it very carefully. I have some very serious doubts about that. If they're going to turn millions of dollars over to private promoters, they better think twice about the ramifications of that and I think they should think of operating their own arena.

Now, the member refers to, I suppose, what is known in the trade as ambulance chasers and so on. I don't know. I have no idea on what basis, how Mr. Arenson came to represent his clients, I have no idea. But he did represent six and we settled five out of court. One, I suppose, is going to court. That's neither here nor there. If two parties can't agree then that's perfectly reasonable. When you can't agree there has to be an arbitrator and ultimately this will be the courts and it will go to court. And the amount of money he was paid was in accordance with, I guess, a fee schedule approved by the

Attorney-general. I don't know what that is. It's some sort of a formula based on the number of hours etc., etc., that he would have received. I assume it will be X thousands of dollars, but I wouldn't know how much. No, not that much, my Director says.

**MR. WILSON:** Is it not true that legal fees are part of the negotiated price. In other words the government must pay the legal fees. Is that not correct?

**MR. DOERN:** Where we agree on the compensation the legal and appraisal fees are paid for.

**MR. WILSON:** Does the Minister have any idea of the commercial acquisition for the provincial garage? Has he got any estimated figure?

**MR. DOERN:** The Central Provincial Garage is approximately \$530,000.00.

**MR. WILSON:** \$530,000 in a depressed area of the city. Okay. We'll leave that one for now.

My parting question is, does the Minister figure that he completely handled the property acquisition in that area or did he learn from that experience. What I mean is, if you had to do it over again would you have gone in and expropriated?

**MR. DOERN:** That's a tough question to answer. Our experience really wasn't that bad. We acquired two full city blocks which, you know, is a sizeable amount of land, and there was some drag-out in proceedings and I can't say that I was thrilled about people living in the area appearing on all the hot-line shows and one of the female hot-line hosts practically bursting into tears about some poor family, and articles in the media showing poor little people getting crushed by the government, and that kind of thing. I don't know if that's media coverage or fact or fantasy, or whether it was orchestrated by the legal counsel. That part I didn't like too much, but in terms of the process if you go the other way you can be criticized as well. We took the sort of liberal, generous position that we were going to negotiate with people and go through the process. And when you go that way it's always longer, it's always more painful in some ways, but it might be more satisfactory for the citizens. You know, I was told that in one case some man couldn't sleep all night because he had to give up his home, etc. You know, it may be true, so I think I'd have to reassess that at some point in the future.

**MR. WILSON:** Well, I partly agreed with the Minister to this point, but now I get to the point that I'm concerned, because in my experience, in his earlier state, the Minister did drag out proceedings, and I refer to the Osborne Street bridge. I remember pleading for that bridge and having a cost of about \$1.3 million, and it would be interesting if the Minister could indicate what the final cost of the that bridge was, and also, the commercial acquisition. I'm particularly ticked off about one, I remember a particular house that a Mr. Clark, from Mr. Boyce's department, rented as a parolee house or a half-way house, and then it was condemned and it was a derelict house. I agree that the Minister would be able to pass the buck and say, "Well, the city was the one that acquired this home," but this home was land-locked, it had absolutely no value, it was a derelict home, you couldn't build on it, and it was suggested to me that \$27,500 might be a fair price for it. Yet the Minister, through the City of Winnipeg, paid upwards to \$85,000 for that address, I believe it was 12 Osborne Street, and now we have a large piece of metal, a sculpture there. I wonder if the Minister could, besides offering his comments as to the price, the commercial acquisition for the Osborne bridge, did he consider that he won in his arguments for the delay? In other words, the Minister, I believe, in a battle with His Worship or with the City of Winnipeg, delayed the construction of that bridge based on some environmental concerns. Did the Minister win that argument?

**MR. DOERN:** Yes. Well, you know, Mr. Chairman, the member wants to talk price. Given the last few years, because I guess there's been years when land prices have gone down, and in others where they've been static. But that's not our experience. We're living in a time when prices are going up and when they're skyrocketing we are trying to keep prices down. You know, it's been true the last few years that if you build it last year it's cheaper than if you build it this year, and if you build it this year it's cheaper than if you build it next year.

I don't know what effects there was on a delay in regard to the Osborne Street bridge. But I can tell you my own concern. The city decided that they were going to widen Osborne Street by one full width, one extra lane, by simply nonchalantly tearing up the legislative lawn and Memorial Park. They were going to have one more lane by running it across our lawn and running it through Memorial park. I think the distance from the Osborne Street bridge to the end of Memorial Park, I forget whether it's half a mile or a quarter of a mile, but it's some distance, it's a considerable distance. I raised the objection, I said, "Look, this is the same thing as building a road through a park. You can do it, but you better be aware of it because, boy, once you do it it's gone, that legislative lawn is never again going to creep over into Osborne and expand. I mean that grass is gone forever.

Now, I also had another serious consideration about the trees. We have those elm trees, and those trees are, I think, I don't know, 50, 60 years old, maybe older, and by moving the roadway in and putting the sidewalk on the other side, I am informed by my gardeners — because I don't claim to have a green thumb—but by cutting in, you cut into the roots of those trees. They apparently have shallow roots, and there was a danger, as told to me by the chief gardener, that you might, first of all, damage and then secondly, kill, those trees. Now, you know, it takes a long to grow them, Dutch elm

disease aside. So I objected, and my colleagues supported my objection, that by taking so many feet and running it all the way along our lawn and all down Memorial Park, and moving the sidewalk, you are taking too much land and you are endangering our trees. Now, the first thing that the city yielded was, they said, "Well, we're not going to take that piece off Memorial Park." So that was one point.

Then secondly, they decided to take less space off of our side and to take some space off Great West's side.

And then the third thing is they decided not to flip the sidewalk over on to the other side, but to leave it where it was.

And you know, there's a whole lot of other issues involved here in terms of the new bridge. There's the question of what good did it do. The property wasn't widened very far on the other side. The ideal thing would have been to widen Osborne all the way up to Pembina Highway. But you know, what could you do, if you tried that you would need tens of millions of dollars. You'd be knocking down commercial stores and it would just be horrendous. So, that's really about all that I can say on that particular matter, that I had environmental concerns and we all wanted to see a new bridge, and we all wanted to protect the environment. And so, an intermediate position was eventually agreed to, and there was less land taken as I have described. I also agreed to letting them take a piece of our lawn on the corner by the bridge where they made a right cut there. If you go down Assiniboine, behind our building, towards Osborne and turn right, that was an extra piece that we gave them. And you'll see a tree there, that was part of our lawn on the corner. One day, my deputy came to me and said, "Well they need this." So I said, "Well, give it to them." He can't say I'm not generous.

**MR. WILSON:** I think the Minister is drawing to a point that he has been very generous, and again, I'm not taking sides. I just want to make the Minister aware of some facts that if there were seven trees and the price of the bridge went up a million and-a-half dollars in the delay over the fight over the seven trees, that means that each one of these trees out here, as we pass them, is worth \$200,000 a piece, and I hope that the Minister will protect them from the Dutch elm disease or whatever.

Also on the other side, what is the cost of that statue that the Minister has put on that property? The statue is a large yellow one.

**MR. DOERN:** The credit for that creation goes solely to the city. I had nothing to do with it. I do not regard it as a work of art, although it looks like a work of art. Somebody decided to take a piece of the original bridge and mount it and paint it. A lot of people will think it looks rather nice, but I had nothing to do with it.

**MR. WILSON:** My comment then is, can the Minister, through his staff, tell me— I'm going by memory because I don't have my notes— what was the name of the company that you acquired that piece of property, jointly with the city, for \$85,000.00? Was it called B & B Enterprises Limited?

**MR. DOERN:** Well, I have very little knowledge of that property. The acquisition was done by the city, so they did the acquisition, we put up 50 per cent. So, our department really wasn't involved, the government was involved but not my department.

**MR. WILSON:** Was it your department's insistence to the City of Winnipeg that they acquire this piece as part of the acquisition for this bridge, because there was a derelict home on that site?

**MR. DOERN:** To the best of my knowledge we had no position whatsoever on that, that was a city decision.

**MR. WILSON:** Well, would the Minister look at the coincidence that, if B & B Enterprises Ltd. is the name, and one of those people happens to be Benjie Remus, who was the Deputy Minister of government, wouldn't it be strange that a home worth \$27,500 would be paid \$85,000.00? What was the value of that piece of land if the only thing that we've got on it is a particular piece of the old bridge?

**MR. DOERN:** I just have no comment on that, Mr. Chairman. I'm not familiar with the transaction. The member is intimating certain things, he is free to do so, but it could be coincidence, it could be market value, I have no views on the matter.

**MR. WILSON:** In other words, we'll leave it at that, but the point is that the commercial acquisition is there. Now on the other side of the bridge we have a foundation of a particular structure. Does the government or the city . . . Who owns that structure?

**MR. DOERN:** As you know, the company that wanted to build it a number of years ago, I guess they had a pretty good idea about an attractive apartment block on the river bank, went bankrupt. Twin towers were planned and nothing ever happened, and there's been some dickering and dealing recently, but it's apparently been sold recently, and someone, again, is trying to untrack it, but a private firm.

**MR. WILSON:** Mr. Chairman, all that land there is now in the hands of the private sector.

**MR. DOERN:** Right. It always has been.

**MR. WILSON:** All right, that's all my questions then.

**MR. CHAIRMAN:** The Honourable Member for Pembina.

**MR. GEORGE HENDERSON:** I have some more questions in connection with rural expropriation and appraisals and so forth, because I know of several different examples that have happened and

appraisals have been so slow that projects have been held up, not for one or two years, but for many years. I just wonder why we can't do something about changing this so it can happen much faster. I heard you say that there's been no changes in the regulations over the last number of years. Well, if there hasn't, I think maybe there should be because I don't believe, when you're held up, whether it's with highways or whether it's for holding dams, or whatever you mention, that they should be able to be delayed as long as they are. I'm just wondering if you would comment on this in general.

I know that the time is running out and I know the Member for Crescentwood would like to say something. I'd also appreciate it if your assistants would draw me up a summary of the McEachern Dam, when it started and where they are now, and how many places they're held up on and so forth. If I could be provided with this afterwards I won't question on it now.

On the whole principle of assessing land and appraisals and expropriation of land, this whole process is far too drawn out. It's lasting years and years. It seems now — you said there's ten percent problems now in your expropriation. I think the way it's going, the way people seem to be able to hold you up the way they're doing now, in another number of years you'll have 25 percent unless you strengthen the government's hand in dealing with this. I'd like you to comment on some of this.

**MR. DOERN:** The Dam that the honourable member refers to, we will give him a complete report on that.

**MR. HENDERSON:** That's embarrassing to give it to me after . . .

**MR. DOERN:** Yes. My Director can whisper in my ear like a ventriloquist and I can give him the answer right now if he wants.

