

TIME: 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY
ESTIMATES - PUBLIC WORKS

MR. CHAIRMAN, Mr. D. James Walding (St. Vital): We have a quorum, gentlemen, the committee will come to order. I direct the attention of honourable members to Page 51 in their Estimates Book, the Department of Public Works. Resolution 101 Supply and Services (b) Central Provincial Garage (1) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, prior to the break at 4:30 we were talking about Central Provincial Garage and the salaries and the number of vehicles and we broke-off, at that time, prior to discussing the electric vehicles, which I believe was mutually agreed upon by the Minister and members of committee that we would leave that matter until tonight.

I am of the opinion that the Provincial Government has in the neighbourhood of ten electrical vehicles that basically sit in the Provincial Garage day in and day out, and collect dust, and that this is a cost to the taxpayers of Manitoba. I compliment the Minister for his imagination originally, in thinking that maybe electric cars had some validity.

But, on the other hand, I believe, personally, that the Manitoba Hydro should have been the persons that would have paid for this experiment of having electric vehicles. And on the other hand, electric vehicles, in my opinion, really don't have a strong attachment to the Manitoba Hydro because the Manitoba Hydro generates its power to each and every unit through power lines, and yet battery-powered cars, in my opinion, I find it very difficult to understand how battery-powered cars are electric cars, but battery-powered cars that have eight batteries in them and have a lifespan of 47 miles I just can't find a practical use for. I think that this particular government, Mr. Chairman, has spent far more money in this experimentation than they ever should have, and my colleagues, and from my investigation, I find that these eight or ten vehicles are sitting in the Provincial Garage, seldom ever used, and if they are used that they are an inferior product. I'd like to have the Minister comment on the expense of the battery-powered vehicles.

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: Well, Mr. Chairman, I think that this is a very interesting field and I think that the honourable member is harbouring some misconceptions about what is going on. I don't like to draw comparisons but I'm sure that if in the old days when people talked about the first airplane, when Wilbur and Orville were telling people they were going to have this flying machine, people laughed at them and said they were crazy. And I think the electric car is like in the early . . . is in a similar stage to the early development of the airplane, or I think it's in a similar stage to the early development of the car. I would assume that the electric car is about where the gas car was around 1910, 1915, in that particular period of time — still in an experimental stage.

But, I tell you quite frankly that I believe that the future is in electric cars; that I really believe that in the next ten, twenty years that when they break the technology, when they start spending money and time perfecting the electric car and, of course, all of this is in relation to sales, and all of it's in relation to the cost of electricity versus the cost of gas and oil. Now I think that the electric car today, on an operations basis alone, is competitive with gas and oil, maybe it's even better than gas and oil. Where you get killed in the electric car is it costs double or triple what an ordinary car costs. That's where you get killed.

Okay, an electric car now is not for highway travel. Hydro has a car which is a full-sized Chevrolet basically, and that car has an attachment which I regard as silly. First of all, I think the car may be okay but the attachment is silly. And what it is, it's a little sort of power supply or cart that you hook onto the back, you fill it full of gasoline, it cranks and spits away, and cranks up electricity which it feeds into the car. Who needs that? I mean if you're going to put gas into the motor that you're carrying along with you, you may as well put it into the engine. So that clearly doesn't make any sense, and we're still far away from an electric car that will go on the highway.

But, the average car, if you think of the average car, if you have a second car, or you just drive around the City of Winnipeg, you know, we all have gas-eating monsters that can do 100 or 120 or 130, and you drive it at 30. You drive it at 30, 32, 35, 40, something like that but the thing can do over 100 miles an hour, and most of us are not driving more than 20 or 30 miles a day, as if an electric car can have a range of 50 or 60 miles a day, that is in fact more than adequate.

Now the biggest problem we've had to date is this, that the cars we have have had a charging time of 16 hours to get a full charge. Now we want to be able to get a full charge on 8 hours. It charges at a regular plug-in, 110 volts, it takes 16 hours. So if you get home from work at 6 o'clock and you plug in and you leave the next day at 8 o'clock, you're okay, you have a full charge. But if you get in at midnight and plug in and leave at eight, you have a half a charge. So that's the problem. We want to be able to plug in and get an eight-hour charge, a full charge. And we have tried and we have had some

problems. We were told you could either plug in at 110 at sixteen hours, or 220 at eight and we've had problems with the transformers, and the chargers, and the converters, etc., etc.

Now, we have seven cars and one truck that we purchased and Hydro bought one car. Hydro has this full sized car. Our seven cars were leased, three to the City, one to Hydro, and we have three. I can only tell you that our three — we have had problems with them, we have experimented with them, we've had the people from the States, who come from Cleveland, come up here a couple of times, and I can tell you, we have given them hell because they have not lived up to some of their promises, or some of their agreements. But right now, the cars are running, and we seem to know how to handle them.

The truck, we have never had any problem with. The truck has worked out very well, I'd say to 80, 90, 100 percent of our expectations, and the Hydro car, I'm not that familiar with, and I can't report too well on how the City is doing with their three cars or how Hydro is doing with theirs. But we have never thought, from day one, we were going to run these cars and then buy 100 and then buy 1,000 and then have everybody in Manitoba driving electric cars. We never thought that. We have encountered more difficulties than I think we anticipated. But right now, I think, in our garage, we have two or three or four people who are quite knowledgeable about these cars, and the questions about sulphuric acid and so on which we got, which were true to a certain extent maybe a year ago, are no longer true. People are not smelling sulphuric acid and having it turn their stomachs. Apparently that is gone. We have resolved that particular problem.

That's about all I can report to you. It's an experiment. I think it's a good experiment, and I tell you with some confidence, that I think that in ten to twenty years there's going to be an awful lot of electric cars on the road. There's going to be quite a few, a fairly high percentage of average people are going to be driving around in these cars. Given the present projections for the cost of gas and oil, and given the development of a better technology and a new battery, I think that this is the direction that transportation will go.

MR. STEEN: Mr. Chairman, my question to the Minister is, he gives us a glowing report as to the future of the electric car, the battery driven car. And I think this is a point that should be made rather clear, that it's not really in my opinion an electric car, it's a battery-driven car. If we were trying to . . .

MR. DOERN: Batteries are fed by electricity.

MR. STEEN: Well, yes, they have to be charged up just like the Member from Emerson, they have to be tuned up once in a while. Mr. Chairman, the Minister gives us glowing reports as to the reasons why he thinks that the battery car is a car for the future and so on. Therefore my question is why have the cars been sitting in the Provincial Garage accumulating very few miles and being used rather sparingly? It's obvious, in my opinion, that the personnel that are required to drive them or are expected to drive them don't like them, don't want them and don't think that they are a very good vehicle. Your experimentation is obviously, in my opinion, a failure. My first note and comment earlier was that I think that if the battery car is a car for the future, and as you say, Mr. Minister, that the battery car has to be generated by power and electricity, then why don't we have the Manitoba Hydro and other hydro-electric boards pay for this experimentation rather than the taxpayers of Manitoba?

MR. DOERN: I assume the taxpayers of Manitoba pay either Hydro or the Provincial Government, it doesn't really matter, they are going to — you know, their dollars go to either source. I can't recall precisely the amount of money the American government is supposed to put into this, at least under the Ford administration, but I thought it was a hundred million or something and there's all sort of electric car people in the States waiting for the American government to move. Like the Federal Post Office is supposed to buy several thousand vehicles, etc., but they still haven't really untracked that.

The Japanese, I think, built one car at either eight or ten or fifteen million dollars that they poured into one prototype and I say, that when the Japanese get involved look out, because if they ever really get into this, then I think that they may become the leaders in the field.

I could go on, but I don't regard this as a failure. I believe that the time will come in the future, and I'm not talking a hundred years from now, you will drive an electric car, you will pull up to a filling station, they will take out one battery, out of your hood, put in another one within a couple of minutes, the same time it takes to fill up a gas tank, you will sign for it on your credit card the way you do for a tank of gas and you will drive off.

There are now electric trucks like that. Our electric truck has two very large batteries. They weigh a thousand or two thousand pounds apiece and you can have one battery charging and one in the truck. You can pull into the garage and within minutes you open up the side, unscrew a couple of things, put a fork-lift in, take it out, put another battery in, tighten it up — maybe five minutes. And I tell you that that is where the future of electric cars is. It's not in plugging in for sixteen hours or eight hours or four hours; it's in having maybe some charging at home but basically you go down the street, pull up to a garage, the fellow takes out the battery, whips in another one in minutes and away you go for another sixty miles. That's what is coming and I don't think that's that far away into the future.

MR. STEEN: Mr. Chairman, I think what the Minister is saying is correct. There is a future perhaps for battery-driven vehicles but there is also only a future for the battery-driven vehicle on the short

distance haul. Battery-driven vehicles are excellent as golf carts; they are excellent for perhaps as a post office vehicle that circulates between half a dozen government buildings and so on, but I don't think that there is a future for the battery-driven vehicle for the Minister, for example, who is going to Dauphin to be part of a sod-turning ceremony within a few days. I don't think there is a future there for the battery-driven vehicle.

On the other hand I question the Minister as to — is it the Provincial Government of Manitoba's responsibility to introduce and do the experimentation of the battery-driven vehicle or is it the responsibility of the Manitoba Hydro or even more so, those who manufacture the vehicle? I don't think that the governments of the various states in the United States or the various provinces in Canada did the experimentation for Ford or GM or Chrysler, and I personally think that this Provincial Government has really wasted better than \$100,000 playing around with a little toy. Unfortunately, Mr. Chairman, the people of Manitoba have lost the value of this little toy.

MR. DOERN: Mr. Chairman, today at nine o'clock at the Archives Building, I opened a conference, a one-day seminar on energy conservation sponsored by the Department of Public Works. We expected 200 people to come. We had it scheduled for the Norquay Building Auditorium. Three hundred and twenty registered and we had to move it; it was either cut them off, jam them in or move, so we decided to move down the street. A large number of people are interested in energy conservation and I'm talking now of government and industry. The conference contained people from my department, from Industry and Commerce, from other government departments, a large assortment of engineers, architects, developers, building owners and operators, contractors. A lot of people are interested in this subject, and probably the biggest wastage in fossil fuels is in the field of transportation.

I pointed out to you that about 50 percent of our sedans are now compacts in the provincial fleet. How do you persuade people to operate their cars less? Well, one solution is to raise the price of gasoline. If you raise it like the Americans are talking about, ten cents a gallon for three years, that will discourage people. Another one is pour money into public transportation. Another one is experiment with other kinds of vehicles, you know, tell people that instead of driving to the corner store in their car, I think a lot of people will drive one or two blocks to the store and won't walk, and you try to persuade people that they are wasting gasoline, wasting money, wasting finite resources, etc. This is simply one factor in that equation, it's a very small one.

I suppose the way we are involved is as follows: The Minister of Industry and Commerce, who will shortly fill this room with his voice, he's interested in energy policy in the broad terms of the nation and the province; and our department, we are interested in energy conservation within the government, buildings, vehicles, etc. It's by virtue of the fact that we are responsible for the car fleet that we are involved, and I think it makes sense, that if we operate several thousand vehicles and also are responsible for the total operation and maintenance of the fleet and we're responsible for, I suppose, being involved in leasing vehicles, etc. etc., that although this is an experiment, that there is some logic for it to fall within the ambit of this particular department.

So I suppose that someone else will have to judge whether I am making a stronger case than the Member for Crescentwood or he is making a stronger case than I am, but I am simply saying I feel it is a worthwhile experiment. He feels that it is not a worthwhile experiment and I suppose we can call it a draw.

MR. STEEN: Mr. Chairman, I'm not saying that it is not a worthwhile experiment, I think that the large car manufacturers could be footing the bill for this, or the hydro-electric companies could be footing the bill for this . . .

MR. DOERN: Not General Motors.

MR. STEEN: . . . and this Minister is correct that the hydro-electric is really the same taxpayer base as the Department of Public Works, that's correct. But can the Minister tell us, he gives me the impression that there are nine electric cars . . .

MR. DOERN: Seven.

MR. STEEN: Is there seven?

MR. DOERN: Plus one.

MR. STEEN: Seven plus one, okay, eight electric cars — the cost to the department, including the truck which the Member for Wolseley says makes nine — the cost to the department of these nine vehicles and how many miles that they are being run, collectively?

MR. DOERN: Well, I believe that the cars, we bought seven, I believe they were ten-and-a-half thousand apiece. They are a brand new Renaults. If you bought them off your dealer, they'd be half of that. They're \$10,500 apiece, the van was \$16,000 to \$18,000, and I think Hydro's car which is a full-sized car was about \$16,000 to \$18,000.00. That same car now apparently sells for \$23,000.00. But, you know, as I said say, if you make a straight comparison, the Renault is double, the truck is triple. I am told that if you bought a brand new Dodge or some comparable-sized truck, it would be about \$5,000 to \$6,000.00.

In terms of mileage, I can't give that to you. I would have to get that but I think that our cars are

1,000 to 1,500 apiece on miles. They haven't racked up 12,000 miles but some of that time they have been sitting there and part of that problem has been technological. It has not been because we can't find the drivers, etc., it's been because we've had battery problems, we've had transformer problems, charger problems. We've spent time trying to convert from 110 to 220, when we were told that they could do it. We've had the mechanics up here. I have spoken to their people, we have written them some angry letters, etc., etc. But I think about now, I think, in what I call the second phase of the experiment, I think we should have a much better record and should be able to put on more miles and have more experience. .

MR. STEEN: Mr. Chairman, I would therefore say that it's been a very expensive experiment.

MR. CHAIRMAN: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: Thank you, Mr. Chairman. My colleague from Crescentwood has covered most of the points, I just have to reiterate. I think it has been a costly experiment. I just wonder how long the experiment is going to go on because they had cars back when I was a small boy, Hudson Bay and Eaton's had cars, electric cars, electric trucks in the city for delivering. They were a complete disaster, and I don't think with all the technical knowledge that we have acquired the last 50, 60 years, I don't think we have advanced that far in electric cars. There is no possible way that you are going to convince me, and I don't think the taxpayers of this province, that the electric car is the coming thing. I think they've done experimenting with the technology that's available to us today; they've done a tremendous amount of experimenting with them, and I don't think they're working out. The Member for Crescentwood mentioned that they were okay for golf carts. Well they're not. They're a complete disaster as far as golf carts are concerned. You can't even get 18 holes out of half of the electric golf carts.

MR. DOERN: You're supposed to be able to walk.

MR. BLAKE: Well I do, I don't have a cart. But if you can't get the little golf cart perfected to the point where it will carry you around the golf course for a couple of hours, I don't see any future in electric cars or electric trucks. I just would like the Minister to tell us how long are we going to go on experimenting and how much is this going to cost us before we decide it's been a bad experiment, we're going to get rid of the cars and take our licking, and get back to sensible gas-operated vehicles, which seem to be the only ones that operate efficiently.

MR. DOERN: Mr. Chairman, I think that this experiment will run for another couple of years and when the reports are in then the government will decide what it's going to do. It will either abandon the experiment; it will either continue the experiment or it will buy more and better vehicles of a more advanced type and so on. My honourable friend relates his experience. I think in England where I've been a few times and haven't been really aware of electric vehicles buzzing around, but I understand that there are electric trucks that have been used there for, I don't know, 40 or 50 years and that the English tend to . . .

MR. BLAKE: Certainly in a good climate. But not in our climate.

MR. DOERN: And, you know, if I had told the Member for Minnedosa five years ago that the price of oil was going to go to—I don't know what it is today—13, 14, 15 bucks a barrel . . .

MR. BLAKE: Or my Hydro bill.

MR. DOERN: . . . when it was a couple of bucks a barrel, he wouldn't have believed me because at one time gas was cheap, oil was cheap, all you wanted, all you could waste, don't even give it a thought. Now I think we are going slowly from an attitude of waste all the fuel that you want, waste all the energy that you want, to watch what you're doing. In Nova Scotia—I don't want to start the Hydro debate, I'm not on the Public Utilities Committee—they went up 47 percent on their electric bills, etc. Now, when that happens you have to start thinking about what you're going to do. And if the price of gas went up to \$2 a gallon then I think you'd have to look at your bicycle, look at your legs and look at electric cars. Because that's where we're going.

MR. BLAKE: Well that's all well and good, Mr. Chairman, but the Minister does not make a convincing argument for the experiment on electric cars. I know we're going to have to conserve energy, I know we're going to have to look at bicycles and our legs and what-not, but that doesn't make any argument for the use of electric cars which are not operating efficiently. I wonder if the Minister has put a ceiling or a limit on what this experiment is going to cost the taxpayers. Have you put a limit on of a quarter of a million or a half a million or how much are you going to spend experimenting or playing around with these little toys?

MR. DOERN: The total capital cost on the vehicles to date is about \$90,000.00. That's what we've spent. If you add in Hydro's it goes to a little over \$100,000.00. And we don't have any plans at present to purchase more vehicles. So if you think I'm going to put these cars in the garage and leave them there or auction them off, I don't intend to do that. I intend to keep operating them for a number of years, after which we will decide the future of those vehicles and the future of our experiment with electric cars.

MR. BLAKE: We could go on for many hours on this, Mr. Chairman, but I won't belabour the point because we want to move on in the Estimates. But the Minister has not put forward a convincing

argument for the expenditure of a hundred and some thousand dollars for playing around with these cars, because it could have been done by the manufacturer. If they're interested in selling the cars, they would have come here, demonstrated them for nothing, without us being burdened with the problem of having people look at them and service them and estimate and evaluate whether they're good or whether they aren't.

MR. DOERN: Mr. Chairman, I think I have persuaded the left side of the table, but not the right. Unless the manufacturers have a market, what can they do? You know if Chevrolet right now sold 200 cars a year, they'd cost \$10,000 to \$20,000 apiece. It's because they sell millions that they have a low price. Now, these people are selling Renaults at \$10,500.00. You can't say to them, "Produce a whole bunch, give them away two for one or something." They have to have a market. Somebody has to support them. You're a businessman.

MR. BLAKE: Then you promote the market. Are you going to sell electric cars for them?

MR. DOERN: No, but unless somebody is prepared to experiment or gamble or invest, they don't have anything.

MR. BLAKE: . . . the taxpayers' money to promote the electric cars.

MR. DOERN: I tell you that when General Motors, who appear to be doing nothing in this business and all these big dealers—this is my assessment—when a break-through is made, they will make a shift into electric cars like you wouldn't believe that they're staying out of it. But when the breakthrough comes, I think you will find that they will move into this field very quickly and they will be competitive. But they're hanging back.

MR. BLAKE: One final word, Mr. Chairman. And the ads will say, "Tested and proven by the Province of Manitoba Public Works Department. Guaranteed to function 100 percent."

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: I think the Member for Crescentwood was all too kind because I think . . .

MR. DOERN: Be careful. I'll bring Johansson in.

MR. CHAIRMAN: Order please.

MR. WILSON: Well the Member for St. Matthews could listen as well. But the point is that, I think what we've done is we've taken upon ourselves, and politicians are always good at spending other people's money. In fact, there are several famous quotations that go along that line. I think what we have is a Cabinet of scientists and game players. The Minister for Consumer Affairs had a game that he paid \$175 each for. The Minister of Agriculture had another game. It seems that we're always going in and trying these experiments and tinkering around and I think that somebody is going to judge. In fact, I'm quoting the Minister and somebody is going to judge because I think we made a mistake as somebody who's supposed to watch the public purse and be careful with taxpayers' money and I think this experiment was ill timed. I don't think it was far enough along for us to buy that many. I'd be interested in knowing the odometer readings of all the units and maybe that could be found out through an Order for Return. The Minister mentioned a thousand miles average per car.

MR. DOERN: I'm speaking of our own now, our fleet.

MR. WILSON: Yes. Well, it might be interesting to see how others are doing. The city always seems to accept gifts from the province because they feel that if they don't accept the gifts something will happen. I'd be interested to see what happened to their three units. You mentioned that you were very proud of the experiment, and I might suggest that the Japanese or the Federal Government, or possibly the rich oil barons, the OPEC nations would have been far better off to be tinkering around with money because I don't think we should have.

I'd like to know if the Minister has any comment in this area regarding the weight of these batteries. I realize they are stuck — in talking about the truck now — is there going to be any problem with any load limit pertaining to the weight if these batteries weigh a thousand apiece. What does the Minister in charge of Autopac do if one of these units ever gets into an accident? They've got enough trouble dealing with standard models and figuring out how to handle accidents.

The Minister mentioned the total cost being approximately \$100,000.00. I'll take him at his word there. Those were my questions pertaining to the electric cars and I don't share his optimism. I really think it it would have been better if Manitoba had stayed out of it. Our climate isn't conducive to tinkering with electric units. I noticed that even the government hasn't gone into the golf carts. I had the privilege of going up to Hecla Island, they had one electric golf cart there and the fellow took me for a tour and we got to the farthest hole away from the club house and the thing went dead and we had to walk back. So I think that these units are good in warmer climate. I think they have a lot of merit together with mopeds in say Florida and in elderly citizens' subdivisions, in more of a golf-course type of thing. I think they have an excellent future there. I think possibly in small things like delivering. Post Office could use them. I think possibly you may find the day when they will be used in political campaigns because of the short-ranged economic haul. But I don't think to try to saddle the taxpayers of Winnipeg with these electric cars is a good thing.

I did want to make one comment under this because it did come under the Central Garage. Is the Minister talking about using this very expensive old Central Garage that we have—he is going to use

it as a grease rack and wash rack—and I would think with the price of land in that area that we're going to have the most expensive grease rack in Canada, if not North America. I think the Minister should be looking to selling this land and thinking of the extra vitality it would give to the downtown area to have a beautiful building in there. I would hope it wouldn't be another government building, I hope it could be sold. But however, if the government wants to land bank then maybe some future building that would add to the vitality of the downtown area. I can see no benefit to the City of Winnipeg if we made the commitment to build the new garage for efficiency purposes, that we should be hanging on to this old one as part of his department. And those are the two comments under the garage at this time.

MR. DOERN: Well' Mr. Chairman, trying to answer some of these comments. The member says why don't the oil barons develop an electric car. Well isn't that contrary to their best interests? Are people in the gas and oil industry going to try to develop something that is in competition to themselves? And similarly, are people who have electric power going to try to develop things that use gas? It's simply a contradiction.

MR. WILSON: The Japanese will build anything if there's money in it.

MR. DOERN: That's right. I say that they're probably the ones to watch. If they get into this field and start spending money on technology they will break these problems with batteries and I say it's just a matter of time. You know, the Americans, one day woke up and saw Sputnik flying around, and they poured hundreds and hundreds of millions of dollars into setting up these research centres, thousands of engineers, thousands of hours, millions of dollars and in a matter of time, they were able to put a man on the moon. I'm telling you, if you put in one percent or a tenth of that effort, you'll have an electric car that will do anything that you want.

MR. WILSON: We don't have the resources.

MR. DOERN: Weight has not been a problem in terms of the operation of our truck. Climate, you say it's no good to have a car like this in this climate. Well, you know, winter is very bad on batteries. It takes quite a strain on batteries but we have electric power. We have electricity. We have the fuel for these vehicles.

The other thing that you are ignoring is pollution. People are worried about pollution from emissions. They have all these attachments on the cars. You screw this thing on your car and then you get five miles to the gallon less because you're combating the emissions. These cars are 100 percent pollution-free.

On the other point about the Central Provincial Garage, there is no way that you could persuade me to sell that garage to a private developer. Never. I don't believe in selling land in the core area. I believe that we should acquire more land for the future.

Another factor in addition to pollution is noise. If you don't like the sound of hundreds of cars driving by, if you had hundreds of electric cars driving by it would be relatively quiet. I would not sell the Central Provincial Garage site. Figure over the next 20 to 50 of the Provincial Government, there will be a need for more buildings in the core area. We intend to do some servicing of our vehicles downtown, mainly light, gas, oil and wash, downtown. The body work and all that will be done on Logan Avenue. And we're going to move a number of our employees into that garage building. There are offices there and our present plans call for moving 31 members of District No. 1 Public Works personnel into the garage when the function changes. They also operate a workshop. So that building is not going to be idle. I'd never sell it to a developer. I speak for myself in that regard.

MR. WILSON: Well, this is possibly one of the reasons why Winnipeg has a lot of catching up to do and somebody is going to make that decision. The Minister was talking about buying more land in the core area to leave . . .

MR. DOERN: I'm talking about the Legislative core area?

MR. WILSON: Yes, I'm talking about that area. How could you leave an old Central Garage in the downtown area as an example for future development. It just doesn't make sense to leave that building and take away the possible vitality that could be generated by something exciting and new going in there. The Minister talks about the need for more buildings and the need to experiment with electric cars and the need for more land downtown, and I submit that somebody's going to judge those comments against the ones similar to what I'm making, one of restraint, one of examining a possible savings. I'll even go so far as to say, if this Minister does not have some future plans for that site and will not sell it at today's fantastic prices that could recoup some money, and then has to go to the electorate and explain that he has built a brand-new government garage that won't even be able to centralize all his needs — in other words, it's obsolete before it's even opened, then who are we to carry on further in this area? — (Interjection) — That's what I say, we have the Minister comparing himself to Orville Wright and we have us examining his Estimates and saying, "It's time for restraint" and the Minister has even commented that he has even put 50 percent of his fleet into compact cars, which means one hand he's spending a lot of money, and on the other he's making a move to save and they're not consistent.