**MR. HENDERSON:** I think there's a matter of time here. I think we'd all like to see this part finished today, too. I will settle for a written reply.

**MR. DOERN:** Fine. In terms of speeding up the process, we're still struggling with the policy of "trying by agreement." And as long as you try to negotiate by agreement you can run back and forth, back and forth, like a bear in a shooting gallery. That is the basic crux of the problem. Now, in addition to that — so if you want speed, you expropriate.

**MR. HENDERSON:** Right.

**MR. DOERN:** The land survey branch, there has been some backlog there I hope they'll be able to break. That's another department, but there has been quite a log jam there. Sometimes I guess, in Land Titles too, I don't know about — not really — so I guess it's basically on surveys we've had some problems and we've had problems in negotiating. If the member would support the expropriation process, which has a very vulgar and nasty ring to it, but really isn't. It sounds dreadful, like "you're expropriated", and it sounds horrendous' but in fact, after the expropriation, you still negotiate, and you can come to agreement, and we do, in by far the largest number.

**MR. HENDERSON:** Well, Mr. Chairman, I've got to say the word "expropriation" can be made to sound pretty bad, but I don't look on it as such. I think it was probably a very good thing, that's why it was brought in, because if it wasn't for that some individual could hold something up indefinitely.

**MR. DOERN:** That's right.

**MR. HENDERSON:** And that was the whole principle behind expropriations, so that when a man was offered a fair price it had to be settled on. He has a recourse before the Courts but this should only last so long. The Expropriation Act is a good Act and it should be used. I don't think there is any use of pussy-footing around all the time.

The other thing is, I think there is too big a delay in between some of the offers and some of the different things that go on. I know a piece on No. 2 of highway, west of La Riviere at one time, where it was held up a long time on account of expropriation. It used to be when people wanted a road they were glad to throw in the property to get the road by them. — (Interjection) — I know they haven't. And now, they're not only getting paid well, they want a way more. So I say the expropriation process is fair, and if you need to strengthen it up in different ways so that you can go ahead and get the job done, let's do it. There's nothing wrong with The Expropriation Act. Let's debate it, and if it's right, then let's use it.

**MR. CHAIRMAN:** Resolution 102(5)(a)(1)—pass. (a)(2) Other Expenditures—pass. (a)(3) Recoverable from Other Appropriations—pass. The Honourable Member for Pembina.

**MR. HENDERSON:** Just before you pass that, Mr. Chairman, what do you recover from Other Appropriations. From what source?

**MR. DOERN:** Those are recoverables from all other departments except the ones that are excluded by legislation.

**MR. HENDERSON:** Thank you.

**MR. CHAIRMAN:** Resolution 102(5)(b) Land Value Appraisal Commission. (1) Salaries. The Honourable Member for Crescentwood.

**MR. STEEN:** One question, Mr. Chairman. I gather there's only one employee in this branch, is there?

**MR. DOERN:** There are two. The Executive Secretary and he has a Clerk Typist supporting him.

**MR. STEEN:** Okay. Pass.

**MR. CHAIRMAN:** Resolution 102(5)(b)(1)—pass. (b)(2) Other Expenditures. The Honourable Member for Crescentwood.

**MR. STEEN:** Mr. Chairman, to the Minister, I gather that these are just the normal expenditures in operating the department. Is that true, Mr. Minister?

**MR. DOERN:** That includes just normal cost of operation plus the salaries of the commissioners, \$50.00 a meeting. I think there are about six of them.

**MR. STEEN:** That's fine.

**MR. CHAIRMAN:** Resolution 102(5)(b)(2)—pass. (b)(3) Recoverable from Other Appropriations—pass. Resolution 102, Resolved that there be granted to Her Majesty a sum not exceeding \$2,037,000 for Public Works—pass.

I would now refer honourable members back to Page 50 in their Estimates books. Resolution 99, General Administration (a) The Minister's Salary, Compensation — Salary and Representation Allowance. The Honourable Member for Wolseley.

**MR. WILSON:** Mr. Chairman, my concern is one to just simply recap and congratulate the Minister on one hand for his improvements of the Legislative Buildings. I look forward, as the representative of Wolseley, to having the riverbank path possibly carried on all the way to Cornish to allow for a very interesting walk for a lot of the elderley citizens who love to live in the downtown area, and I look forward to improvements in that area.

I would like the Minister to greatly improve the public washroom which is on the corner of Broadway and Osborne. I opposed the construction of that. It's an absolute disgrace, the amount of human waste and bad habits people are getting into because of the fact that that building is seemingly always locked. I think that if we're going to have that building on one of the main thoroughfares an effort should be made to, despite the unpleasantness, clean up in the general vicinity of that bomb shelter or public washroom, whatever we should call it.

I would like to see an effort made to, at some point in time, reduce the number of full-time parking people in the Legislative grounds. I think it's become a parking lot rather than a park, and those are some of my concerns in that area.

I would hope the Minister would, again, very quickly, curtail the public announcements by his fellow Ministers which are costing the taxpayers unneeded waste of taxpayers' money when it comes to the Minister then having to go about acquiring, and possibly expropriating, some of the land he needs for some of his projects.

I don't agree with the Minister's enthusiastic building program under the guise of creating jobs, because every time one of these buildings is built we have at least, anywhere from 300,000 to 600,000 in maintenance, and I refer to the maintenance alone for the Woodsworth Building. This is the kind of thing we've got to think about, is every time we acquire a new park, every time we acquire and build a new huge monument to the Minister and his government, there is the cost of maintenance, and there should be further study done in that area.

Again, as I say, I do look forward to the Minister turning the Gimli Industrial Park into a plus rather than a minus. I think the \$800,000 loss is uncalled for and certainly there should be better co-operation between the Minister and the Minister for Industry and Commerce.

**MR. CHAIRMAN:** The Honourable Member for Crescentwood.

**MR. STEEN:** Mr. Chairman, I will try and finish in three minutes time. I would like to ask the Minister if he would, on behalf of the members of the committee, convey our best wishes to Mr. Nordman for a speedy recovery. I thank the Minister and the staff members that have particularly assisted the Minister in the absence of Mr. Nordman. I know that Mr. Nordman is a valuable employee of this department, and more senior members of the Legislature have said that he was badly missed by the Minister during this past week.

I have a comment to the Minister regarding the Annual Report, and I would hope that his department, in the years to come, in the future, could perhaps prepare the Annual Report, which is a good report and lots of valuable information — but if they could try and prepare the report along the lines of the Estimates, so that it follows the Estimates a little more closely. There doesn't appear to be a Table of Contents in the Annual Report either, and I think this would make it easier for members of the committee, particularly the members of the committee who did not spend the same degree of time as I did in reading the Annual Report. They would come along and jump into the debate, threequarters of the way through a particular division or department, and I would have to try and whisper to them, "I've already asked those questions before you got here." So perhaps a little better preparation of the Annual Report, along the lines of the Estimates, could save us time in committee in the future.

One area that we did spend a lot of time talking about was the new concept of Project Management. In the report and also in the Minister's opening statement, he said that the Project Management concept had been in the works for some six years, and it's taken them about three years to implement, and has been in the throes for a little better than a year now. I would ask the Minister if

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he would watch this concept in the future very closely to make sure it's going to do the job that it's been designed for. I did make comment earlier in the week that I thought that maybe we were creating a new party to negotiations between the client, the other department, the outside professional services and the Department of Public Works, that perhaps we were taking a triangle and making a square out of it by adding additional persons that are getting involved in design, etc.

I compliment the Minister and his staff for doing what I think is an excellent job in holding the line this year. I mentioned to the Minister on the first day that I would ask, in each specific department, how many employees there were, and he gave me that information. I'm very pleased to say that the fact that the Minister has not increased his staff this year, I think is in keeping with the government's policy.

We spent an hour and ten minutes last night on the costly experiment of the electric cars. It's one that I think, if the Minister can get out from under, the sooner the better. I don't think that the experiment is, in the long run, going to save us very much money.

The Woodsworth Building — I would like the Minister, if he could at some future time, and because of running against the clock at this particular time, perhaps he could supply me with a written report as to the cafeteria rental arrangements. There's been a lot of publicity given to this cafeteria and the fact that it seems to operate somewhat different than other cafeterias, in that the operators are able to give very choice meals. Perhaps the arrangement for this building is somewhat different from the others. If it is, perhaps the Minister can let us know.

On the Gimli Industrial Park, as the Member for Wolseley said, there is an almost \$700,000 a year loss in that particular structure, but it does employ 74 people and does provide space for different industries that are serving Winnipeggers as well as persons in the Gimli area.

I would conclude, Mr. Chairman, by thanking the Minister and saying that I didn't believe, on Monday at 9:00 p.m. that we would still be here on Friday at 4:30. I thank the Minister very kindly.

**MR. CHAIRMAN:** The Honourable Minister.

**MR. DOERN:** Well, Mr. Chairman, I would just like to say that I thank the Member for Crescentwood for the manner in which he conducted himself and the fair comment that he made during our Estimates. I'd also like to thank the Member for Wolseley for injecting some spark into the proceedings. I would also thank my colleagues for attending, including yourself as Chairman, in your usual competent manner, and I would like to thank my staff, who have spent many months preparing for this.

Tomorrow, for the first time I intend to meet with my Deputy Minister, who is in the Grace Hospital, and talk over a few points with him and present him with a thousand page book that I bought for him about espionage and intrigue during the Second World War, something he can peck away at while he is convalescing. I thank you for your participation.

**MR. CHAIRMAN:** Resolution 99(a)—pass. Resolution 99, Resolved that there be granted to Her Majesty a sum not exceeding \$2,205,200 for Public Works—pass.

That concludes the consideration of the Department of Public Works. The Honourable Member for Crescentwood.

**MR. STEEN:** Mr. Chairman, I move that we adjourn.

**MR. CHAIRMAN:** Committee rise.

**ESTIMATES - NORTHERN AFFAIRS**

**MR. CHAIRMAN, Mr. William Jenkins (Logan):** Before we proceed, I would like to draw the attention of the honourable members to the gallery where we have 24 students of Grade 11 and 12 standing of the Bemidji Public High School in the State of Minnesota under the direction of Mr. Richard Skayner whose group is here as guests of Mr. Speaker. On behalf of all honourable members, I would bid you welcome this afternoon.

I would refer honourable members to Page 48, Resolution 95(a)(1) Salaries and Wages, Canada-Manitoba Special ARDA Agreement—pass. The Honourable Member for La Verendrye.

**MR. BANMAN:** Mr. Chairman, before we adjourned for the lunch hour break, I asked the Minister several questions and I wonder if he could furnish me with answers to those, please.

**MR. CHAIRMAN:** The Honourable Minister of Northern Affairs.

**MR. McBRYDE:** Mr. Chairman, the material I read out was not only where the province was directly involved, but the Federal Government's direct involvement, and I won't be able to give that information to the honourable member today, probably on Monday.