MR. DOERN: Mr. Chairman, you can't have it both ways. You can't condemn us for building new

buildings and then condemn us for not building new buildings. The alternative to building is leasing, and the policy of the Opposition has been, over their term in office and throughout our period, their advice to us either explicitly or implicitly is, "Lease your requirements. Lease from private developers." I reject that policy. I say that you need a combination of build and lease. I believe that you should build in a ratio of about two to one. For every three units, you should build two. Now, if Members of the Opposition were in government, they would lease all of their requirements. There wouldn't be any new government buildings. I don't know how much building they did. All I know is that from . . .

A MEMBER: That keeps the money circulating.

MR. DOERN: . . . from the Norquay Building, which was designed by the Liberals, and built by the Conservatives, to the Woodsworth Building, there were no buildings built of an office type, but, there was quite a growth in the Civil Service and there was quite a growth in the leasing. It's just that it's hidden, you see. It's not as obvious, so it may be politically astute, but factually they are leasing the same amount from private developers.

Now the garage that the honourable member refers to, I think is an attractive building. I happen to think that aesthetically, it's not bad. It's not an eyesore, it's not ugly, it's an attractive building and I see nothing wrong with maintaining part of it. Does my honourable friend want us to jockey all our cars from this area to Logan and Sherbrook to fill up a tank of gas? We have thousands of employees here. What's wrong with having a government gas pump? It makes good sense. I don't want our people spending time shooting down to Logan and Sherbrook to fill up and then come back. We have the pumps there, we have some facilities there, we're going to retain a minimal amount. I think it makes good sense. Most of the repairs, most of the staff, most of the operation will all be transferred but I think to retain a facility for gas, oil and grease and washing, is simply so logical, I can't say anything more on the subject.

MR. WILSON: The Minister is talking about an ever-expanding fleet.

MR. DOERN: It'll expand under your government as well.

MR. WILSON: Well, we've got 2,366 cars — you can correct me on the amount — and everything seems to be government. Government gas pumps, government garage, now an expanding government fleet. I don't know, I guess if we're saddled with that, then our job as Opposition, is to then examine and ask some questions pertaining to the make-up of that fleet. The Minister indicated that they're now going into four years, 80,000 miles, I welcome that move. I think the City of Winnipeg has a policy where their mechanics look at it and each particular unit is judged on its merit. In other words, there are some cars that are good for 150,000 miles, and other cars which are lemons at 42,000. So it has to do with each individual unit, from my experience in the City of Winnipeg.

I wonder if the Minister has any penalty, or is it against union regulations — I understand the MGEA negotiated this \$27.00 a month. Is this \$27.30 a month the total cost that an employee pays for driving one of these government cars? Because I might have missed part of it. Is there any penalty for — I guess I could use the word "padding". Is there any loss of pay or anything if one is caught padding mileage, etc., and what does the Minister think of my comment where we talk about a straight percentage reduction? And also the fantastic loss of wages, they're recording their personal mileage, is there not some way, when they're brought in for a particular monthly oil change or whatever, because most of the cars are numbered, is there no way that a government staff person, rather than having the employees be put in the terrible position of having to keep track of their own personal mileage, and if they don't record it properly, be subject, if there is any penalty, for getting caught for padding or whatever?

MR. DOE: Mr. Chairman, you pay \$13.65 bi-weekly, which is about \$30.00 a month. For that you get your to and fro work and your mileage spent on government business. Over and above that, you have to, I guess indicate what you're spending on your personal business. In private industry, it's quite common to put down your mileage. The honourable member was in business for himself, I suppose he had to deal with Income Tax people and declare mileage and this and that. I worked myself several years in private industry and I remember driving around with a clipboard filling in trips and mileage. It's a nuisance, but it's not a government invention. For every government employee doing it, there's probably ten in private industry doing the same thing. They're running around, either imputing mileage or directly recording mileage. The Police do it, the RCMP do it, I suppose, salesmen do, and so on. So it's not that uncommon.

Now there are other questions which I have lost here.

MR. WILSON: One was, why don't we do away with this expensive recording procedure if the Minister does not have any penalty for padding or lack of recording or errors and omissions by employees. What is the procedure if there is no penalty clause? If the unions have a contract that you could never dismiss anybody for whatever you want to call it, mistakes or obvious padding, then why bother engaging in the waste of so many valuable man hours that could be spent on more top priority things.

MR. DOERN: This was hammered out by the MGEA and the Management Committee of Cabinet.

The close checking has to come from the various departments. I don't want to have a big staff of Public Works personnel running around with lie detectors or quizzing people or tailing people. I think it's up to management. This is a correct function of the individual managers in the various departments. They should have an idea. They should occasionally do spot checks and so on, look at the expense sheets, that's a responsibility of administration, look for vouchers' etc., etc. That's about all I can say. I don't feel it is a responsibility of Public Works, but it certainly is a responsibility of government and the line departments.

MR. WILSON: I'll just close then. It would seem that there is nothing to be gained. If it's an administrative matter, in other words, the foreman's looking after it, we'll use the foreman as an example. If somebody brings in a car after two years with 80,000 miles and he's on a job where he should have only put on twenty, then he could be told he's using the car to excess for his own personal use. I think we have to do away with this. I agree with the Minister. I don't think we should have a team of investigators investigating employees. If we can't have faith in our employees and the union that negotiates the contract, I think it's a waste of time and I think it's an opportunity for the Minister to make better use of his employees.

MR. CHAIRMAN: The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Thank you, Mr. Chairman. I think we pretty well have the electric cars figured out, but there's a couple of questions I'd like to ask. The first would be, what year were these vehicles purchased in?

MR. DOERN: About 18 months ago, approximately.

MR. FERGUSON: They were all purchased at one time?

MR. DOERN: Yes. We bought some sort of a truckload or whatever, one trailer full of electric vehicles came up from Cleveland.

MR. FERGUSON: Could I ask the range between battery charges on these vehicles?

MR. DOERN: I beg your pardon?

MR. FERGUSON: The range between battery charges? They go 40, 50, 100 miles?

MR. DOERN: I can tell you what we were promised and I can tell you what we got. We were told, at 60 miles an hour, you would get 30 miles on a full charge, and at 30 miles an hour, you would get 60 miles, just the opposite. I'm told that now we're getting up to about 52 on a full charge. We have not had as good a result as promised, so I don't know what an average is, whether it's in the 40s, or the high 30s, or around 50. I just recall the other day getting a report that we had up to 52 on a full charge. Now again it depends on winter and summer. If it's winter, you undoubtedly get less. But you know, that's quite a few miles. You come from out of Winnipeg, but in Winnipeg if you drive 30 miles in a day that's a fair amount of driving.

MR. FERGUSON: What voltage do they operate on? 110? 32? Or what? 110?

MR. DOERN: I'm not a scientist. I believe it's 110 volts.

MR. FERGUSON: So roughly what would the battery requirement be? How many batteries would you have? They'd have to be hooked up in sequence and . . .

MR. DOERN: There are 16 full size regular batteries in the car, and of course, obviously you just don't put in 16 batteries and then plug it in. The technology is somehow or other to translate the 16 batteries together and drive the automobile so that is where the technology comes in.

MR. FERGUSON: How many miles a year are these vehicles being driven?

MR. DOERN: Well, as I said, we have three cars, and I can only speak for ours. I recall a figure of 1,200, so I would say between 1,000 and 1,500 miles, but I think now, as of the last month or two, that mileage is going to go up quite a bit. We don't deliberately intend to drive them ten or twelve thousand miles, but it should be a lot better than that. I'm not satisfied with that.

MR. FERGUSON: I take it they're being driven roughly less than 100 miles a month. Does this mean that the acceptance of the drivers isn't there, or what's the problem?

MR. DOERN: There may be some resistance on the part of drivers, but we seem to have no problem in that regard now. Part of that time they were out of service, as I said earlier. I don't know if the honourable member was here, but we have had some transformer problems, some charger problems, we have had problems trying to convert them from a 110 plug-in, taking 16 hours to a 220 plug-in which would take 8 hours, and I think we have ironed most of that out now' and we feel now that we should not have — what's the jargon? "Downtime", as they say in the garage, less "downtime". I wanted to show that I'm with it, by saying that.

MR. FERGUSON: That's all, Mr. Chairman. Thank you.

MR. CHAIRMAN: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, I asked the Minister earlier, he said that the government has approximately 90 to \$100,000 invested in these battery driven cars. I asked him earlier what the cost was, per year, of operating them. He has answered the question to the Honourable Member for Gladstone, that they have had the cars for approximately 18 months, or a year and a half. Can he give me the answer as to the upkeep cost?

MR. DOERN: I cannot provide that now, but we could dig in to that. I don't know if that's going to

take us hours, days or weeks, but I could not give the member that right now.

MR. STEEN: That's fine, Mr. Chairman, I have the assurance from the Minister that he will provide members of the committee with that cost in due time?

MR. DOERN: Right.

MR. STEEN: The Minister has spent much time in the past hour talking about energy conservation and so on. We've also talked about the government garage and the need for keeping it as a wash rack and grease rack, using the terms that the Honourable Member for Wolseley uses. I would say to the Minister that when we are in the process of conserving energy, why would we, as a government, and particularly the Department of Public Works, leave the lights of the Woodsworth Building on all night long, if we are in the throes of being an energy conserving type of government?

MR. DOERN: First of all, I don't think they're on all night. I didn't look at them this morning at six o'clock, but I don't think they're on all night. Don't forget that there are cleaning crews that go in there and work on the offices. The original design of the building was, I guess, to do it by the floor. There's some sort of a switch that turned on the floor. We're also changing that system to individual switching which I think will, in fact, conserve more energy. I thought we had that shaken out, so if the honourable member notices some night, early in the morning that the lights are still on, I'd like to know about it. I have issued several directives about turning off the lights. I assume they're being honoured.

MR. STEEN: Mr. Chairman, last night was a long night, so that's why I'm asking that question. I think, Mr. Chairman, we are in a position to pass (b)(1).

MR. CHAIRMAN: Resolution 101(b)(1). The Honourable Member for Ste. Rose.

MR. A. R. (PETE) ADAM: I just wanted to make one comment from statements arising from the Member for Crescentwood and the Member for Minnedosa. They are statements that just can't be allowed to go unanswered, because I believe they're a long way from being accurate, and that's when they state that if we're buying products from Ford or any other company that these vehicles have been completely tried out and run through the mill so that the people who buy them don't have to worry. This is incorrect because it has been a practice, for many, many years that a lot of products are put on the market, whether they be electric cars or Ford cars. . .

MR. DOERN: And recalled.

MR. ADAM: . . . that have not been built properly. For instance there was a class action, Ford started manufacturing cars in the early 1900s and last year there was a class action on excessive rust. —(Interjection)—

MR. CHAIRMAN: Order please. What is the point of order?

MR. BLAKE: The point of order is that the Member for Ste. Rose is questioning some of the statements that were made on this side of the House. It has absolutely nothing to do with the electric car or the question we're discussing, and if he wants to stick to the Estimates and ask questions of the Minister, I think that's quite in order, but I don't think his line of questioning pertaining to statements that were made on this side of the House has any bearing on what we're discussing tonight whatsoever.

MR. CHAIRMAN: Order please. The Chair intends to give all members approximately the same amount of latitude in discussing an item under the Estimates. The Honourable Member for Ste. Rose.

MR. ADAM: I appreciate that because this point was raised by members of the Opposition to criticize the Minister, and since they opened that line of questioning, I think it's proper for us to reply to it. You know, in my own experience, my last vehicle that I bought, every 6,000 miles I had to hone down the rotors on the brakes, and you phone the Ford company here, they say, "Oh, well, it's your climate, you've got a lot of water". But you take it down to the dealer and you tell him, "Well, they told me in Winnipeg that. . ."

MR. BLAKE: You should be dealing with your local garage at home. They look after you.

MR. ADAM: No, no, when you get back home, they say, "Well, he doesn't know what he's talking about in Winnipeg. We've had to hone down every car. . . ." —(Interjection)—

MR. CHAIRMAN: Order please.

MR. ADAM: I'm talking about the dealer in Ste. Rose. —(Interjection)— Yes, but you've got to go to the head man here, the serviceman. And he just says, "Oh, that's. . .", this is And that's not the only thing. So there have been all kinds of products put on the market, Mr. Chairman, that have not been tested, even in the implement field, . . .

A MEMBER: Some of them are sold in Ste. Rose, too.

MR. ADAM: . . . tractors, so that argument there, the companies by and large have used the people as guinea pigs to improve their products, and the consumers have paid. The consumers have paid and that's how they've improved their products. You can talk about Thalidomide, you can talk about 2-4D, it doesn't matter what you talk about.

A MEMBER: Do you think the taxpayers in Manitoba are happy . . . ?

MR. CHAIRMAN: Resolution 101(b)(1)—pass. (b)(2) Other Expenditures. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister, there is a substantial decrease here. Can the Minister explain why? I welcome the decrease, by the way, Mr. Chairman.

MR. DOERN: Mr. Chairman, there was a transfer out of Current to Capital of \$1.7 million.

MR. STEEN: Can the Minister explain why the transfer, Mr. Chairman?

MR. DOERN: I lean on my accountants in the department and they tell me that the reason is this is sound practice. Capital, I suppose, is something that has a life expectancy of more than twelve months. That's a crude, simple explanation of how you impute values to things. So if it presumably lasts less than a year, it's Current; if it lasts over a year, it can be construed as Capital. So these vehicles last three or four years, it certainly makes accounting and economic sense to say that this is a Capital Expenditure.

MR. STEEN: Mr. Chairman, can the Minister tell us what was spent by the Provincial Government under this particular item in 1976?

MR. DOERN: Approximately \$1.5 million.

MR. STEEN: Mr. Chairman, one year the Minister says it's \$1.5 million, then the second year it's \$5.2 million and then this year it's \$3.7 million. The Minister says that we have transferred \$1.7 million to Capital. To me the figures just don't seem to jibe. All of a sudden, from 1976 to '77, we have a substantial increase in this particular item, and then all of a sudden we have a substantial decrease. I really don't follow it and the Minister says, "Well, we're transferring items into Capital." I think the greatest game, Mr. Chairman, that anybody in public life can play is playing with Current and Capital Estimates. He's answering one year saying that because the lifespan of an item is better than twelve months, we'll put it into our Capital Budget, and then the next year we'll come along and we'll say that the lifespan is 11 months, 3 weeks, and we'll put it under our Current Budget. This is, in my opinion' the greatest con game that I've ever seen, this budgeting of Current and Capital.

I went through it with the City of Winnipeg, and I'm not saying that this particular Minister or this government is the only one that's ever played this con game. . .

A MEMBER: You'd better believe it.

MR. STEEN: . . . but anybody that knows anything about finances knows that it's the best con game this side of Las Vegas.

MR. DOERN: Well then, I have to tell the honourable member that one of the most adept people in this regard was Premier Roblin, because I recall that in the days when the Member for Crescentwood was an Executive Assistant and I was a member of the Opposition, I recall that the then Premier of Manitoba, who I think was a competent politician and the Minister of Finance, he moved some items from Current to Capital and back again. I recall that quite distinctly. I can't give him chapter and verse, but I certainly recall debates in that particular regard.

These figures are confusing because, for instance, I gave a figure of a replacement cost of \$1.76 million which was transferred from Current to Capital, and that was for one quarter of the fleet, or 600 vehicles that were traded that particular year. So I guess our policy was to turn over one third of the fleet annually, and that was for 600 vehicles, 25 percent of the fleet moved from Current to Capital.

MR. STEEN: Mr. Chairman, I think that the Honourable Minister and I arrived at one decision last night, and that was that two "Wongs" don't make a right.

MR. WILSON: Mr. Chairman, I was wondering if the Minister would care to tell me where the expenditure would show up. Again, he didn't break it down for us and I'm not asking him to break it down into fine detail but I wondered, in his battle with the political activist, Ken Arenson, would the cost of acquiring the homes for his government garage appear in Other Expenditures anywhere? Where would it appear? Is it a cost directly attributed to the Central Provincial Garage, or would that come under the Capital?

MR. DOERN: I think that would be better described and discussed under Land Acquisition. A Capital item. I have Mr. DeZeeuw waiting patiently for that.

MR. WILSON: Under Land Acquisition?

MR. DOERN: Yes.

MR. WILSON: Okay.

MR. CHAIRMAN: Resolution 101(b)(2). The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, it is my understanding then that the Minister has answered the question 8 as to the decrease this year in the 1978 Estimates, that it's because they are not replacing the fleet of cars at the same rate that they were in the past, and through a change in budgetary practices. Is that correct?

MR. DOERN: That's correct.

MR. STEEN: Fine. Mr. Chairman, pass the item, please.

MR. CHAIRMAN: Resolution 101(b)(2)—pass. (b)—pass. Resolution 101(c) Office Equipment Branch. (1) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Would the Minister inform the members of the Committee as to the numbers of persons that are employed in this particular division?

MR. DOERN: Nineteen, which was the same as last year.

MR. STEEN: Mr. Chairman, it would be my understanding that the Office Equipment Branch is primarily a purchasing division of the government purchasing office equipment for the government, or is there a degree of maintenance involved as well?

MR. DOERN: Purchase, repair, and maintenance.

MR. STEEN: Mr. Chairman, to the Minister, what percentage of the 19 persons' time on the job would be spent in purchasing and what percentage in maintenance?

MR. DOERN: There are eight repair and maintenance people, and the remainder is clerical and administrative.

MR. STEEN: I thank the Minister for the answer.

MR. DOERN: Mr. Chairman, I might add I hope that the members of the Opposition are not opposed to electric typewriters.

MR. STEEN: No, no. On Mr. Chairman, we that very note, certainly are not opposed to electric typewriters because they are a proven commodity and I believe that an electric typewriter and a battery-driven car are two separate commodities.

MR. DOERN: Although the gas-fired typewriter is still in the developmental stage, we'll have to see what happens to it.

MR. STEEN: Fine. I welcome the gas-fired typewriter at the time that it is available.

A MEMBER: It's a gas-fired Minister we're worried about.

MR. STEEN: I'm just hoping that the Minister doesn't take too much gas.

MR. DOERN: Gassed-up members of the Opposition.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: How many machines — I guess we consider a typewriter a machine — how many machines has the Minister got? I notice in his last year's report he had about 11,283. I wonder how many he has this year?

MR. DOERN: There are 14,000 machines. This really is a complex field. You can imagine all the calculators, dictators, everything. Four thousand are typewriters.

MR. WILSON: Well, I'm pleased the member told us that he had the 4,000 typewriters.

MR. DOERN: Two tyrants.

MR. WILSON: I notice at a lot of the auction sales there's a lot of sort of obsolete equipment that is going for a very nominal sum. Could the Minister indicate, in his opinion, in his overseeing of the equipment, would he say that our government is fairly modern in its approach to equipment, or do we still have the old Burroughs Bookkeeping Machines and things like that, or are we fairly modern in this area?

While the Minister is getting that advice, I'll also add, could he explain how his Crown Assets disposes of all his equipment and the bidding of it? I noticed that when he was building his new restaurant downstairs that there was about \$30,000 worth of stainless steel equipment in the halls for the longest time. I wondered, under this item, is there any revenue side to this' or is this the expense side? In other words, are we talking about \$728,100 as the expense side? Where does one find the revenue side?

MR. DOERN: Just on the first part, I think that this branch operates in the modern sense. I have some confidence in Mr. Smith, who's the Director, and I guess Bruce Hudson is the No. 2 man in terms of this department, a curler of note, as you may recall. Most of our old machines are traded in and we charge rental rates which are cost-recoverable, and I guess we break even in this department. Zero budgeting.

Now, he talked about stainless steel equipment. Yes, we have purchased a considerable amount for our restaurants, but I think you would agree that stainless steel practically lasts forever and has a life expectancy of decades unless it's broken or smashed or burned. Just from ordinary wear it lasts for an indefinite period of time.

MR. WILSON: What I'm asking is that I just wanted the Minister to go over, I call it, for lack of a better word, the Crown Assets Disposal. He mentions that they trade in the equipment. Is he engaging in any leasing, or does the government strictly have a policy of purchase? Secondly, under this Crown Asset Disposal, when there was about \$30,000 worth of stainless steel equipment in the hallways when he was building his new restaurant, what other government department was given to to set up another restaurant or sold? was it Because, if the Minister said it had a twenty-year life expectancy, why would the Minister sell it? Was it of no use to the government or did he sell it?

MR. DOERN: In the first instance, our policy is to purchase, but some companies won't sell. So, if they have that type of a policy then we, in fact, lease from them. In terms of equipment downstairs, I really don't know how long it was down there, but bear in mind, if you recall the kind of facility that we had in this building — I think it was a disgrace. I can recall coming here as a student in Grade 9 and I saw the facility at that time, and I recall only a few years ago the cafeteria in the Legislative Building, which was a dark, dull dingy facility, there were no windows as you recall, because it was under the main stairs at the back, and I think we made a considerable improvement. We expanded the size,

probably double or more, of the cafeteria and it's now a rather cheery place. Then, of course, we built a restaurant and lounge for the Members of the Legislature, which is in place in seven or eight of the other provinces as well as Ottawa, so we expanded the operation considerably, and I would assume that the other equipment was either obsolete or inadequate. So, for that reason we had to build a new kitchen.

I'm informed that we recycled some \$350,000 worth of assets of surplus equipment and material throughout government departments and \$30,000 was picked up in auctions.

MR. WILSON: I wondered, has the Minister done an evaluation, I notice it's been a fairly new thing since the Minister took over this portfolio. Does the Minister not find — and might I suggest that public auctions seem to establish a fair value, and certainly the Minister would be not subject to criticism or favouritism if it was sold at public auction — I wondered if he has now gone into that particular situation? I remember attending one for forty-year old broken desks and finding that the cheapest one went for about \$40 or \$50 and I wondered if the Minister is going to expand upon that program he's entered into? In other words what I was asking is, what is his method of disposing, does he have a tender system or is he going to the auction system is what I'm trying to establish?

MR. DOERN: We have both. We have really experimented with car auctions in the last couple of years and I think we deduced that we come out ahead, \$100 a car. It doesn't sound like much, but when you auction a couple of hundred cars it amounts to a fair amount of money.

Similarly, I guess, we've auctioned off some equipment in terms of machines — very little — and of course in terms of furniture, we mentioned that we have about half a dozen, but I don't think there's too many bargains there. I think that generally whatever is good we use. Whatever is about to fall apart we sell for fall-apart prices.

MR. CHAIRMAN: Resolution 101. The Honourable Member for Crescentwood.

MR. STEEN: Under Office Equipment, I imagine, Mr. Chairman, that that's a fairly broad topic. Therefore, I'd like to ask the Minister if he would inform the members of the Committee the difference in the arrangement that the Provincial Government has between the cafeteria in the Woodsworth Building and other cafeterias. There is obviously a difference because almost every person in town is bragging about, not only the quality but the quantity of food that one receives at the Woodsworth Building.

MR. DOERN: Mr. Chairman, I'd be very happy to discuss this item. I spoke to my man in the Woodsworth Building who I think is a superb operator, and he was very upset by some of the criticism in Vic Grant's column, and I've had a number of people speak to me about it and to him about it. That doesn't fall under this department. I think, perhaps we could discuss that under my Salary, or something else, but I'd be happy to have an airing of the subject, but it's not Office Equipment.

MR. STEEN: Mr. Chairman, other than the Minister's Salary, I'll ask the question to you directly. Do you see a specific item in the Department of Public Works that I can ask that question under, other than the Minister's Salary?

MR. CHAIRMAN: The Chair was looking through the list for it, and it would seem that since we have passed Operation and Maintenance of Provincial Buildings, that the honourable member would be advised to ask those questions under the Minister's Salary.

MR. STEEN: Mr. Chairman, the reason I asked that was both the Minister and the Member for Wolseley talked about the cafeteria within the Legislative Buildings and you permitted that subject to be carried on, so I thought that you were expanding upon, and broadening upon, the ground rules for Office Equipment Branch.

MR. CHAIRMAN: Resolution 101(c)(1)—pass (c)(2) Other Expenditures. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, to the Minister. Can he just give us a very brief outline as to how almost half a million dollars is spent in this particular area.

MR. DOERN: \$491,000, and I can give you the big figures. There are three of them, Replacement of typewriters, etc. \$103,000; Repairs, contracts, etc. \$118,000; Stationery \$190,000.

MR. STEEN: I have one question, Mr. Chairman, the Minister mentions one of the larger items is \$103,000 in typewriter replacement. Can the Minister tell me what percentage of typewriters are replaced each and every year?