**MR. CHAIRMAN:** Resolution 95(a)(1) Salaries and Wages \$261,600—pass; 95(a)(2) Other Expenditures \$81,900.00. The Honourable Member for Lakeside.

**MR. ENNS:** Mr. Chairman, I haven't taken the Minister to task for all the other expenditures in his department, but I would like to have a very complete breakdown of the Other Expenditures, the \$81,000 in this particular section.

**MR. McBRYDE:** Mr. Chairman, before I answer that question, I would like to table a few documents, or at least provide a copy for both opposition parties. In case they didn't have plans for the weekend, they might want to glance through a few of these things so we can have a more enlightened debate on Monday.

**TABLING OF REPORTS**

**MR. McBRYDE:** I would like to table the Report of the Project Pimadjihowin Advisory Committee; the Report of our Planning and Policy Development Section; Experiences with the Clivus-Mulrum and Mull-toa Toilets in Northern Manitoba, an Interim Report on the Mouldering Toilets Testing Program Carried Out by the Department of Northern Affairs, Province of Manitoba. I would like to table the Report on the Effects of Secondary Sewage Effluent on Reed Canary Grass and Creeping Red Fescue. I would like to table an Interim Report on the Renovation of Sewage Effluent by Aquatic . . . I would like to also provide the members with the report entitled Prices, Organization and Use of Refrigeration and Cold Storage for Northern Manitoba. I would like to also provide them with a report called The Demographic Series Working Paper Number Two - Population Projections by Age and Sex for Communities in Northern Manitoba; and a report entitled Availability and Utilization of Land Foods in Northern Manitoba; another entitled Duck Bay Community Planning Study - Phase I - Inventory Analysis; another entitled Business Organization Handbook prepared by the Northern Strategy Co-ordination and Support Branch, Department of Northern Affairs; the Manitoba-Northlands Interim Progress Report 74/75; and the Camperville Community Planning Study. — (Interjection)— Mr. Chairman, you can't win.

Mr. Chairman, in answer to the question in regard to the item number 2(a)(2) Other Expenditures, the Other Expenditures are broken down: Professional Fees \$8,000; Office Operations \$12,900; Communications \$9,000; Mileage \$12,000; Travel \$40,000.00. That's it.

**MR. CHAIRMAN:** Resolution 95(a)(2) Other Expenditures \$81,900—pass; Resolution 95(b)(2) Project Pimadjihowin. The Honourable Member for Lakeside.

**MR. ENNS:** Mr. Chairman, the Honourable Minister indicated just before the luncheon hour adjournment that an aspect of this project had come to a completion. We note that there was some \$200,700 allocated for this project last year. Could he give us some indication as to whether or not those dollars were in fact all spent? I assume that that included the little item that I raised just as the hour of adjournment of consulting fees to one Mr. Dave Courchene and others.

Could I ask the Honourable Minister to break down for us— and this is being retroactive to some extent, but there is no request for any funds being made for the coming year for this project, so that if I understand the Minister correctly, he indicated that the whole project involved taking a look at a portion of the province east of Lake Winnipeg to ascertain what could be done or what should be done in that area in terms of community development— can he tell us how the \$200,700 were spent? That's a lot of money, Mr. Chairman, even in this inflation economy. In his explanation, who was the recipient of those dollars? I assume it went principally into consulting fees. How much of the \$200,000 was internal, was spent by staff. And for \$200,000, Mr. Chairman, I would suspect that the Minister would have some outline for us or some concrete suggestions as to what is now possible for that particular part of the province. We have spent \$200,700 in studying the area. We have a voluminous report prepared by the Advisory Committee on the project and I hesitate to name it again



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because I have difficulty with it, Pimadjihowin — close, pretty close.

I again respectfully suggest to the Honourable Minister that he is not being entirely fair to people like myself, or indeed the opposition, that these reports come to us just at the time that I'm on my feet and trying to ask the Minister a question. I'm trying to do a reasonably responsible job in ascertaining how the tax dollars of this province are being spent. I would have thought that perhaps this was one of the reports that could have been sent to us like the MTS Report, like the Hydro Report, like many other reports, could have been sent to us a week, two weeks, you know, even two days in advance of today.

But I will operate under the handicap that the Minister imposes on me and ask him, what are we getting for \$200,700 spent on this particular project and what are the prospects under this particular project? Mr. Chairman, I thank the Honourable Member for Brandon West for reminding me that the report is dated January, 1977, so I would assume that this report has been in the government's hands for several months, in fact several months before this House came into session.

**MR. McBRYDE:** Mr. Chairman, the report that the member refers to is not, I suppose, a direct departmental report but a Report of the Advisory Committee, prepared for them by the consultants mentioned there. I think the consultants had finished their work by January but we didn't receive the report until it had gone through the Advisory Committee sometime in March. I apologize to the honourable member; I wouldn't want to impose any more handicaps on him than he already suffers from.

The project was maybe in some ways similar to what he outlined should be done in terms of the whole north in that it was a fairly extensive consultation process with the communities I'm not sure how similar it was to the Interlake consultation because I'm not fully familiar with those, but an advisory committee was set up of representatives of the community and staff were put in place to work in different areas of the project. Consultation staff was taken on and their goal was to work with the people in to get the community input the same time to try the communities' and provide the technical input so the communities could see the kind of options they had for their future development.

The advisory committee took a fairly important role in the operation. They also published a newsletter or a newspaper called the Pimadjihowin News. I don't know if members received that particular publication or not on about a monthly basis during their time of operation. This is in our mind, Phase I of what is sort of basic preparation.

What has to happen next of course is that the resources of the Federal Government and the resources of the Provincial Government will now be made available to the communities to proceed with their development. I think that a lot of the development is going to begin on a community basis, as opposed to a whole region that is there'll be plans that affect the whole ' region. But a lot of the work will be done on a community by community basis, in terms of them implementing the recommendations. So now that they have got to the stage where they have a number of proposals, the various departments, the Federal-Provincial Government will work with them and assist them to implement their recommendations and proposals.

**MR. ENNS:** Mr. Chairman, I doubt very much whether there is such a word in the English language, but I've coined it and I've use it and nobody's really taken me to task for it — that that really is so much gratuitous plap, spelled p-l-a-p. It's the derivative from the word palaver, or something like that, you know, when somebody says a lot.

I can believe the Minister when he says that there has to be a great deal of pre-emptory work done, a great deal of planning work done, a great deal of community involvement work done. But, you know, yesterday the Minister himself indicated to us how he approached the constituencies, particularly the constituency that he represents in the north — and I want to assure the Minister he is no different than any other member in this House, there is a fine line that you have to be conscious of as a member, more so for the honourable Minister because he is government, than say for instance an opposition member — when you begin to talk about projects or programs in your constituency there is a tendency to accept them as fact before they in fact have had the opportunity of being passed through the necessary agencies, groups and bodies, and the funds having been appropriated for them.

But what the Minister is parleying in front of us right now is reams of reports, lots of words about what his intentions are in the north, and how they may develop in the future, and we know by the Estimates that this particular report cost \$200,000 plus, but I still have yet to ascertain from the Minister what he is going to do in the north. And, Mr. Chairman, this would be fair game if this Minister was now accepting office. If this was 1969. If this was 1970 — and the honourable member for St. Johns can leave because he doesn't like me raising my voice on a Friday afternoon — but if this was 1970 I would accept it, but not eight years after the fact, not seven years after a fact. I've sat in this House and I've been told by honourable members how you have solved the problems of the north, how you have brought a new delivery system of services to the north, how you have a great understanding for the people of the north. Mr. Chairman, don't now come to me with a \$200,000

booklet that says that you will in the future think about how to solve the problems.

**MR. CHAIRMAN:** The Honourable Member for Assiniboia.

**MR. PATRICK:** Mr. Chairman, I would like to ask the Minister why he didn't table his reports at least a few days ago, because surely we could have made a contribution in opposition, or at least be critical of some of the reports — (Interjection) — That's the whole point. We understand he had these reports in January, and if one of those reports cost over \$200,000, surely the members of this House should have had these reports, not after we're almost finished his Estimates, where we're almost prepared to let the Estimates go this afternoon, and then we get this whole stuff. I mean this is unbelievable.

**MR. McBRYDE:** I was running out of material.

**MR. PATRICK:** I've never seen this happen in the House before, Mr. Chairman. Even the Minister of Labour, when he didn't have his full Labour Report, or the Minister of Health and Social Services, they give us an interim report, or one that was run off on a Gestetner and stapled and at least we had something to go with what the Minister is doing. But here, we understand he had these reports in January, and he's tabling them after we're almost prepared to let the Estimates go.

**A MEMBER:** We've had ten minutes to read this.

**MR. PATRICK:** And the cost — the cost of one of those reports — (Interjection) — It may take three years for some members in this House to read, but I'm sure that many would undertake to read it quite quickly, and I think even two or three days would have been helpful, or before the Minister tabled his Estimates. I just don't think it's fair at all, Mr. Chairman. I don't think it's right or proper really. I'm very disappointed in the Minister, because I thought he wanted to be open. He wanted his Estimates discussed in the proper manner. He wanted some suggestions. The other thing that the Minister gets touchy about and I'm surprised, is you can't be critical. I think if the Minister is to be effective, we in the Opposition have to be at times critical of a Minister so he can come back and challenge and stand by what he's doing. If we just let everything go, I think that either we'd believe that you're very incompetent or that you're not doing anything. But when we challenge you, why can't you defend your policies get up and . . . All of a sudden, the Minister, anything you ask him, he gets very touchy. I do take exception, very strong exception, because I've never seen it happen — this many reports we get tabled when we're almost ready to pass the Estimates. These reports cost a lot of money.

**MR. CHAIRMAN:** The Honourable Minister of Northern Affairs.

**MR. McBRYDE:** The member said we're almost finished our Estimates, we have lots of time yet to consider them. There are two reports in there that I think that are quite immediately relevant and I apologize for not making them available sooner. One reason why I haven't made the Pimadjihowin one available sooner is because I really hadn't finished it myself. But there it is and you have my copy. I'm getting another one so I'll be able to have a chance to finish that. The other one that I think is relevant to the discussion is — although it's a fairly old report now — '74-'75 Progress Report on the Northlands Agreement. I didn't mean to provide clap for the honourable member. I didn't in fact fully answer his question in terms of the detailed cost breakdown on Pimadjihowin, and that's because I don't have it with me. I mean that project is no longer in effect, so I'll have to go back and look over last year's figures to get him all the costs and exactly how they break out from that particular project. The other reports are basically internal documents used by the department that I thought the members may find interesting. A couple of them which I have just received and others that have been used within the department but not necessarily by the Minister himself.

**MR. CHAIRMAN:** The Honourable Member for La Verendrye.

**MR. BANMAN:** Mr. Chairman, I wonder if the Minister could clarify one point there. He mentioned something about the Manitoba Moods. Was this particular amount of money involved in the publication of that particular publication that was put out in Manitoba?

**MR. CHAIRMAN:** The Honourable Minister of Northern Affairs.

**MR. McBRYDE:** Mr. Chairman, while I am clapping, I better enunciate my words better. I said the Pimadjihowin News and not the Manitoba Moods.

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

**MR. ENNS:** Now, Mr. Chairman, while the Minister is also doing that, one of the reports that I just received intrigues me. It is the Problems of Refrigeration and Cold Storage for Northern Manitoba. There seems to me a situation that, like, if you could learn to sell refrigerators to the Eskimo population, you would become a pretty good salesman. But obviously that was part of the planning and policy development of the Department of Northern Affairs to deal with that.

Mr. Chairman, in a more serious vein, and really, Mr. Minister, you are not getting off the hook that easy because we are serious about you. I would just like to read to you what I believe epitomizes to some extent the whole position of Northern Affairs under your Ministry and under this government in northern Manitoba. It is a particular quote out of the Economic Council of Canada's Eighth Annual Review dated September, 1971, which says this, "Goals," it talks about goals, "abstract goals such as freedom, equity and justice have been articulated in many constitutions, charters and treaties throughout history and they reflected some of man's most civilized noble and aspirations, but while

such broad generalizations may achieve wide acceptance as principles, they do not provide operational guidelines for policy formation."

You know, Mr. Chairman, really what the Minister is disappointing us in, is that in the past seven years, going on to eight years, we have had this expression of goals by this Minister and by this government. We have had this — well, I must say that we of the opposition haven't had, but we now have received it as of five minutes ago — reams of reports about the goals, experiences with the clivus-mulrum, mull-toa toilets in northern Manitoba, refrigeration in northern Manitoba, community planning study in northern Manitoba, Manitoba Northlands Interim Report, community planning study, inventory analysis, availability and utilization of land foods in northern Manitoba, Pimadjihowin Project, and then finally this handbook prepared by Northern Strategy Co-ordination and Support Branch. But, Mr. Chairman, the Minister has been singularly silent in being able to spell us out the nuts and bolts of specific things in programs that he has done. Leave aside the fishing nets that he has provided to the fishermen in the north, the bombardier that he provided to the fishermen in the north — yes, that's fine, but, Mr. Minister, that's nothing new. That's nothing new. That wicked, capitalist organizations like Booth Fisheries or Canadian Fisheries have done that for the last hundred years in the north without imposing on the taxpayer a \$100 million bill, or without asking the Federal Government for \$96 million. Now we want something different. We are prepared to buy something different. We haven't seen it from this Minister.

**MR. McBRYDE:** Mr. Chairman, the goal of Northern Affairs is to co-ordinate the activities of departments of government of the province and agencies of the Crown, where possible, for the purpose of encouraging development of northern Manitoba and responding and assisting local communities in northern Manitoba in their efforts in planning and organizing, and developing and carrying out administering and financing programs to provide local services for the amenity of the inhabitants.

**MR. CHAIRMAN:** Resolution 95(2)(b)—pass. Resolution 95, the Honourable Member for Fort Rouge. Does the honourable member wish to speak on (b)?

**MR. AXWORTHY:** Yes, on the Project Pimadjihowin. Contrary to the opinion of the Member for Thompson that it may take us three years, it took me all of about three minutes to find some particular points in this document which I think at least leads us on to some further questioning.

On Pages 23 and 24, they indicate that there must be a much stronger community approach to the development of regional plans and he goes on to talk about the continuation of an attitude which has really been kind of parochial, which, Mr. Chairman, contradicts what the Minister said last evening, that while he is prepared to consult on the local community level, he doesn't want to do it on the larger regional level because he can't get his Cabinet to commit and he has all kinds of problems. What that seems to indicate is that the approach coming out in this report in that three-minute, quick perusal that we have been allowed, that there are probably many other recommendations concerning basic changes in the structure and approach to planning development under these agreements and to the kind of economic development we are talking about.

Now I think what the Minister should explain to us before we leave the question of the Project Pimadjihowin, even though it has now been discontinued, we would like to know what is the next step. What does the Minister now plan to do with this report and the others in terms of implementation? Just simply what procedures is he planning to initiate at this time to give some life and meaning to the work that has gone on through which a fair number of tax dollars have been spent. I think it is important to understand: Are these recommendations themselves going to form the basis of a series of very specific proposals which I believe then should be taken back to the people in the north who are affected by this Project and discussed with them as the report itself recommends, or in fact are we just going to leave it as another piece of paper to gather dust on another shelf, which too often happens to these kinds of consultant reports? So that considering the front-end money that's gone into it already, considering the importance of the Pimadjihowin concept as an economic regional development plan as it is outlined, and I can't judge the merits of it at this stage, I would expect that the department and the Minister would have had some plan in mind as to how they propose to take this report and bring it forward so that it will have some valuable and important results in a practical, pragmatic way in terms of that part of the northland area.

**MR. McBRYDE:** Mr. Chairman, I think that the member came a little bit closer to hitting the nail on the head than he has in the past. The report that the member refers to, as I said, is a report from the Advisory Committee, or the basic planning body. I think that the member would recognize that quite often if you ask a planning group for recommendations' they would say, "Well, there should be more planning done."

My response is that I feel the best thing to do now is to get down to work on the specific recommendations of possible economic development projects in those communities. I am not anxious to have more funds spent on a large-scale planning process, but the funds should go directly into the implementation of the kind of recommendations that are in there and we are moving in that direction now as fast as we can, not only in my department, but in other departments of the federal

and provincial governments, to begin to implement some of the recommendations of that report. Those are the specific recommendations that . . .

The staff of the department at the direction of the Minister are now working with the communities and with the Federal Government because it has to be a joint effort— Most of these communities on the east side are treaty communities — to try and implement some of those recommendations as quickly as possible.

The specifics relate, and we can relate the first items here, I note, directly to the Estimates of the Department of Northern Affairs. For example, the recommendation of the upgrading of the airstrip at God's Narrows, the recommendation of the assistance to the winter fisheries in that community, which is now being done through Resources and through Indian Affairs.

There is a recommendation in regard to tourist facilities at Oxford House . I think the Member understands how things work fairly well. Okay, we'll give assistance to Oxford House in the area of developing that facility, but since Oxford House is just about majority, or close to 100 percent a Treaty community, the Indian Affairs will be involved in those discussions from square one because they'll more than likely be the funding agency that provides the direct dollar assistance.

Another is the Knee Lake sawmill and that is being followed up by Resources again, who are assisting a number of communities to get into small sawmill development where it is feasible and practical in their particular area.

I don't know if you want me to go through every single project here. The other is again an airport upgrading which they feel is important to their economic development, and I can report to members exactly what airstrip work would be done, or is intended, for the upcoming year providing all the approvals are received.

The assistance for the Soapstone Carvers Co-Op, further assistance has been given through the SNEP(?) Program and Indian Affairs is basically the agency lead in working with the community on that particular project. They have received provincial funding through that program.

And I think each one of the recommendations, those that my department are involved in, or other departments, we can report on the progress being made to implement the various specific Economic Development projects.

**MR. CHAIRMAN:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Thank you, Mr. Chairman, I would like first to say that I hope that the Minister will send back my copy of his report. I am also prepared to move in this Committee for an extra five dollars to be added to the Estimates so that a xerox copy can be made of that report, so the Minister can have his own copy of it, and at least there would be three copies in existence in case the Member for Lakeside and myself meet with an untimely end this weekend. We wouldn't want to have the whole Pimadjihowin Report disappear from the face of the earth. So I'm prepared to move that the Committee, if the Member for Lakeside agrees, \$5.50 should about cover the duplicating costs of that report.

**MR. CHAIRMAN:** Order please. That requires a message from His Honour and I would just say that the honourable member is not in a position to move that.

**MR. AXWORTHY:** Mr. Chairman, one other question I would have concerning this particular report, and the consultant's recommendations, it is my understanding that the original terms of reference of the project was not only to enunciate a series of specific recommendations concerning individual communities, but that the idea was to try and designate a specific region on the northeast part of the lake that would try to provide some form of integrated, economic social planning within that region, which does require more than a response to specific recommendations. It does require, whether it's a new organizational structure, interdepartmentally, intergovernmentally, whether it requires a new form of regional corporation or planning mechanism, whatever it may be. I'm wondering, aside from responding to specific recommendations, has the government accepted the basic concept that a regional economic development region should be established in this area and that there will be, as a result, sort of a form of new corporate organizational structure to try to give some meaning to that notion of a regional economic plan that can be carried out in a different way than the sort of specific *ad hoc* responses to particular needs?

**MR. CHAIRMAN:** The Honourable Member for Thompson.

**MR. KEN DILLEN:** Mr. Chairman, the remarks from the Member for Lakeside and the Member for Fort Rouge have been described — I think it was the Member for Lakeside who described the remarks by the Minister as . . .

**MR. ENNS:** Mr. Chairman, I rise on a point of order.

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

**MR. ENNS:** I have no objections at all to the Member for Thompson making a contribution during the course of the debate, as he should, being a northern member. But I do object to the Member for Inkster sitting beside him and coaching him.

**MR. CHAIRMAN:** Order please. That is not a point of order.

**MR. DILLEN:** I have just asked the Member for Inkster to go over and sit and coach the Member for Lakeside. —(Interjection)—

What the Minister has been talking about in his Estimates so far has been described by the Member for Lakeside as “plap” I think he called it, p-l-a-p? —(Interjection)— Well, you know, I've been reading old Hansards and if anything can be described as “plap” it is the contributions that were made in the years 1966, 1967 and perhaps 1968 by the Leader of the Opposition, who was at that time the Commissioner for Northern Affairs.

I'm going from memory now . . .

**A MEMBER:** You have a pretty good memory considering you weren't here.

**MR. DILLEN:** Well, I can remember what I read about what was recorded and what occurred in the House at that time —(Interjection)— Recorded. The Leader of the Opposition who was introducing his Estimates, and I believe that it was 1968, had a tremendous expenditure at that time of \$200,000 for northern Manitoba — \$200,000 which is an equivalent budget for all of northern Manitoba and all of the people who are residents of northern Manitoba, which is the equivalent cost of the report that was referred to by the Member for Lakeside, the Pimadjihowin Report.

Can you imagine anybody who has the nerve to stand in his place in this House, this year and ask the Minister of Northern Affairs what he is going to do in northern Manitoba for the people of northern Manitoba, when the best that they could do in northern Manitoba in 1968 was provide a budget of \$200,000.00.

**MR. DILLEN:** I want to try and describe, you know, that while there has been some reference made here, that somehow there is unwarranted expenditure. What the Leader of the Opposition in 1968 said, in trying to provide some justification for the expenditure of \$200,000 — that well, the expectations of the people were not that great, they really didn't want very much, they live a very simple life in their traditional manner of hunting and fishing and so on. That all we had to do with that \$200,000 was go in and shoot a few wild dogs and fix up a few foot bridges and that's all that the people expected of us.