MR. DOERN: They have a ten-year life cycle.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: The question came to mind. Is it a legal problem or what, because I notice when a lot of the government-owned — they call them autonomous — corporations go bankrupt, there's a lot of equipment in these large plants and large facilities that are fairly new, because usually the fellow gets in there and hits the government up for a quarter of a million dollars and then he's gone and all this equipment is sitting there. It seems invariably it's sold at auction for a very small percentage of its true worth, and I was wondering is it possible for the government to go in there, and because it is the government's business, is it possible for the government to go in there and acquire this equipment for use in it's — I don't know if it's called a warehouse — do you have any central storage area where you

store equipment?

MR. DOERN: In this instance the assets are held by the Crown corporations in their own name, so they are charged with disposing of their own assets.

MR. WILSON: So, in other words, it's autonomous.

MR. DOERN: Yes.

MR. WILSON: Does the Minister have a central warehouse where he has, sort of, a floating inventory?

MR. DOERN: I guess our central depot is 263 Henderson Highway.

MR. CHAIRMAN: Resolution 101(c)(2)—pass; (c)—pass. Resolution 101(d) Purchasing Bureau (1) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, to the Minister. Can he inform the Committee as to the number of persons involved in this particular spot.

MR. DOERN: Forty-two, and that is the same as last year.

MR. STEEN: Fine, Mr. Chairman.

MR. CHAIRMAN: Resolution 101(d)(1)—pass; (d)(2) Other Expenditures. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, through you to the Minister. Under Office Equipment the Minister mentioned that there was \$103,000 worth of typewriter replacements. Now we're under Purchasing Bureau and there's Other Expenditures of \$98,400 which is down from last year. Can the Minister explain the function of the Purchasing Bureau, Other Expenditures (a) and then, (b) the reason for the decrease, which I welcome.

MR. DOERN: There's a \$50,000 study for design and computerization which was a one-shot deal last year. In terms of the other costs, do you want a breakdown of the \$98,000?

MR. STEEN: I would like the Minister to tell us just a bit more about that \$50,000 study if he wouldn't mind.

MR. DOERN: PBIS - Purchasing Bureau Information Service System: Major Objectives - how to do business. There's been insufficient information to affect some identification of consolidation, identification to measure Manitoba's suppliers participation, local purchasing and so on. And there were apparently these five objectives: (1) To identify commodities applicable for consolidation, by period, by government department, by region and method of acquisition. Precasting, forecasting government requirements where there were similar commodities. (2) Where they are bought on a recurring basis. (3) To allow measurement of vendor performances by period, by performance criteria. (4) To measure cost and volume variances from period to period, for example: material shortages like in tires, or steel, etc. and (5) to analyse purchasing methods.

Probably the best way to summarize what we were attempting to do is to develop a balanced approach, to promote more local and regionalized purchasing, to promote consolidation and to promote Manitoba participation.

I think the members will recognize that Purchasing can be a pretty effective tool providing you have a handle on it, provided you bulk buy, providing you consider, and there are pros and cons favouring Manitoba manufacturers etc. Just to give you an estimate of some of these expenditures, total purchasing for example, in 1977 was \$70 million. So, if you can effect economies you might save millions. For this fiscal year, estimated at \$75 million, and by 1980-81 \$112 million. So, there's some big money here and there could be some significant economies if you know what you're doing.

MR. STEEN: Mr. Chairman, can the Minister tell us who did the study for the department?

MR. DOERN: This study was undertaken internally.

MR. STEEN: Mr. Chairman, through you to the Minister, was the study being done internally? Was it done by permanent employees that are no longer with the department now, when he gave me the figure of the personnel complement of being 42, or was it done by employees that are still within that complement?

MR. DOERN: No, it was done by our personnel and they're all still happy in the service. And, secondly a good portion of that was for computer costs.

MR. STEEN: Mr. Chairman, then I gather from the Minister's comment that only a small portion of the \$50,000 allotted to the study was for wages. The salaries would have appeared in the budget under the normal allocation for salaries.

MR. DOERN: The breakdown was along these lines, our own staff salaries were not included, that was just part of the regular system. There was one person on contract, a Systems Analyst who has since been taken on, transferred, and is still with us. So, therefore, there is about \$11,000 paid to him and \$39,000 would be computer costs.

MR. STEEN: That's fine, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: I wondered if in dealing with the computer ' study — I appreciate that this may not be, the Minister can answer me — but was this the study that indicated that the computer company that the Manitoba Telephone System took over for \$8 million, \$9 million, \$10 million that found out

that a lot of the equipment was obsolete? Would this be under this section?

MR. DOERN: Apparently this was done through MDS, Manitoba Data Services.

MR. WILSON: In discussing, he said the word "vendor performance." Was this pertaining to vending systems throughout the government buildings? What does he mean by that, vendor systems?

MR. CHAIRMAN: The Honourable Minister.

MR. DOERN: I think that the word is confusing between vending machines and vendors. These are simply people who sell to the government a host of products and it is an assessment of their performance, how they perform, how they deliver, how they respond, etc.

MR. WILSON: Then if we are dealing with a thrust toward buying Manitoba and we are then going to examine performance, how are we ever going to get around to the day when we are going to be able to get Manitoba vendors to perform like some of the eastern suppliers? And does this study indicate that there is not that much difference, that it is worth it to buy Manitoba? And my last question is one of alarm. Is this Minister telling us, did I hear right, that this year the government is projecting \$75 million in purchases with the future projection \$112 million? Because it would seem to me that the Minister has a tremendous responsibility here and so do his staff to try to control government spending and this does not indicate, it is quite a jump from \$75 million to \$112 million. I wonder if he could repeat that again so that I could properly absorb those shocking figures.

MR. DOERN: Well, when you consider all the requirements of government that are purchased centrally, you are dealing with a sizeable figure and there is no need for alarm. We are buying for hospitals, we are buying for vocational schools, we are buying automobiles, we are buying, I guess, cans of soup, everything you can think of, food. And yes, it adds up to a great deal of money but the Manitoba Government is a large corporation and I think that this figure should come as no surprise. I assume that the honourable member didn't think that our total purchasing would be a couple hundred thousand dollars.

MR. WILSON: No, I can't quite agree with the Minister, "There is no need for alarm," because however there could be some benefits to the large government spending if this government doesn't want to control it, in that if they were to purchase through Manitoba they might be able to stimulate some small businesses which would actually be the rolling drum system which might indeed project a very viable small business opportunity for the future. So if the Minister has some encouraging words in those areas, then it might offset the shock of the projected \$112 million government spending project.

I did want to ask the Minister one other comment. The Member for St. Johns referred to a lot of blood-letting in Cabinet and I wonder if the Minister had to go back to his staff and cut back on a lot of purchases this year. Would the Minister be able to say how much blood-letting was there for him in his cutbacks in this area?

MR. DOERN: There are, I suppose, a number of ways in which the government can effect restraints. One of the best is of course on the staff man years and if you can keep staff man year increases to a minimum, as we have, you save a considerable amount of money. I am not sure of the exact figure but I guess for every SMY that you hire, there are several thousand dollars worth of furniture and furnishings that is required, there is leased space that you have to provide, and then there is a salary and other benefits. So because of a very minimal increase in the size of the Civil Service, I don't know if it is zero but it is a handful of employees, that has helped a great deal.

The other thing I wanted to point out to the honourable member is that about \$15 million worth of our purchases comes from what you would characterize as small business in Manitoba. I don't think any province wants to buy only from within its borders. You know it would be very patriotic but very expensive. It would be like having a huge tariff barrier and you have to strike a balance between buying the majority on the outside and trying to, at the same time, foster some development of local industries. So I don't know where that exact balance is but we don't want to only buy out of province and we don't want to only buy in province. We want to have competition from the outside and all other things being equal, we favour the Manitoba manufacturer but we don't, say, allow ten percent difference or something because that cost would also have to be borne by the taxpayer.

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

MR. ADAM: Mr. Chairman, I would like to ask the Minister if there is a group of people within the department set up to decide on what goods to purchase, what brand or what quality?

MR. DOERN: Yes, the Purchasing Bureau does that.

MR. ADAM: This group sets the standard or the quality? Have they expertise in every field of purchases?

MR. DOERN: Apparently we are just moving into that area. We are now working on standards and specifications in food and then we are going to go to lumber and so on. I think that is a very slow process and we are starting that process now.

I also wanted to add in my answer to the Member for Wolseley that we do allow a ten percent differential in favour of . Manitoba manufacturers in sheltered workshops, which are handicapped

people, etc.

MR. ADAM: Are there any outside people or suppliers that would be in this group? Would there be any suppliers of merchandise that would be on the group to set the standards of the goods that you purchase at any time?

MR. DOERN: The decisions are made by the representative of the line department in conjunction with the Purchasing Bureau's agent. The two of them make that decision.

MR. ADAM: So therefore there is never at any time, now or in the past, that there would be a supplier discussing the merits of a certain product, standards of a certain product.

MR. DOERN: I suppose it is done indirectly. These people do not serve on the committee but they obviously deal with the line departments and the purchasing agents and I think have an opportunity to sell their product and explain their product and demonstrate their product. In that sense they have an input.

MR. ADAM: Then somebody supplying, say, septic tanks or the like, every supplier would have an opportunity to . . . I am just using that as one example.

MR. DOERN: Yes, his aim would be to get on our tender list and he would have an opportunity to, like any other salesman or company representative, to sell his product, explain his product, demonstrate it, etc.

MR. ADAM: Then how would he go about getting on the tender list?

MR. DOERN: We have a pamphlet, we have procedures. I assume we talk to anybody who comes in and wants to get on the list. Anybody who has a viable product and production can get on the list and he is informed . . .

MR. ADAM: I see, it is not restricted in any way?

MR. DOERN: No.

MR. ADAM: Thank you.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: I have to not completely agree with that statement. —(Interjection)— Yes, I know he did but the point is that it has been brought to my attention in the area of some of the medical products that you buy that you have different boards that are set up. For instance, in the area of wheelchairs, the government only buys from one company and there doesn't seem to be any . . . Mr. Ragsdill is supposed to be in charge of that but he can't make the decision because he has to go to some wheelchair board or something. So I just draw it to the Minister's . . . I am aware that statement that has been made is not exactly correct.

MR. CHAIRMAN: Resolution 101(d)(2)—pass. (d)—pass.

Resolution 101(e) Materials Branch (1) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, can the Minister tell us the number of persons involved here?

MR. DOERN: Thirty-four SMYs, the same as last year.

MR. CHAIRMAN: Resolution 101(e)(1)—pass. (e)(2) Other Expenditures. The Honourable Member for Crescentwood.

MR. STEEN: Briefly, Mr. Chairman, can the Minister . . . I welcome the reduction. Can he tell us how he was able to reduce the expenditure on this particular item?

MR. DOERN: We purchased a fork-lift truck, which was a non-recurring expenditure and there was a reduction in printing and stationery. Well, we were all told to cut down on budgeting for travel and stationery, etc., to make reductions, make economies, and we have all tried to live up to that.

MR. fork-lift STEEN: Mr. Chairman, was the forklift truck not thought of by the department as a capital item?

MR. DOERN: We will consider your recommendation.

MR. STEEN: Mr. Chairman, the reason I asked that question is simply that earlier in the Estimates the Minister said that something that had a lifespan of better than twelve months, he often thought was a capitalized item. That is my reasoning for that question.

MR. DOERN: Pass.

MR. CHAIRMAN: Resolution 101(e)(2)—pass. (e)—pass.

Resolution 101(f) Telephones (1) Salaries. The Honourable Member for Crescentwood.

MR. STEEN: Mr. Chairman, can the Minister inform us as to the number of persons in this particular division?

MR. DOERN: Twenty-eight, the same as last year.

MR. CHAIRMAN: The Honourable Member for Pembina.

MR. GEORGE HENDERSON: Mr. Chairman, my question just might come under (2) in relation to Other Expenditures, but I will ask it anyway. The time we had the printing of the statutes and they were put in loose-leaf style, there was a phone book that came out which was in loose-leaf style and we had to do was change it and we were told it was a big improvement and I thought it was an improvement and I think many people did. But what we have the next year is a telephone book where it has got all the names, it is just made like a book and you can't change any of the sheets and they are very poorly marked on the corners and I think that this time you didn't make an improvement, you

went backwards. How do you feel about it?

MR. DOERN: I think that is sort of a debate that cannot be resolved. I have heard both sides of that argument. Some of my people lean to the loose-leaf, some lean to the single book. There is really no answer. Our original plan was to bring out a bound book as we now have, twice a year. But because of the restraint program we decided to go with one but I would remind the Member for Pembina that his MTS book for Winnipeg and for rural Manitoba doesn't have any indexes in it, doesn't have any loose-leaf pages, and nobody ever thinks about it. It never occurs to us that it should be a loose-leaf or shouldn't be a loose-leaf and I think that the moment you print the telephone book, any telephone book, it is out of date. As soon as it comes out it is out of date because the next day there are twelve changes. So you could have pages and inserts coming out every single day of your life and although I have heard some suggestions, I haven't heard really too many complaints. And I just think it is like a metaphysical debate, there is just no answer to that.

MR. HENDERSON: Mr. Chairman, I just don't take your answer on face value at all because I think anybody who has been using that book really feels that you went backwards in it. And besides that, that new book here, you can't thumb the corners of the different departments as you go through. You have to just wait and see as it flicks. You know you have to catch it right there. There is no place where you can put your finger in and open up in that department. And I think that your comparing it to the rural book is just nonsense. You are comparing apples to oranges or you haven't got a good comparison at all. I don't know how many you have interviewed who think you've made an improvement, but most anybody I have heard talking, they all figure it was really wrong because the other way, if any of your Ministers changed or somebody in the department changed, all you had to do was change that sheet.

MR. DOERN: My honourable friend may be conscientious, but I can tell you that before we did this, I looked at some of the books and I can tell you that it wasn't uncommon to find a book that had pages in it that were five, six, seven years out of date. Two or three was as common as anything. Very few people conscientiously made their inserts and some of them had books that were years out of date. They just never bothered. You would have to rely on people to make the changes and to delete and add the pages and that wasn't being done. You may have done it but many people weren't doing it.

MR. HENDERSON: Mr. Chairman, you can argue it that way if you like. But even when you did make this other book, if you'd made it so at least you could see the lettering of the different departments, you know, so if you haven't got them—

MR. DOERN: You'd like it like in a dictionary where the . . .

MR. HENDERSON: Yes, something like that. It really would really help an awful lot. I say that that book is just a farce, and that's all.

MR. CHAIRMAN: The Honourable Member for Wolseley.

MR. WILSON: The Minister talked about a staff complement of 28. I noticed in Public Accounts, it looks like five girls here. Where do they come from? Do they have similar training to the Telephone System . . . are they the telephone operators? How would their wages compare to the MTS?

MR. DOERN: I suppose most, if not all, most have had previous switchboard experience. They perform almost identical functions to MTS personnel.

MR. WILSON: Then, how would the other 23 staff members be made up? What type of . . . how would they be? Under what kind of work?

A last question maybe, seems kind of irrelevant' but has the Minister had, in his term of being Minister, any inquiry or has there ever been any scanning for bugging of government & telephones under this section. Has there ever been a scanning?

MR. DOERN: Out of 28, there is one supervisor and 27 switchboard operators throughout the province.

MR. WILSON: Throughout the province? Oh yes. Okay.

MR. DOERN: No, wait a minute. Correction. There are two supervisors, one clerical and the remainder are switchboard operators.

In terms of bugging, although people, I think sometimes think that their phones are bugged, including many friends of mine, who talk to me on the phone and sometimes one does hear weird things on the telephone, I really have not had, that I can recall, any complaints or any checks made on those complaints. I think all of us have those suspicions. I think paranoia is not uncommon to politicians. I don't mean classical paranoia, but I mean tendencies of being uneasy about conversations, documents, telephone conversations, etc. I think all of us are aware of our responsibilities and we're concerned about people hearing and seeing things that they have no business hearing and seeing. But I have not had any requests to check out a telephone. And I think some people are also rather uneasy about that, with somebody coming in, looking at the telephone with the objective of finding a bug, maybe that person would place a bug in there. I think that's the other side of the coin. So, I would say if any of the members of the Opposition have that feeling, MTS would immediately check it out, or they could draw it to my attention. I'd be happy to have someone

come out, because we certainly wouldn't want people to be harbouring that suspicion.

MR. WILSON: The last question then. There is a security system that periodically checks to see that the switchboard plant is one of just ladies performing their duty and no eavesdropping.

Okay. Just checking out the system.

MR. CHAIRMAN: Resolution 101(f)(1). — pass; (f)(2) Other Expenditures. The Honourable Member for Crescentwood.

MR. STEEN: One question, Mr. Chairman. Can the Minister tell us, following up on the question earlier asked by the Member for Pembina, is there a great difference in the cost of the telephone directory from the present form to the form that the Member for Pembina was asking?

MR. DOERN: I think, Mr. Chairman, we'd have to dig that up. We certainly know what the new ones cost, although I don't think we have that handy. But we can certainly dig that up.

MR. STEEN: Would the Minister undertake to provide the committee with that answer?

MR. DOERN: If we can get it tomorrow, we'll provide it tomorrow.

MR. STEEN: Can the Minister give us a breakdown as to what the \$1.1 million is spent on in the way of Other Expenditures?

MR. DOERN: The main expenditures there are \$46,000 of fees paid to MTS for consulting work and the big item is \$594,000 for telephones rentals, taxes' etc., and then \$429,000 for WATS lines, wide-area telephone service. And there is savings and economic advantages to buying WATS lines. One-third the cost, I guess that's direct distance dialing within the Province of Manitoba. Cheaper than person-to-person calls. .

MR. STEEN: Mr. Chairman, can the Minister These WATS lines are obviously used by all departments of government, but are charged under Public Works, rather than charged to the various individual departments.

MR. DOERN: Yes. Right. We buy in bulk.

MR. CHAIRMAN: Resolution 101(f)(2) — pass. (f) — pass. The Honourable Member for Ste. Rose.

MR. ADAM: I move that the Committee rise. We haven't got a quorum, Mr. Chairman.

MR. CHAIRMAN: Committee rise and report. Committee rise.

ESTIMATES — NORTHERN AFFAIRS

MR. CHAIRMAN, Mr. William Jenkins (Logan): When we rose at 4:30, you were on Resolution 94(a)(2). The Honourable Minister of Northern Affairs.

MR. McBRIDE: Mr. Chairman, before we adjourned there were a few questions asked by the Member for Portage la Prairie and the Member for Lakeside. The Member for Lakeside asked about the Northlands Agreement and the places in which to discuss it. The Northlands Agreement, which I am the Provincial Minister who is signatory to the same, affects a number of departments and not specifically, although perhaps the most specific place would be under our Development Resources, a section who are the people who co-ordinate the agreement and see that other departments are also carrying out their parts of the agreement which would be then, (1)(b)(3). So that the member has some information to look at, in case he wants to examine it before we get to (1)(b)(3), I will distribute these, Mr. Chairman. I have five copies so I don't know how you want to deal with those.

The other thing that the Member for Lakeside mentioned was the — well he said basically that it looked, and sounded pretty good but what are the basic effects in the community, and what are the basic effects of programs in the community, and what benefit do community people get directly from the programs.

What I would like to do as we go into each section is to comment in some detail on the nature of that program and how it affects people at the community level. So then, rather than try and deal with the whole departmental program now and how the people in the community benefit directly from it, I will do that as we hit each operational section of the department. That will give me the opportunity to use some specific examples. I think that from what I have been able to see in the rest of Canada, that we have in Manitoba probably some of the more unique and more effective programs in this area, and this would give me a chance to comment on them in some detail as we get to that particular section.

To put my remarks as we get to each section into context, I would just like to make a few more general comments before we get into each specific section. Therefore, maybe complete some of the remarks I had in terms of the economic development, so that it will help members to understand these programs as we get to each one.

In my experience, and our limited experience in Manitoba so far, it seems that to bring about economic development at the community level, there are a couple of keys — there are a lot of things that have to happen. If there are two things that aren't there economic development projects won't go. One is the community attitude. If the proper community attitude is not present a development project won't go, and if proper management is not present the economic development project will not go.

I suppose in the community attitude, or the community psychology, one of the concerns that I have, and I think that people working in a developmental way have, is that there are occasionally in some communities what I call a welfare psychology. I think that you can understand historically how that developed when government programs — at one time Indian Affairs Programs, for example — or provincial programs were basically imposed or sent into a community — someone came into the community and would say there's going to be a bridge built here or a dock built there. The community had no involvement in making that decision and people in the community would say, well all they said they were going to do here was build a dock. If we can make that work last for three months, then we have three months work instead of two months work. In some communities an attitude has developed, well, this is a government project or this is a welfare project and it doesn't matter if we produce; it doesn't matter if we do a good job. Unless that attitude is dealt with, then the economic development project in a community is not successful.

So we want to, I suppose, to develop ways in which the community is involved in the project; that the community then has the responsibility, or feels a responsibility or basically has the commitment that that is a development project that they have to make go. It is their development project that they have to make go. So without that type of attitude present, the project itself probably won't be successful.

The other key that I mentioned is management and I think that with the very limited experience, under the previous government, in Northern Manitoba, they did have some problems. I can think of a case of Easterville Co-op where people didn't quite understand what the Co-op was all about and where the management basically reported to Winnipeg and not to the local people, so the local people had no commitment to make that store go. Or I can think of a case where a manager was a local person who got all the benefits out of the project and nobody else in the community did. The proper management was not available in that particular case.

Another case where a manager appointed had very luxurious tastes and flew back and forth to Winnipeg, etc., and caused the project not to go again because of lack of appropriate management.

So, this is one of the key elements. you can run into a number of different problems besides the ones that previously were experienced. For example, you could have sort of a very strong manager

who might be very capable of managing his own business, but he is sort of a dictator of his own business and isn't able to relate to the local people. Usually then he loses the community commitment to the project and the project doesn't succeed, it does fail.

The other is the attitude of a manager that he doesn't expect very much. Well here I am, the government is involved in this project, it's in a remote community or native community and it doesn't matter if we produce very much or not. It is surprising that in a couple of cases there have been people who have managed their own business very effectively; when they were put in the management position with a community-type business have changed their attitude quite completely and it hasn't been very effective.

So basically, you know, to put it very simply, I think what you need is a kind of person who can relate to the community, who can involve the people of the community in the direction, and a person that helps them to understand what he is doing, how he is doing it, or why he is doing it, so that the people become committed to the full production of that particular operation, so that they understand the importance of producing. Then if they don't produce the venture is going to fail and their community is going to lose that economic development opportunity. This is not an easy combination to find but we are fortunate to have a number of managers of this type available and working in Northern Manitoba, and hopefully we will have more of them. But that is another key element amongst all the other things that have to happen to make economic development go.

In the area of economic development, there is a couple of terms that some economists have given to names of things people in the north have been talking about for a long time. One word is "convergence" and the other is "intermediate technology." As I mentioned before in my introductory remarks, what we have in the north basically now is people producing stuff to be exported south, and people producing goods from the south to be brought into the north, so we have the two-way transportation of goods.

I think that what convergence means, as I understand it, is to use the materials that are available locally and to process and use them as much as possible locally, so that you are not so dependent upon imported goods and so that you are not so dependent upon outside markets. This situation, as I mentioned before too, is similar, in remote northern communities, is similar to under-developed countries and that they have the same problem. In our case, we export furs and fish and forestry material and minerals and we import most of the consumer goods that we need in Northern Manitoba. So basically, convergence means that we supply more of our own demands, basically. I think there's some example of this, and probably one of the better examples is Housing — where there is a real need for housing in Northern Manitoba, and yet still and in the past, most of the materials for housing have all been imported. So is there not a way that we can make more use of the local timber resources for house construction. I think one area we've made that attempt is at Jenpeg with the log machine to provide the basic wall material at least, for housing. There are a number of other ways too, in terms of housing, where the local people are put to work using local material to try and produce the housing in the north.

Probably another example of this principle of convergence is the community gardens, the greenhouses, and some cattle raising that's now going on in a place like Berens River which hasn't happened for very many years, so the people can supply some of their own vegetables and meat for their own consumption there.

I think another type of example is the possibility of furniture production in Northern Manitoba, using again, local resources so that this is not constructed somewhere else and then imported into the north. Another type of example is the materials that the province might need, for example; the Department of Highways, that it's going to use in the northern area. How much of that can we produce up there — like signs post and bridge materials. Another example is hydro poles, can we not produce more of those in Northern Manitoba for use in Northern Manitoba.

The other term that we have to use, in terms of economic development in the north, is the term intermediate or appropriate technology, and this can be explained fairly simply in that, at the start of industrialization man developed certain machines. So you start at Phase I of that machine, then you develop it into Phase II and III and IV and V, but, somehow you get to Stage 15, and all the other stages up until then are lost or forgotten, but, that machine, that new sophisticated machine, is no longer very valuable to a small community, to a remote community, or to an under-developed country. Stage 15 is so elaborate or so capital intensive — it requires so much to buy it — that it's not useful in these kind of under-developed areas. And Stage 1, on the other hand is still a horse and buggy situation, not very useful, so, there has to be some effort made to go back to Stage 8 or 9 and further refine that so it's useful, or to go beyond Stage 15 or to reduce Stage 15 to a useful kind of technology.