And then he went on to describe, I believe it was, fixing ranges, electric ranges or something in Brochet, in 1968. My figures might be wrong but I don't believe that there was even power in Brochet in 1968. —(Interjection)— Oh, that's right, they had their own little lighting plant for the teachers but nobody else in the town had any power.

I want to describe my own constituency in 1968. Let's not forget that it was Gordon Beard who represented — the late Gordon Beard who represented northern Manitoba, the constituency of Churchill, before Thompson was created and after Thompson was created who sat on this House, on the government side, as a backbencher in the then Conservative Government — and you'll never be able to hide this fact from the people of northern Manitoba, that the late Gordon Beard walked across the floor and refused to sit with the Conservative Party. —(Interjections)— You know, there was a meeting in northern Manitoba a few months back, and the Leader of the Opposition begged the people who were at this meeting—I believe they were fishermen—begged them for an opportunity to meet with them. And when the discussion got around to the question of why it was that the late and great Gordon Beard—and I don't think there's anybody in northern Manitoba who doesn't have a lot of respect for Gordon Beard — when one of the fishermen in northern Manitoba asked the present Leader of the Opposition why it was that Gordon Beard crossed the floor, the Leader of the Opposition said in northern Manitoba just a few months ago, that Gordon Beard was a constant whiner and never had an original idea in his life. That is embedded in the minds of the people who were at that meeting. That is so typical of the attitude of the Conservative Party towards northern Manitoba and towards its representation.

There was a reason why Gordon Beard didn't stay with the Conservative Party. Because he couldn't get the things done that he needed, that he saw, and that was requested of him to get done in northern northern Manitoba.

He saw the necessity for providing some accessibility to remote communities during the period of break-up and freeze-up, in the case of emergency to get people out of the communities who became ill or injured. He saw that as being a necessity but could not convince anybody in the Conservative caucus to do that. —(Interjection)— But they could make these great announcements about the availability of \$100 million. They were saying the other day that they had no money, that there was no money for northern development. And I can still recall some of the headlines about the great breakthrough for northern Manitoba, \$100 million available. —(Interjection)— Yes. And Dr. Kasser came and got it and took it with him. And now we can't get that back or Dr. Kasser either. —(Interjections)—

You know the Member for Lakeside would like to stand up in this House and do some of the greatest — you know he comes on like a Barrymore. —(Interjections)— He deserves some kind of an award, an Academy Award for his performances in this House. And I think he should be recognized. You know, I'll make it a point, if it will make him happy, to nominate him next year. —(Interjections)— The flap award. I think that he should wear it proudly. I don't know what it's going to look like yet, but I

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think —(Interjection)— We'll put a beautiful blue ribbon on it and let him wear it around his neck.

But I want just to describe some of the things that have occurred in northern Manitoba. I don't know how much time I have here, but I'm going to go. I can only describe my own constituency because I'm more familiar with it. I know every crook in the road. And there was a time when there was no road. I don't want to go quite that far back, but it wasn't that many years ago that we were wiping out at least one family per year and more, at least one person per month on the road south of Thompson. We were wiping them out, we were killing them in the dust —(Interjection)— Highway 391, south of Thompson. I think it was in the 1969 election that we were going to get some great pavement, it was just prior to the 1969 election. I can remember this yet.

There was some kind of a cold process that was a new kind of breakthrough for paving in northern Manitoba. The Conservative Party—I don't know where they found the money to do it—but they put a blacktop, it was a new paving program from Thompson to the Paint Lake turnoff. And it was such a good job that the blacktop rolled up in the wheels of the cars and the trucks as they were driving down the road. And when they stopped for the tracks, or any place that they had to slow down, the momentum of the vehicle and the weight of vehicle, rippled the highway ahead of the vehicle as it was slowing down. And then it wound up in the tires as it accelerated again. That is the kind of—I don't know what you call that—Conservative blacktop that existed in that part of the province. And that is still remembered by the people of northern Manitoba.

I can remember coming to this building and requesting in early part of 1968, summer of 1968, requesting constantly for road improvements. And I hear, I think it was during the Throne Speech, the Leader of the Opposition replying and saying that they had a program that was left on the government's desk when they were turfed out of office by the people of Manitoba, that would have provided for four-laning of No. 1 Highway right through Manitoba' if we'd proceeded with it at that time. But I believe that the government made a conscious decision, and a good one. You have to give Joe Borowski credit for it. —(Interjection)— He said at that time that they were going to reduce the amount of expenditures on highways in southern Manitoba. And I believe he made a good decision, and spend more money on northern highway construction.

I'd like someday to— and I'm going to do this—make a comparison of a 1968 map and a 1977 map, showing what has occurred in northern road development in that short eight-year period. It's no secret that Thompson now has a road going northeast and northwest of Thompson that will tie in many more communities to all-weather capability.

It's funny that we were told that there was no money, by the Conservative party. They were saying here — the Member for Lakeside was saying in this Chamber, I think it was yesterday, that they didn't have any money. How can they say at one point that they had no money when there was \$100 million that was available for anybody who would come in and grab it. And there wasn't any money to build roads.

I can only describe my constituency at this time, or at least within the next month, twenty days after open water we expect that there will be a barge service providing accessibility to Cross Lake which is the closest thing we can get to all-weather capability, something that was completely unheard of. There are only two communities — three at the present time — in the entire Thompson constituency that do not have some form of all-weather access. That didn't occur before, it was done as a result of determination on the part of this government and this Minister of Northern Affairs to provide that kind of service.

In the field of communications, there is not one community in the entire Thompson constituency that does not have accessibility to dial telephone. That didn't occur in the Thompson constituency; I can still remember the people of Thompson wanting just one television station in 1968. This year every community in my constituency will have either in place or under construction a potable water supply with purification, filtration and a pumping system. They will have accessibility to it; it's at least available to them.

If you remember, at the Habitat Conference in Vancouver, there was a woman who got up and said if we could do anything for the world it would be to provide them with a purified water supply. We didn't need a Habitat Conference to tell us in northern Manitoba that that was what we had to do and it was put in place. The planning was put in place and the implementation process was proceeded with and they are now in place or at least under construction. There was nothing to stop the Conservative government from seeing that as a necessity in 1968, and they did not proceed with it.

Many of the airstrips that exist in northern Manitoba now have all-weather capability where there is no other form of access, with lights for all-weather and 24-hour capabilities in many of the airstrips that exist in that part of the country.

I don't know what more can be said about the criticisms that we are receiving from the Conservative Party during the Estimates of the Department of Northern Affairs. We are accused constantly . . .

**MR. CHAIRMAN:** Will the Honourable Member for Lakeside state his point of order.

**MR. ENNS:** I raise it with some reluctance because I am enjoying the member's speech. I am sure

you, Mr. Chairman, have had some concerns about the rules under which we are operating in the Committee which we have adopted that indicate that we speak under these specific items of the Estimates as we go through them and really, the member's speech is quite in keeping on the general topic of, say, the Minister's salary or perhaps even in the first item of General Administration. I only raise the point, Mr. Chairman, because there is of course a desire on my part to respond in like kind to the Honourable Member for Thompson on some of the issues that he raises, but will choose not to because of my understanding of the rules. I might just ask you, Mr. Chairman, to point out to the member that he can reiterate this speech and carry on for another 40 minutes in much the same line that he is doing on the broad affairs of northern Manitoba and Northern Affairs, but we are dealing, those of us who have been trying to keep to the rules that we have adopted, we're under Item 2 of the Northern Affairs Department, Special Programs. I think there should be some attempt made, Sir, to stay within that parameter.

**MR. CHAIRMAN:** I think your point is well taken and I think we should try to keep our remarks as much as possible to the Project Pimadjihowin as much as possible. If the honourable member wishes to make a broad statement on the policies of the Department of Northern Affairs, I think that it could be made under the Minister's Salary, and I would caution other members, because other members have been guilty of the same thing in this debate already and I have allowed a fair amount of laxity but it has now been drawn to the Chair's attention and I would like to thank the other members to carry on in the same way.

The Honourable Leader of the Opposition.

**MR. LYON:** I would like to rise on another point of order or point of personal privilege. I was not present but I understand that the member who just took his seat made some hearsay comments with respect to alleged statements I was supposed to have made to someone about the late Gordon Beard. I want the opportunity to look at those statements in the Hansard and will make my comment at that time, but I interject at this point only to say that if the report that I have received of the honourable member's comments is accurate, then his statements were totally inaccurate and he should give more consideration to speaking of people who are not here and the person in question happened to be a great personal friend of mine — I don't know if he was of the honourable member's or not. But I'll take a look in Hansard on Monday and make the appropriate comment then but I didn't want the moment to pass without indicating to the member and to those in the House who heard it, that this was brought to my attention, I will look at the comments and make appropriate comments to the member after I have had an opportunity to read what he said.

**MR. CHAIRMAN:** The Honourable Member for Thompson.

**MR. DILLEN:** Mr. Chairman, I want to continue now with discussion on the Pimadjihowin and I will just simply ignore the Leader of the Opposition's remarks because if there is anything that I have said that I cannot back up — I feel confident that I can back up everything that I have said. I'm sure that the Leader of the Opposition can take what I said with the same kind of attitude that the Free Press or the papers regard some of the statements that he has made in the past like being invited to seek the nomination in one of the constituencies.

**MR. CHAIRMAN:** Order please. The honourable member should get back to the subject under consideration which is Project Pimadjihowin.

**MR. DILLEN:** Right. I want to talk about Pimadjihowin with respect to the east side of Lake Winnipeg and I think it is necessary to have these kinds of reports put forward and prepared by the people of northern Manitoba in co-operation with consultants in the field and so on, so as to give the people there some idea about what is possible, what can be done given the resources that exist in the communities in northern Manitoba.

There has been an old tradition that, and I think it is borne out by reports, the attitude of the opposition, that people who live in northern Manitoba are incapable of doing anything for themselves; that if you get the incentives and encouragement of government and the gift of money and handouts of government, that the captains of industry would move into the north and do all of the things that have to be done so as to eliminate the social and economic conditions of the northern residents. We have been in this game for a hundred years and nobody can convince me that the God's Lake Mine that operated in the twenties and early thirties had any kind of improvement of the social and economic condition of the east side of Lake Winnipeg. I have yet to be convinced that there is any great improvement of the social and economic condition of the people in northern Manitoba because of the Hudson Bay Mining and Smelting operation in Flin Flon or International Nickel Company in Thompson or any of the other mining companies who were encouraged to come into northern Manitoba. — Interjection — I am going to tell you right now that International Nickel Company has made no contribution whatsoever to the economic and social — (Interjection) — Now if the member would not get upset . . . — (Interjection) — Just keep your cool there. If the Member for Lakeside would keep his cool for just about two minutes, I am going to tell you that International Nickel Co. has made no contribution to the social and economic condition of the community of Shamattawa. Or Brochet. — (Interjections) —

**MR. CHAIRMAN:** Order please. Order please. ORDER PLEASE! Order please. ORDER PLEASE! The honourable member is interrupting. The honourable member who is speaking has about five minutes left and every time he interrupts, I am going to add an extra minute.