I think another way that this has been described is by the phrase that "small is beautiful," and the psychology of economic development or of industry has been for many years to make things bigger and better, and that that's automatically going to make for bigger and better development. And the concept of, "small is beautiful," is a turning away from that philosophy, to a philosophy that's more

useful in the under-developed areas or in the remote communities.

There are some examples of that, I think for example that right now, with the present technology in terms of making chipboard, you need very large and sophisticated machinery, and probably the only place you could use it in Manitoba would be at The Pas or someplace where there is a large mill operation. There have been people in the intermediate technology working group that have developed a very small portable type of chipboard unit, which could in fact be used in more remote locations where there are smaller sawmills, smaller developments.

I think that another example would be that, again the log machine at Jenpeg. I think a good example that we were dealing with, and the Member for Lakeside will appreciate where we went to "big is beautiful," was the Freshwater Fish Marketing Corporation Plant in Transcona, where had we adopted a different approach, we would have a much more decentralized facility, a less elaborate facility, but, one that could provide employment in remote areas, and causing the shipping of finished goods out of the north, doing the processing in the north rather than doing the processing in Transcona.

Another example of this idea is portable fishing stations that are being developed.

Another example is a portable cannery that has now been designed and developed.

Another very interesting area I think that demonstrates this principle too — I think the Member for Fort Rouge would be interested — is the look we are taking right now at a gasification unit, a wood burning gasification unit, because the cost of importing diesel fuel for electrical generation, for diesel generation, in remote northern communities is very high. It appears now, from the preliminary studies, that we should be able to burn local wood products, gasify those, use those to run an adjusted or an adapted diesel generating plant, so that the fuel would no longer have to be imported, at least not to the same extent. There is a small requirement still for diesel to mix with the gas. This kind of an idea, I think, is one that bears looking at. It would help use up the by-products of some of the small sawmills up north or it could provide employment for about four people providing the wood to keep the gasification machine in operation. So this looks like a practical way to look at economic development and intermediate technology.

The Member for Portage asked some questions and I didn't answer them right away because he wasn't here, but I think I'd better deal with those. Well, I'll just elaborate. He asked about the location of staff in the Department of Northern Affairs, and as I mentioned in my opening remarks, there are 308 permanent staff or regular staff. There are 230 casual allocations which allows us to hire people on a casual basis, so in winter road construction season or in summer construction season, we may in fact go up to many hundreds more than that for a month or two and then reduce back down to very few people. That gives us the management authority to do that. So I have the figures broken down including those project casuals. I don't have the figures, I don't think, in terms of just the regular staff man years, but including the casuals there are 448 positions in the north and there are 90 positions in the City of Winnipeg.

The Member for Portage also asked about the turnover within the department, and the average turnover is about ten percent within the Department of Northern Affairs, and I am not sure how that compares with other departments of government. I know that in terms of some of the mining operations, where turnover is up to 100 percent, it is a pretty favourable comparison.

I indicated then to the Member for Portage that I would apply these figures to each section as we got to it, so under the Executive of the department there were eleven staff man years last year, ten this year. There are three of those positions in the north, eight of those positions in the south. The turnover rate for the past year was 8.3, which means that one secretary left. There is some speculation there will be a greater turnover either this spring or this fall, but I am not sure on that matter.

I am just checking, Mr. Chairman, to see if there is further information on this specific appropriation we are dealing with right now. I think there will be some questions from members when we get to the Adjustment Administration section. I would like to explain that when we get there.

MR. CHAIRMAN: The Member for Lakeside.

MR. ENNS: Mr. Chairman, I appreciate the information the Minister has given us, particularly with respect to the questions asked on the total number of employees. I might add one further question to that: Can he indicate to us, when next he has the opportunity, the number of contract employees that he employs within the department. And I distinguish that of course from those, that he has already mentioned, that he terms casual employees, whose nature of employment I can understand, but it would be helpful to know the number of persons under contract, and not specifically dedicated to the department in permanent positions.

Mr. Chairman, I must say, as I suspect, and as many people in the north recognize, that after eight years the Minister really doesn't have an overall approach, a concept of a developmental nature that he brings to the north. You know, Mr. Chairman, it's very nice to talk about "small is beautiful," it's very nice to talk about stages and develop in jargon the different kind of description for how man has advanced since Day One industrial age up to Stage 15 where all of a sudden he found that the

machine that he's now driving isn't necessarily the one that works in Berens River or Norway House. And I agree with the Minister, it's nice now to belatedly worry about the "big is beautiful" concept is wrong particularly as it applies to fish. I can tell the Minister that fish plant would never have been built under Conservative administration. Never. Never. And that's simply because of the matter, in this case it's a matter of "yes" ideology. We would not have been prepared to put out of business eight or nine smaller independent plants that existed in Manitoba. In fact, it was that final stumbling block that had prevented us from coming to the final agreement with respect to the Freshwater Fish Marketing Corporation. —(Interjection)— Certainly.

MR. CHAIRMAN: The Honourable Minister for Renewable Resources.

HONOURABLE HARVEY BOSTROM (Rupert's Land): . . . stated. I can't exactly give the member the source right now, but my information is that while the honourable member was the Minister, fighting and working for the Freshwater Fish Marketing Corporation, his colleague in Cabinet who at the time was the Minister of Industry and Commerce, the Member for River Heights was working in opposite direction to the honourable member and attempting to establish the private fish companies as a group or an association which would in fact replace the concept of the Freshwater Fish Marketing Corporation. Is this not in fact correct?

MR. ENNS: Mr. Chairman, I am pleased with the intervention because it is completely wrong, it is completely wrong. Yes, my colleague, the then Minister of Industry and Commerce, was doing precisely what he ought to be doing, expressing a concern about the industry that we have in this province, and the eight or nine fishing companies that he was fighting for happened to be part of his responsibility and were benefitting the province's economy and the fishermen. What we were unhappy with in terms of from the management of a primary resource, was the weakness of the fishermen, particularly of the native fishermen, to be able to cope with the buying and merchandising practices when put into competition with the hands of one or two very powerful buyers, whereas back on the lakes they were selling the fish in the unorganized scattered hands of very many. So the concept of a central selling desk was actively promoted not just by myself but by previous Ministers of the administration that I served, but the concept of centralizing into one large processing plant which is the very antithesis to what the Minister now would like to see developing in the north and has to a large extent secluded us from doing some, at least in this particular area, pretty important developmental work for what in many instances is still — and I agree with the Minister, it's still the God-given resource that is there, not something that has to be imported, not something that has to be dreamed out or steamed about. And I don't fault the Minister or the department for finding new innovative schemes of burning wood to run the diesel generators up there or to use more of our local resources such as timber for the production of housing in the north. I may question him why we should be encouraging too many people in northern Manitoba to look for telephone poles when we're busy putting all our cables underground throughout the rest of this country and the province.

You know, this is what bothers me, Mr. Minister, that I don't see an overall plan. I don't. And I know you're not going to like the references back to the Interlake FRED Program, but it happens to be there, and we had a plan. I want to give the Minister something to gauge just how precise and how hard we worked at that. (a) It took two or three years. I've got some books here that date back to '65 to '64 when the spade work was done — three years of work. It then set out very specific obligations. Just to give you some indication of how specific it was, even in the case of wild life — for instance, the objective of the FRED Development Program in the Interlake was to provide sufficient habitat and management to sustain the following populations and wildlife: 25,000 white tail deer. We even put a number on the number of deer we wanted in the Interlake; the number of moose; the number of elk; the number of sharp tailed and ruffed grouse; the number of Canada Geese. —(Interjection)—

We said the same thing with the farmers, yes we did. Here we have specific objectives: the agricultural objectives for the Interlake area is a minimum of 3,000 commercial farms and ranches, each capable of providing an adequate living for the operator and his family. Then we set out what had to be done with respect to agricultural development of Interlake Crown lands, what had to be done with the development of markets, what had to be done with the encouragement of beef production, livestock production, what had to be done with respect to the encouragement of other agricultural productions. I'm using this in the sense that I see the specific objectives. And I want to tell you, Mr. Chairman, this government wisely saw fit not to tinker with that program. It was a sound program, carried on where the provincial authorities at all times were masters of their house, even though they were spending in many instances 60-cent federal dollars.

I thank the Minister for providing us with the booklet that he did, and this is by the way, the very first material that I as an opposition member have seen with respect to the Northlands Agreement. I might pass this on to my Liberal colleagues here, because I doubt whether they've seen it.

I just want to indicate what worries me and read to you a little bit — I've just had the book for five minutes and listening to the Minister speak just reinforces what I think is essentially wrong. It's jargon. It's double-talk, and very little is really sticking to the ribs of the people that we're trying to help. For instance, in the Human Development and Community Service section the Northlands

Agreement program will do this: "Programming in this sector will facilitate assistance to families and communities in the provision of a social and physical environment conducive to improve the quality of life and participation of people in community affairs and development opportunities. The provision of information and specifically this program may include the following: The provision of information and communication services which will facilitate exchange of information about governmental and other services which are generally available; assistance in developing communication skills of Northern Manitoba residents to permit them to achieve greater participation in the public decision making processes. (c) Mechanisms for participation in the overall social economic development of the community as a whole. For example, project so-and-so. (d) Leadership training through 4-H North activities. (e) Travel and certain cultural and recreational activities designed to provide young people from remote northern communities with the opportunity to broaden their horizons through contact with their fellow Manitobans within and outside . . . " Mr. Chairman, it's all lovely. It's fine. But if I come back to some of these communities five years from now or ten years from now, they may have learned to communicate very well. They may have learned to travel very well. They may well have broadened their horizons to the point that they're not there any more. But what have we left in a tangible way? What have we left in a real and in a physical way for that area? I'm suggesting, Mr. Chairman, throughout the eight years that this government has had the opportunity and expressed a great deal of concern, and had the total representation of the north in this House, that they have failed to do the homework necessary to bring about a proper developmental program for the north. What most residents in the north believe, and they will in my judgment make that known to the gentlemen opposite at the next election, believe that, yes, substantial increase in public dollars have flowed into the north in the last eight years; a substantial amount of it has come right back out in the pockets of consultants, studies, bureaucrats and socio-economic planners if you want to use that phrase.

Mr. Chairman, I will proceed along with the Estimates at this point. I would like the Minister to equip himself, with the aid of his capable staff, with some specific information as to the logging operations for instance at Jenpeg of which I am somewhat apprised. The Minister talked about the round logs that were being made for possible housing use. Just what has happened? (a) — and these are the kind of questions, I think we on the Committee would like to know — number of people employed, the production of the plant and its acceptability. Mr. Chairman, really the Minister doesn't impress me when he tells me that he has found a way of making a smaller chipboard making plant that can be used on every Reserve, or something like that. I must tell the Minister 'the Chinese figured out a little while ago too' or some years ago, that it was really a lot of fun to have a little foundry in every peasant's back yard and everybody was making cast iron like crazy, except that it wouldn't stand up to any degree of acceptability in terms of modern application and it's turned out to be fiasco and a disaster. So don't let me hear the Minister encouraging his residents in the north that they should tomorrow take on McMillan-Bloedel and a few other little people in the chipboard and the plywood industry and do that with a straight face. If it's a question of using some of the local material for their own use and for their own immediate benefit, fine. But let's not build any economic hopes. Let's not build any false hopes of economic foundation where none exists.

Mr. Chairman, what it really bespeaks of is a lack of skills on the part of some of the people that are directing the plans in this area. I know, Mr. Chairman, that the Minister has one very great handicap to fight with, a very deeply entrenched bureaucracy in the federal Department of Indian Affairs. I'm also well aware that the federal presence in the north is felt probably in a bigger way because of the fact that the federal government has the jurisdiction over a goodly number of the residents in the north, when we speak of the native people. But, Mr. Minister, we're not just speaking of native people, we're speaking of northern white communities. We're speaking about people that don't come under that framework. There's a tendency, I think particularly with this Minister and with this government and this department, to concern themselves so solely with the problem of our native citizens, and it's certainly correct that most of his energy should be directed in that direction, but there are other people living under other circumstances that deserve and are looking for the kind of attention I think a government department should bring to people in the north.