**MR. DILLEN:** Mr. Chairman, I want to point that out because I believe it is necessary to point out that some of the things that are included in the Pimadjihowin study, as in other studies, while I discount much of it as being simply a recycling of information that is contained in old reports that go back as far as the Conservative administration and still not acted upon in those days and probably will not be acted upon at this time either, but there is some tremendously valuable information contained in those reports that is of a new approach.

I think that when we start examining the difference in philosophy of development as between two parties in Manitoba, or three, that there is not much difference in, say, the Liberal philosophy in the provinces where they are in the government, to the northern parts of their provinces or the most disadvantaged parts of the provinces where the provincial government is Liberal; that there is not much difference between their approach and the approach of the Conservative government where it is Conservative. —(Interjection)—

The Honourable Member for Lakeside at least makes some valid observations and criticisms. I think that he is a little bit misguided and that he is not taking into account the differences in philosophy between two governments in regard to development. I believe that the Conservative philosophy is that you draw a line across the province and you leave everything above a certain point to the mining industry, to the captains of industry, and let them develop it and hope that somehow that is going to solve the social and economic conditions of the people.

I believe that the difference in philosophy is that there is only one way to solve the social and economic conditions of the isolated communities and that is to be done by the people who live there themselves. They have to understand the necessity of the accumulation of capital through the exercise of muscular and physical exertion as a means of capital accumulation. I respect the attitude that has been taken, the manner in which the approach to development that is being exercised by the Minister of Northern Affairs and indeed the entire staff of his department. I believe that they are knowledgeable, they are experienced, they are the greatest number of people in any department of government who are resident in the areas that they are hired to serve. I think that is commendable and the Minister is to be praised for the position that he takes.

**MR. CHAIRMAN:** Resolution 95(b). The Honourable Member for Sturgeon Creek.

**MR. F. JOHNSTON:** Mr. Chairman, I can only say to the Member for Thompson that he seems to be very close to complete disagreement with the Minister regarding the policy of the north. I have had the opportunity to be up north and I might say to the Member for Thompson I believe they are probably as fine a group of people as you will find. I think that they have a lot to contribute as far as their own destiny is concerned. And when he says that people are capable up there of doing things for themselves, I think they are not only capable of doing them, I think they are capable of giving very good advice on how to do things where they live, because after all, they have the most experience.

But the Minister's program seems to be to send continually people from the south up to the north to tell them how to do it. Now that is what the Member for Lakeside has been saying. We have been sending this army of people up there to give them this advice all the time and absolutely in many cases, as far as I am told when I am up there, these people ignore completely the advice of the experienced people in the north who have something to contribute.

Now on the special programs, Mr. Chairman, I had the opportunity of sitting down with a person in Flin Flon and he happens to be the man in charge of personnel or special projects for native people in the company up there, Hudson Bay Mining and Smelting, and he outlined to me a program that they have had of going out into the different outlying communities and inviting a family or somebody to come into Flin Flon. And I believe his figures were that at one point he had a total of 21 families that were brought in.

**MR. McBRYDE:** Mr. Chairman, I appreciate the honourable member's comments but, like the Member for Lakeside, I would like to comment further when he finishes. Basically he is talking about programs that come under Section 4, the Northern Development Corps, so maybe he would want to wait until we get to that section.

**MR. F. JOHNSTON:** Mr. Chairman, I will be glad to wait until then.

**MR. CHAIRMAN:** Resolution 95(b)—pass. Resolution 95, Resolved that there be granted to Her Majesty a sum not exceeding \$343,500 for Northern Affairs—pass.

Resolution 96, Engineering Services and Construction, (a) Administration, Engineering and Property Management, (1) Salaries and Wages—\$503,600—pass? The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Mr. Chairman, I just wanted to inquire of the Minister whether this would be the right section of the Estimates to ascertain whether the variety of studies that have been done on transportation, housing surveys and so on that have detailed programs should be examined. According to this there have been a number of studies that were concluded in the 1974-1975 period



that indicated a number of strategies and approaches and directions which encompass things like airstrips and roads and housing but are all tied together. For example, there is, going through this, the Northern Transportation Study which talked about a major framework including a whole range of rail, water, roads, all-weather transportation and construction and so on. Would this be the area in which the Minister could describe to us to what degree of that overall strategy of transportation has been implemented?

**MR. McBRIDE:** Mr. Chairman, I think it would probably be the most appropriate for two reasons: one, that through the Northlands Agreement we were involved in getting that study done; and two, that there are aspects of engineering services, the winter roads, the airstrip system, that tie in and fit into that particular program.

Maybe, Mr. Chairman, what I had better do is give a summary of this section and what its duties and functions are, so the member will be aware of that, and then comment on the overall transportation package that affects the government as a whole.

Now the first part of the section is the Administration, Engineering and Property Management and the goals or the guidelines of that particular section are to "provide administrative support to all branches and divisions; to co-ordinate, design and provide consulting services to communities for the construction of various kinds of local infrastructure; and to provide a central unit within the department to deal with various land matters such as land requests, land acquisition and surveys for departmental projects, Crown land disposition in northern Manitoba, and maintaining of a land record.

In that first section we are dealing with the Salaries and Wages now. There are 39 staff man years and there were 39 staff man years last year, so that is continuing at the same level.

On the engineering side, engineering design was completed last year for basic water supply systems at Norway House, Cross Lake, Gods Lake Narrows, Moose Lake, Barrows, Barrens River, Nelson House and Duck Bay. Now that was the engineering work, the design work. The design work is proposed on basic water supply systems for this year in Big Black River, Red Deer Lake, Easterville, Pelican Rapids, and there are some other communities yet to be decided upon. And the decision, because of the serious problem and the lack of potable water supply or clean water supply systems is that the criteria we have used, I think have been forced to use, is the medical advice from medical people, "This community has an unclean water supply and people are being affected by it." The situation is such that we are acting on that criteria. We have enough work for the next couple of years alone.

This particular basic water supply system is one of the few expansions within the Northern Affairs budget. Of course most of that money appears in the Capital section for the actual construction of the water supply system.

There was some preliminary design work done on some more elaborate systems and basic water supply systems, but upon instruction from myself basically, the engineering people are concentrating on the basic systems because there are still some communities that don't have the basic system yet. We won't be able to get into very elaborate systems this upcoming fiscal year.

The other kind of engineering work they have done, for example, designs and studies for garbage disposal sites will be done in the following communities: Norway House, Pikwitonei, Picket, Portage, Nelson House and Manigotagan. I am sure it will take into account all the environmental matters that interest my honourable friend very much and that is why there has to be some engineering involvement in that, so all those considerations can be taken care of.

Bridges, studies and designs will be completed for the following: Hay's River, Laidlaw River, Porcupine River. These are rough bridges on a new winter road route that is, I believe, being cleared at this time.

The engineering service also works on the winter road realignment. For example, the Oxford House to Gods Lake Narrows is 90 miles. They have studied that and basically came up with a route that could in the future be an all-weather route, using highland routes as opposed to muskeg routes.

In the area of airstrips there will be feasibility studies done in the upcoming year on Tadoule Lake, Lac Brochet, Wassagamach, and Princess Harbour. That is just the feasibility of airstrips in those locations. There will be actual design work, engineering work done this year on St. Theresa, Oxford House, Wassagamach Poplar River, Bloodvein, Pauingassi and Princess Harbour. There will be some design work also done on the terminal facilities for the airports, but the communities have not yet been decided upon or picked for that work.

There will be a feasibility or an alternate transportation system study done in the community of Granville Lake — should we proceed with a full airstrip at Granville Lake, or are there other ways to provide the same service to Granville Lake besides an airstrip?

Our basic airstrip policy in communities over 100. Granville Lake goes over 100 sometimes and down below 100 sometimes of the year. Is it worthwhile to build a licensable airstrip in that community or to provide alternate means of transportation?

There will be design work continuing for internal roads for subdivision developments. There will be site development work for approximately 30 housing lots. This is not the subdivision planning, but the internal roads for new subdivision work.

In the Property Management section under the item we are discussing, the Property Management section does give advice on the Crown's request for Crown lands. Last year approximately 900 requests were received and 809 had been processed as of December 31st, 1976.

Checks and approved lots for the rural and native housing program, this involved approximately 350 lots annually; 238 have been processed as of December. Now again this is not the planning of the subdivision itself, but ensuring that the property is available for subdivision. Processes land acquisition requests for departmental and community projects including surveys and registration of plans. Projects include airstrips, nine of which are on reserve lands necessitating Band Council agreements, and resolutions and/or exchange subdivisions, roads and easements for water systems.

We are also maintaining a land record including the update of base mapping, air photo airport files, land files, land acquisitions for departmental use, Crown land disposition, etc.

We are involved in the establishment of community boundaries and in treaty land entitlements as may be affected by departmental projects such as airstrips. And that's a fairly time-consuming job to negotiate with communities. I think that the one where I had to be involved in personally was, for example, Shamattawa, where Shamattawa was trying to establish a reserve, but the airstrip is closed to the community, to draw up a boundary, boundary but leaving the airstrip out of the proposed new reserve. That involves a considerable amount of discussion and negotiation with communities as does pretty well all land exchanges. All land exchanges that involve the reserve are fairly complex processes and very time-consuming process. This section will also be assisting the local government division in the training of community councils and in land administration matters.

I wonder if it probably would be better if I waited to the transportation section till we get right into the — I think at winter roads under item (b).

**MR. MCKENZIE:** Mr. Chairman, I wonder if the Minister can advise the Committee what progress has been made on the survey in the subdivision of the village of Camperville. There has been a steady request from people in the area for an opportunity to purchase lots and, I believe correspondence I had with the Minister indicated it was going to start and the area would be surveyed and subdivided.

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

**MR. ENNS:** I think just apropos to those comments made by the Honourable Member for Roblin, the Minister has brought up the question of subdivisions and providing for the kind of service facilities for lots and residences, the whole question then has to be asked, about what his attitude is, and what the department is doing about extending to northern Manitobans that feeling and that right that most southern Manitobans have; namely, the right to own their own plot of land. I understand the policy of the government is that in the instances of residential properties, there is an expansion or an effort being made to extend free-hold titles to residents of the north. My understanding also is that same privilege is still not extended to commercial enterprises of the north, and I appreciate that there will be differentiation at what line you draw it at. But in discussions during the Minister of Renewable Resources' Estimates, the his colleague, the Minister of Renewable Resources made that very clear, that commercial enterprises were still not being granted free-hold title to land. I pointed out to the Minister at that time, and I'm sure the Minister, the present Minister or the Minister of Northern Affairs must recognize the disadvantage that displaces northern residents, in the sense that so much of our whole system of credit, of obtaining necessary moneys to develop, is, although often based on the availability of collateral, title of land is very often a fundamental part of that collateral, and I say to the Minister that we are performing, you know, we are discriminating and we are carrying on an injustice to northern residents, to northern entrepreneurs of small business that this government has, on occasion, expressed some concern for, by withholding the privileges of free-hold title to land.

I would be very interested to hear the Minister respond to (a) the question posed by the Member for Roblin about the specific question in Camperville **but then, perhaps to expand on the department's philosophy about extending free-hold titles to land. I would like it to be in concert, at least, with his Minister of Agriculture here in the south, who has made it very well known to all and sundry that even under the leased land, the land that the government has purchased in the last five years under the Manitoba Agricultural Credit Corporation, that that now be made very clear to all Manitobans that they can buy it within a year.** —(Interjection)— Well, that's . . . We won't debate that.

**My point with this Minister is that southern residents can own an acre of land, and we haven't granted that to northern residents. And we have lots of land in the north. We ought to be able to give them some land in the north. And it's important, very important to the economic development of the north, that the —(Interjection)— Well, the Honourable Minister of Municipal Affairs asks why. —(Interjection)— That's the whole problem. I would suggest for the same reason that he on his turkey farm can go to the Royal Bank or the Bank of Commerce, or anywhere else, or his Credit Union and borrow fifty, a hundred, two hundred, two hundred fifty thousand dollars to expand his operations**

because you have title to your land. It's part of it. And the Minister of Municipal Affairs is simply not being honest if he says it isn't part of it. —(Interjection)— I certainly can get the same kind of credit extended to me by any money-lending agency in this province on the leased land that I have had, as compared to land that I own as title, that is that I have title to. If the honourable members opposite don't understand that or want to argue that, that has to boggle one's imagination to use the First Minister's term.

So, Mr. Chairman, disregarding the interruptions I am getting, the heckling I'm getting from the second and the third bench of members opposite, their failure to understand that equity in land happens to be an important part of economic development. I would like the Minister to indicate his attitude, the department's attitude towards extending — and I repeat again — . You know, the Member from Thompson isn't here right now. But he like to say how he sometimes differentiates . northern citizens and southern citizens. Well, I'll give you one good reason right now how we're doing it. Southern citizens can own their lands and northern citizens can't. I want to ask the Minister what he is doing about it.

**MR. CHAIRMAN:** The Honourable Member for St. Matthews.

**MR. WALLY JOHANNSON:** Mr. Chairman, I would just like to make a very brief statement. I promise to cease heckling completely and I estimate that this will totally eliminate the material that the Member for Lakeside has available to him, and I think the Estimates should pass in a matter of a few minutes.

**MR. CHAIRMAN:** The Honourable Minister of Northern Affairs.

**MR. McBRYDE:** Mr. Chairman, what the Department of Northern Affairs has been trying to do is get the residential lots available in residential subdivisions. And I think the pressure is on here because of the Rural and Native Housing Program, before that the Remote Housing Program, and that is, there has to be proper lots and lot titles available. Those titles, initially, are held by the funding agency for about a third of the houses by MHRC, for the other two-thirds by CMHC. But then when the person pays for his house under that program they obtain title to the lot.

Now, there is a difference here. There is land in the northern remote communities, some of which is owned now and people have title to. They had that for many, many years, and some of them are fairly large blocks of lands that people have title to. And of course this is a problem with that community's expansion if there are lots of private lands surrounding the settlement.

Then there is the Crown land that is generally available there. And at this stage, you see, that Crown land is certainly not being sold unless it is developed into a subdivision and registered, etc., etc., and surveyed, and all the proper work is done, so that title can be given. But an individual, if he doesn't go through the Remote Housing Program, can purchase a lot from us, but that's in a residential subdivision. We haven't done, I don't think in very many cases, been able to do a complete community plan which would mark an industrial area or commercial area, where there is existing Crown land. This hasn't been a serious problem in most communities because the businesses there are in most cases already located on titled land.

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

**MR. ENNS:** Just for clarification, then as of the moment it is still not possible for a new commercial or industrial venture in the north to readily gain title to land?

**MR. McBRYDE:** It's not easy to buy Crown land and get a title on it. There is considerable private land still that is available.

**MR. CHAIRMAN:** The Honourable Member for Roblin.

**MR. McKENZIE:** Mr. Chairman, could I ask the Minister, is the department going to proceed with the water system in the Village of Camperville? Are there plans to put in a sewer and water system in that village?

**MR. McBRYDE:** Mr. Chairman, I apologize to the member. I didn't answer his first question on the Camperville lots. We're well on with 50 lots and should finish those this year and we hope to finish the 50 lots that were started last year and add 25 more this year so that Camperville will have an adequate supply of lots available for housing purposes.

There is some other funding involved in the sewer and water systems that the member is talking about. Camperville and Duck Bay are negotiating with MHRC and CMHC and within the Rural and Native Housing Program there are funds available for the development, that is, within that program, for example, our lot prices in our subdivision development are included in the cost of that house and the person pays that back. It is also possible to include the sewer and water services in the cost of that subdivision and include that into the price of the housing. Now, whether it's going to be sufficient to do a decent job, the funds that are available, I'm not sure.

What we are doing with the funds we have available this year under the Northlands Agreement, all our effort is going into those basic systems for communities that don't have a clean water supply now. We're giving that top priority and when I pushed our engineers on that, they said well, as long as you don't keep pushing us into Camperville and Duck Bay to do all this other design work, let us get this done first. So that will be the priority.

There are a couple of alternate ways to provide that kind of service in communities like Duck Bay and Camperville that might be cheaper than the traditional and some look is being taken at that as well. So I think that the answer to the question is that for this upcoming year, I'm not sure.

**MR. CHAIRMAN:** Resolution 95(a)(1) Salaries and Wages \$503,600—pass; (2) Other Expenditures \$168,600—pass; (3) Canada-Manitoba Northlands Agreement (a) Salaries and Wages \$105,400.00. The Honourable Minister of Northern Affairs.

**MR. McBRYDE:** The Engineering Services is in support for the programs that go on, to design the airstrips, to design winter road work, etc. So the function performed is similar except that where the project is cost-shared, then the engineering and administration is cost-shared. So you see two listings here but basically it's for the same service, but some are cost-shared so they are shown separately as Manitoba Northlands.

**MR. CHAIRMAN:** (3)(a) Salaries and Wages—pass; (3)(b) Other Expenditures \$35,300—pass. (a)(3) in its entirety \$140,700— pass. 96(b) Winter Roads Construction \$1,684,800.00. The Honourable Member for Lakeside.

**MR. ENNS:** Well, Mr. Chairman, I think we ought to talk about winter roads for a little bit even though the winter has come and gone. Let's talk about what this government has done in terms of winter roads. Let's remember the original concept of this government which I think by and large was recognized as a welcome departure from past practice and from time to time as we move on, we all — (Interjection)— Yes, I think the concept of having a greater involvement of local people and local contractors being part of that program was worthwhile and I do not blush in passing out that particular bouquet to the government.

However, Mr. Chairman, I think the Minister ought to give us some report as to the program as it was carried out this year. Firstly, I think, the number of local people who were involved either through Minago or other local organizations — let's have some reporting of the number of local people actually employed in the construction of the winter roads. Let's have some reporting of the performance of the roads and I can appreciate that this particular winter, Mr. Chairman, the weather as far as winter roads are concerned, while it might have been very nice for us generally as citizens of the province, winter roads do require severe cold temperatures to maintain them and to get the necessary freight moved. I think we would like to have some report from the Minister as to the kind of freight that was moved. Mr. Chairman, I'll ask it, although I'll not get a proper answer, I'm sure.

The impression of course was left that back in the mean old days, in medieval times, the dark ages of King Harold and William the Conqueror and Duff Roblin, back in those days, absolutely nothing happened. No freight got moved to the north and if it did, it got there at exorbitant rates and everybody was held with the proverbial guns to their temples and was held up. I would like to know, and I'm asking the Minister seriously, I would like to know' in real economic terms, what effective savings have been made to northern residents? Let's put it in language we can all understand. What was the price of milk or fresh produce or meat or diesel fuel, the basic things, in 1966 or 1968 as compared to 1977, given the understandable inflated dollar values that we now have to live with?

Can the Minister assure me and the Committee that having done away with . . . and Mr. Chairman, I don't make this argument because if in fact there has been no saving at all, I think the program is still worthwhile if it has involved 100, 150, 200 or 300 local people, native people that otherwise would have had difficulty finding employment opportunities. That's not the gist of my remarks.

But I think for the record, you see there was this impression distinctly left when the program was initially announced, that having done away with the robber barons of the south, that the price of food and basic commodities would have a dramatic drop, like not a 100 percent, but 300 percent, because it's no longer that bad dog Sigurdsson Liberal that used to build roads in the north, it's now going to be Dave Courchene and Company that's building the roads, or Kip Thompson and Company that's building the roads. So now there would be these automatic credits accruing to the north.

I would like the Minister now, with several years — not several, six, seven years of experience in the portfolio that he holds — to be able to tell us precisely in what dramatic way the cost of goods and services in the north have been reduced since we have done away with the robber barons in the business of northern road building and how successful in fact the road building project in the north has been this year.

**MR. McBRYDE:** Mr. Chairman, the miles that were built this year under the regular program were 761 miles of winter road. The freight that was hauled in the 1975-76 season, or last season, was 100 million pounds of pulp, 45,147,000 pounds of general freight. In 1976-77, the pulpwood haul was 70 million pounds and the general freight was 49 million pounds. So the season comparison between the two years, the pulpwood haul was down, the general freight haul was up this past year.

The estimated number of employees, and we have the exact figure but it's, if somebody worked for a week then he would certainly inflate the figures than if he stayed for the full winter road construction season, but our best estimate is about 200 people that were employed in winter road construction. That is where Northern Affairs did it themselves, where contractors did it, or where Me

Ke Se did the construction. So about 200 jobs were created, at least, during the winter roads season.

This past season, The Pas — Moose Lake Road which is 60 miles, was contracted by Moose Lake Loggers. It is estimated that the construction and maintenance costs were \$46,600. Excuse me, that was the construction costs — construction plus six weeks of maintenance. The road that opened very early had some additional maintenance added on when we extended the date till March 15th for maintenance.

The South Bay — South Indian Lake road, 10 miles, which is mostly across the lake, was built by the Southern Indian Lake Community Council, and the cost of construction in six weeks, maintenance, was 27,500. That is the second year that South Indian Lake Community Council has had a contract and they've performed quite satisfactorily both years. As a matter of fact, last year they made enough of a profit to get the down payment on their grader, which they're now paying for for their community operations.

PTH No. 6 to Norway House, 65 miles, the contractor in this case was Ken Paterson, and the cost of that road was \$77,500. We have no funds in the Estimates for this year for this upcoming year for that road because there is now an all-weather road being constructed from Jenpeg to Norway House. So that road will be deleted from the winter road system for next year.

The Jenpeg — Cross Lake Road of 23 miles was built by the Cross Lake Community Council. This is the first year that they have taken on the contract. Last year we hired their people and we supervised. This year, they ran the operation and we just gave approval or supervised in terms of whether the work was satisfactorily done. The cost of that road was 35,000.

The Cross Lake — Oxford House Road, 132 miles, built by Northern Affairs, the estimate for that road is \$227,500, and the roads that I mentioned so far were all in in good time without problems. The Cross Lake — Oxford House Road had problems because of conditions on the Oxford Lake itself. It's a little bit hard for us, I guess, to understand, because Playgreen Lake had good ice conditions this year. Hardly any further north Oxford House Lake had very poor ice conditions this year. When I mentioned about the engineering studies, we are trying to re-route that road around Oxford Lake, so that we don't have to go across the lake in the future. So we will hopefully not experience that problem in the future.

Oxford House — Gods Narrows, 55 miles, contract with Gilbert North, a resident of Oxford House, \$77,600.

Bloodvein — Berens River, 50 miles, built by channel area loggers and Bloodvein Foundation, then the Hole River branch roads contracted with Me Ke Se, and the total price of that, with eight weeks maintenance, was \$694,800, a number of their work was sub-contracted.

The member raised some points on Pimadjihowin. I think that maybe is an example, where you have a big company like Me Ke Se, that is a regional company for that area, that is having fairly serious problems. You have a small company like Bloodvein Foundation, operates out of Bloodvein. They are breaking even financially, and they have produced — every time we've hired them, they've done a good job. I think that's some argument for a smaller operation as opposed to a larger operation, because at this particular stage, if you have an operation that can be managed by one competent manager and it's of that size, then you seem to do pretty well. The larger it gets, the more difficulties you run into. There was some discussion of expanding the work to the Bloodvein Foundation, but they and we agree that that wouldn't be worthwhile, because they might get a little too big to be able to handle that work.

The anticipated expenditures, Mr. Chairman, for the upcoming year, the figures are set at about the same amount. They are probably going to be a little bit low. To complete the same amount of roads that we did this year, we might have to ask for some additional funding.

The cost-analysis that the member has asked for — no, we don't have it. Not last year but the year before, there was a consultant hired. He did the analysis of the winter roads system and what would happen if it was under the old system, the new system, all the other systems, and it was a fairly elaborate study. Last year and this year we didn't do that kind of a study, but we could work back without much problem — but not this afternoon — the constant dollar figure that the member talked about in terms of those goods delivered.

Right now, in terms of inflated dollars, all you can say was that the cost didn't rise as rapidly as it would have, but we could get that work done, to work back constant dollars, and try and provide that for him on Monday, hopefully.

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

**MR. ENNS:** Mr. Chairman, I asked that question seriously in the sense that notwithstanding my recognition of the value of having that work done as it's being done by northern residents, but I also asked the question because I believe that way too often, we pass over the opportunity of checking up some of the kind of positions and statements taken by members opposite. I want to suggest that because that service had been provided previously by the private sector, there was, in fact, inordinate profiteering and inordinate price-gouging involved in the delivery of the service and the delivery of the freight.

I would think that the government opposite would be the first ones to want to parade that to us, if in fact, history proves that to be correct. If the Honourable Minister suggests that there was a study taken, say a year ago, two years ago, that had an overview of that situation, then I'd be happy to hear that information processed in the closing of his Estimates debates on the Minister's salary.

Before I sit down, Mr. Chairman, I noticed the Minister, in the listing of the numerous people involved, communities involved, local contractors involved in the construction of various community roads, he did not choose to mention a particular contract that was, in my understanding, let to a particular contractor by the name of Mr. Perfanick Bros. Trucking and Supply Limited, that built the Cross Lake to Oxford House Road of some 116 miles; a road which we had a considerable amount of difficulty in terms of its acceptability once the road was finished, and secondly, its scheduling, and thirdly its cost. I would ask the Minister to supply the committee with details as to the particular contract entered into with this particular contractor, as, for instance, compared to the contract that was entered into with one other local contractor by the name of Mr. Thompson, Kip Thompson, I believe who constructed a similar piece of road from Oxford to Ilford, both involving some 100 - 105 miles. My understanding, if my information is incorrect, is that the contracts varied considerably in terms of cost. The result varied considerably in terms of the accessibility of that road for trucks. I would ask the Minister why in this particular instance did he choose to depart from a policy that I endorse, namely, that wherever possible or wherever initiative is shown by local residents in communities to build a particular piece of road, then that opportunity should be given to them. I happen to endorse that policy of the Minister's, particularly as years go by and a degree of expertise is built up by communities to do these things, but I would ask the Minister specifically that question, why that particular stretch of some 116 odd miles covering Cross Lake to Oxford House, I understand, was awarded not to the local contractors or to local people, but to a Winnipeg contractor residing here in the City of Winnipeg by the name of Perfanick Bros. Trucking and Supply Limited, who entered into a separate contract with the Department of Northern Affairs to build that road. My understanding also is, Mr. Chairman, that there were in fact offers made by local communities and local contractors in the business of building these winter roads to, in fact take on the construction of that particular road. Could the Minister provide me with some specific details of the costs of that particular contract which I understand were undertaken by the department.

Now, it is the Department of Northern Affairs I understand, that built that particular stretch of road. Mr. Chairman, my question, of course is obvious. I would like to simply compare the private entrepreneurship of, for instance, the residents of Ilford or Cross Lake in building the roads or South Bay or whatever, as compared to a Government department. I suspect that the cost differential is ten to one. I have to say an outrageous thing like that to encourage the Minister to come up with some figures. I understand, for instance, for that particular piece of road that was built between Oxford House and Ilford the Northern Affairs Department had to guarantee X number of dollars a mile considerably in excess of what they were paying the other local contractors. I understand that the Department of Northern Affairs had to guarantee full maintenance and repairs for the contractor in question, his equipment, for that particular piece of road. I understand that the contractor in question had full control as to who he employed with respect to the building of that particular piece of road which involved little or no local people.

I would ask the Minister to give us an explanation about that particular aspect. I'm referring specifically — if we want to focus it in on a comparative basis — I'm referring to the two pieces of road roughly of 100 miles each, one the road from Ilford to Oxford built, as my understanding is, by the local contractor. I think the gentleman's name was, the mayor is it, Kip Thompson and Company, and the other piece of road from Cross Lake to Oxford House, also about 100 miles, 116 miles, contract undertaken by Perfanick Bros. Trucking and Supply Limited of Winnipeg here.

**MR. McBRIDE:** Mr. Chairman, I wanted to add a point to the previous comments of the member. The main beneficiaries of the winter road are in fact Manitoba Hydro and the Department of Indian Affairs, or Federal Supply and Services, because they are main hauler of goods over those roads, so they are the big beneficiary in a sense. And I guess that's why Indian Affairs cost-shares with us for example on the Me Ke Se contract, or one of the reasons why they cost-share with us on the Me Ke Se contract. I am not aware that a road was built from Ilford to Oxford House this year. I think that there was a trail pushed through last year. I'm not aware that one was even put through this year. Our road that we pay for is from Cross Lake, to Oxford House to God's Narrows and when the department undertakes that job the first thing is to try and hire local people and local equipment, but in this case the Cross Lake Community Council had the contract already from Jenpeg to Cross Lake so most of their stuff was tied up.

Gilbert North who had contracted coming on that same road last year, this year had a contract himself as a community resident of Oxford House to go from Oxford to God's, so the department used any local equipment that was still available and then whatever equipment we have available, and then we hire, at a going northern rate, a man-machine hour basis. And the supervisor of construction on the project hires who is available at that rate, which I think is the same rate that Highways pays for

northern work, or we pay for northern work or anybody else.

Since I don't think that road he was talking about was built, I'm not sure we can do a cost per mile comparison. The other problem is that when the road was built from Ilford to Oxford in the past by Kip Thompson, that he built that for his own use, and therefore, he did not build it to our standards, but good enough so he could get his trucks over. There's two different standards of roads, so I'm not sure how valid the comparison would be, but the cost of that Cross Lake-Oxford House road on a per mile basis, the other of course is the terrain that you're going over and how much lake you're on. It's more expensive when you're out on the lake. —(Interjection)—

So the member mentioned one particular contractor and I know that he was not the only private contractor that was hired on a machine-man hourly basis. As a matter of fact, the last year that Kip Thompson did have a contract, he sub-contracted most of that work out on the same basis to a Thompson outfit, Campbell North. He contracted quite a bit of the work out to them on the same basis we would at so much an hour for doing the work.

**MR. ENNS:** This is just for clarification, the Minister is telling me that the Ilford to Oxford road was, in fact, not part of the winter roads program this year, and that there was no expenditure of funds in that case. Well, I'll have to accept that as information obviously.

The other question in terms of the Cross Lake to Oxford House road, will the Minister be in a position to give me some detailed costs on that particular road? Can the Minister give me the costs of that road at this time? The program is completed. The road is finished. Has he had an opportunity, or the department with the help of his staff — have they got some final figures as to the cost of that road?

**MR. McBRYDE:** The actual cost for the past season of that road, we could probably have that on Monday — the actual costs of the roads that were not contracted at a fixed contract price.

**MR. ENNS:** There was a reported difficulty on another particular piece of road where apparently an Imperial Oil tanker overturned with a loss of a considerable amount of fuel, which resulted as I was given to understand in a law suit that is pending. Without wishing to break any of the rules, if in fact the department is facing a law suit, can the Minister just simply comment on whether or not he and his department is facing a law suit brought on by Imperial Oil as a result of having lost a vehicle, a tanker full of gas on one of his winter roads?

**MR. McBRYDE:** Mr. Chairman, I'm not aware of any pending law case. I got a letter from an oil agent saying that it was the road that caused the truck to tip over. But the next day I got a letter from the community saying that if that guy didn't drive the way he did he wouldn't have tipped over and there is nothing wrong with the road. So I suppose all that'll come out in court if, in fact, there is a court case.

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

*The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again. .*

### IN SESSION

**MR. SPEAKER:** The Honourable Member for Logan.

**MR. JENKINS:** Mr. Speaker, I beg to move, seconded by the Honourable for Point Douglas that the report of the Committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable House Leader.

**MR. GREEN:** Mr. Speaker we will be proceeding in the same manner with Bills and Committee of Supply next week with the Minister of Continuing Education following the Minister of Northern Affairs in the House and the Minister of Industry and Commerce following the Minister of Public Works in the Committee Room. We will also have a meeting of Hydro on Tuesday morning at 10:00 and possibly another Committee meeting on Thursday, but I'm not yet able to announce that. Mr. Speaker, I move, seconded by the Honourable Member for Lakeside that the House be now adjourned.

**MOTION presented and carried,** and the House adjourned until 2:30 Monday.