MR. CHAIRMAN: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Chairman, I'd like to say a few words while we're still under this item, which is Policy and Program Development. I've been listening for the last little while to the Minister and the Member for Lakeside and it would appear that the Minister in the last couple of years has been spinning his wheels to quite an extent, and we don't know just exactly what is happening and what is taking place. Because really you would have expected some course of action from the Minister, what is the plan and intention of the government as to what will take place in northern Manitoba, because you have the Northlands Agreement which will involve some \$138 million over five years. What is the course of action that this government intends to take? Surely the Minister would have been able to give us some kind of a plan that he can envision what will take place. He talked for about an hour

about fur trading and trapping and the Hudson Bay Company and what happened 200 years ago, when he introduced his Estimates, but really I would like to know what is the local development, what's happening in Northern Manitoba? We talked about fishing. And perhaps it's true four cents of grain that goes into a loaf of bread, but it costs much more to take that loaf of bread from the bakery to the store. And it appears the same thing has been happening in the fishing industry. The major cost is bringing the raw fish to Winnipeg, the transportation. It's \$3.50 a pound, I'm told, in the City but only 40 cents is what the fishermen get up north. That's all they get, so where is the difference? It seems that the transportation is taking the big bite. So instead of transporting the raw fish, sure, it appears now that it would be much more worthwhile to have the processing plant somewhere up north, so we don't bring the raw material all this way and pay for the cost. But again we have no indication and no direction from the Minister what will take place.

The other point, I understand it hasn't been too bad a year for trapping. What is the trapping industry like in Northern Manitoba? What is the government doing to develop this industry better than it is right now? So again I'm concerned as well, Mr. Chairman, about manpower and training when today we have in The Pas, the Churchill Forest Industry, very few people right in the lumber industry. We have very few native people in the pulp and paper plant. —(Interjection)— The Minister of Mines and Natural Resources says it's not true. It's true. There are people in the Woods Division, I'll agree, a good percentage of native people are in the Woods Division but when it comes strictly to the pulp and paper there are very few, almost none. So surely over a period of ten years or eight years now, we should have had some kind of a training program that there should have been more native people, because there's a lot of manpower required to handle, right in the pulp and paper. You have to take the wood in, the cords in, right into the pulp plant. I know that there is a good percentage in the Woods Operation but certainly not in the Plant, so again it seems to me that we're not making much progress. The Minister can talk all he wants about the amount of money that he's spending but we also have to ask him, what are the results? What are the results? What is your specific plan of action that you're going to take? I'd be interested as Again we haven't got that. I'd be interested as well to know what's happening in the logging operation aside from the one that's connected with Churchill Forest Industries. What is the government doing to institute a program of or grants loans designed to assist the small industry, the small business in northern Manitoba? There is none, I understand. — (Interjection) — well, through the community economic development and through the co-ops, some co-operative program, but they haven't been too successful. — (Interjection)— Well, okay, let the Minister tell us how many people are employed, what's happening and how successful it is? How many people are involved? Again, I would have hoped that the Minister would have at least told us something about the transportation policy that he has for northern Manitoba. I think there has to be some kind of assistance, not only in fish, but in all kinds of endeavours. There must be some kind of a transportation policy that transportation would have to be subsidized to remote communities and remote areas, if any kind of industry, if any kind of employment can sustain itself. And I haven't heard the Minister talk about transportation policies or subsidization in the north. I am sure that we all know that we have tax dollars spent in this city, tax-supported cultural programs that are not available to northern Manitobans. What are we doing in this area? What is happening as far as the education system is concerned? Are there any benefits to the people that have to travel all the way to, say, Winnipeg to go to colleges and universities? It is much more costly to these people than it is to the people right here in southern Manitoba when we are close to the universities, and again what are the opportunities for these people? The costs are pretty great for somebody to come from, say, Churchill or Thompson to Winnipeg and even get home on the weekends. I would like to hear.

My colleague from Portage la Prairie talked about decentralization of the Department of Northern Affairs and the Minister has indicated to some extent in a small way. There were ten people, he said, in the executive branch; there were three up north and seven up here. Mr. Chairman, I would have the same complaint against the Federal Government where we have 85 or 90 percent of the total Federal Civil Service in Ottawa, and yet in some of the other countries, in the United States where you have something like ten percent of the total Federal Civil Service in Washington. The rest are dispersed throughout the country. And there is no better place than Northern Affairs to make at least a start in this area.

So I think that educational facilities should be made more accessible to northern people. I think that the Minister has to give us a policy as far as transportation. What is the government policy on transportation for . . . if any kind of industry can survive. I think that he has to be more concerned about manpower and job training opportunities for our native people. I know it will take a few years to do that but the Minister has had quite a few years now. And I am told that in the Woods Operation there is a good percentage of native people, perhaps 40 percent or so, when it comes to the pulp and paper, to the plant itself, very few. I think that we are not making the progress that we should be so I am concerned. I believe that the Minister has had a few years now and he can give us some report what the failures have been. It seems to me there probably have been more failures than successes and maybe he should change his course of action and try something else. But certainly to what have

we heard up to the present time, I don't think that we have been too successful. I know it is not an easy job and solutions aren't too simple either but I just wondered if the Minister has been doing a lot of talking with government . . . —(Interjection)—

Well, we have heard lots about the roads and I have heard the Minister and other Ministers talk about before they came into power there were no roads and look at all the roads we have. But I think we need to know more. We need to know how many jobs have been created and how many people are working at those jobs and how successful are some of these ventures. You know I think we have to . . .

I would like to hear from the Minister as far as the fish processing plants in the north. I know that the Minister of Renewable Resources said that he will have a meeting with Saskatchewan or something, but that is all we have heard. We have heard it from the newspapers but nothing from the Ministers themselves so I think we should hear what the Minister has in mind.

MR. CHAIRMAN: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Chairman, first of all I will deal with the comments by the Member for Lakeside. There are three people within the department now under contract. Those three people are, I suppose, technicians or scientists under the Waste Management Program.

I am not sure where to start with all the comments that my honourable friend made but I think that there was somewhat of a contradiction in what he had to say. Basically he said that there should be a master plan for the development of northern Manitoba. In his earlier comments he said some of the citizens of northern Manitoba complained because there was a northern planning exercise. And then he said we don't want consultants and studies to go on, we want something to happen. I see a basic contradiction in that, that if you are going to develop a full, detailed plan that says 138 white-tailed geese, that there should be in Little Black River 22 ½ fishermen who catch so many pounds of fish a month plus one gas storage tank to hold so much, etc., etc., that that type of planning is not being done very much anymore because it doesn't work; if the people in the community are not involved in that plan as it affects their community, it is not going to work very well. So that is why I see a basic contradiction in what he has to say.

So what I think the role of the Provincial Government and the role of my own department is to set the goals, the general things that the province can do. Then the communities themselves, with our assistance, have to fill in how that affects Berens River, how that affects Moose Lake, how that affects each community themselves and how they can relate to that opportunity for development.

I don't know if the member wants me to go back over the general goals, if he wants me to go back through what I said this afternoon about the nature of the development that has to take place, because that is basically what I was talking about. In the area of the development of northern Manitoba, I outlined in my opening remarks the responsibility in terms of developing local self-government and the process that has gone on and the process that is still going on. When we get to the section that is specifically entitled "Local Government Development," then I would like to give each program in detail and how it affects the local people and what the results were or were not. And I don't think either the Member for Lakeside or the Member for Assiniboia would like me to go through the whole Estimates right now to give those details of results, but as we get to each section.

But what is the general goal? What are we trying to accomplish? I talked about the traditional industries, the support and assistance to those. And I will give how this department relates to those goals. I won't give how the Department of Resources relates to that specific goal because the Minister of Resources has already done that.

I talked about how we assist people to take advantage of existing opportunities. That is, how can they get into the mining at Thompson, how can they get into the mine at Leaf Rapids? And when we get to the Northern Development Corps, I would like to go into some detail on that, how many people have tried to get on there, what problems have developed, how many are still there working at Leaf Rapids?

I talked about what I called the sub-work or working for the other large industries in the north and I think maybe that is where one of the members asked for some figures, for example, in relation to ManFor there are about 40 people employed at Moose Lake Loggers that are directly supplying goods to ManFor. There are 28 people employed by Mystic Creek Loggers that are supplying ManFor.

I talked about the other types of work that go on, the public works or the private company works in the local communities and how local people have to be given those job opportunities when those projects come along. And that is under the Northern Development Corps or under other departments, certainly the Department of Public Works has now for the first time a northern preference clause within its contractual arrangements.

I talked about the provision of local services, stores and tourist camps and how that development can be assisted. But we can get into more detail on that on the specifics.

I talked about the creation of new industry and new job opportunities. And again under the Northern Development Corps, I would like to go into those ones that have been started and how they

are working, how they affect the people in the community itself, what problems have developed, what have we learned from that and how can we do the job better the next time around.

I talked about the developing of new industry that would never itself on its own be viable and how that we will have to subsidize in some communities, some economic development projects, if the social cost benefit analysis shows that it is worthwhile to do that or if the total provincial dollars required to subsidize are more than the provincial dollars required for welfare or the return that the province gets in terms of its income tax payments.

And I also talked briefly about the least preferable option, but at least better than welfare, the make-work project and how in some cases we are still going to have to go with that kind of project. Hopefully we can get more and more into more developmental kinds of projects.

I didn't go into what I saw as the basic philosophical difference when it came to that area, although I did talk about that I saw the Liberals and Conservatives as only pushing one option at this time, and that was the option of supporting local, private entrepreneurship, period, with no other option. And I haven't heard them outline any other option so I have to assume that my assumption was correct.

I basically see the economic system as it relates to our political philosophies here, that the Conservatives believe that you don't interfere in the market, but that you pick up the pieces in the sense that you provide welfare or help out people who couldn't survive in that system. Of course, many, many economists now question whether there really is a market at all or whether that market is only for small industry and not for large industry.

I see the Liberal position as similar except that they are willing to go into make-work projects or they are willing to buy off or deal with pressure. When there are too many students unemployed or young people, they throw a program in to keep the young people from getting too dissatisfied. When there is unemployment, they throw out a LIP program. I see that as their basic position and I think that there is a real difference there in that we are willing to get in where the need is there to assist with economic development and not restrict it to the type of economic development. If the best is going to be a private individual in that community, then let's go with that in that community. If the best is going to be a community-based operation, then let's go with that. If the best is going to be a Crown corporation, a small one, let's go with that. So I see that as some of the difference that is involved.

The Member for Lakeside mentioned the problem that we do have dealing with Indian Affairs. Indian affairs in recent years have been that bad to deal with. They are willing — (Interjections) — The Premier's statement has produced some results. The Federal Government is now negotiating to meet their responsibilities in northern Manitoba. So the aspect of Indian Affairs now is certainly better than it was when the Conservatives were in the Federal Government.

I think the honourable member got the point that on the specifics of how it affects people; I would like to deal with each section when we get to it, so I'll not go into that kind of detail. I would like to deal with the Northlands in more detail as we get to the section I mentioned to the honourable member but the Northlands Agreement is administered basically by the department. That is, we have the overall co-ordination responsibilities. But many of the programs in the Northlands Agreement fall within other departments and show up in the other departments' Estimates Books. The other departments I think will deal with the details of that program; they have in Highways and Resources and other departments that have been dealt with, but I would like to go generally over the program and how we see it working.

There is, contrary to what the member said, a pretty definite outline of plan and guidelines and what we are trying to do. I can repeat it as often as the member asks the question for his enlightenment, if he wishes, but I am not in favour of a huge development plan that looks something like that book there, the details of what is going to happen in each community, because if that community doesn't have some involvement in its specific area, then probably that plan is not going to work, and that has been a weakness in the plan.

The member mentions the Interlake agreement. I suppose my first experience was not that positive with the Interlake agreement, although I might get some comments from my deputy who is very much involved in that particular agreement. But when I was elected in 1969, the reserves in the Interlake, capital projects of that agreement did not apply to them. They were left out. I think that is quite a difference in the approach that has been taking place in recent years in terms of their involvement in the various agreements that have been signed.

Now, Mr. Chairman, I would like to turn to the remarks of the Honourable Member for Assiniboia. The Member for Assiniboia is a nice guy, but he doesn't know very much what he is talking about when it comes to the north and that is about as nice, I think, as I can be . . .

A MEMBER: That's not very nice.

A MEMBER: I thought it was very interesting.

MR. McBRIDE: . . . when it comes to dealing with his comments. I believe that he probably wasn't here this afternoon or if he was, he wasn't listening, because I did go into or answer some of the questions that he has raised this evening and that were raised by his colleague, the Member for Portage la Prairie.

I think the member has to understand — and I have to make this clear every year almost — that the Department of Northern Affairs' basic responsibility is to the remote communities, that we have not made a Department of Northern Affairs to deal with all aspects of northern Manitoba. Every department of this government is involved in northern Manitoba, and that is the way I want it to be and that is the way I feel it should be. In other jurisdictions where they have tried that, like Indian Affairs, it has caused some problems, like the Department of Northern Saskatchewan which deals with everything in northern Saskatchewan. It is causing problems. It just hasn't worked very well. I find this arrangement far more effective, where we have responsibilities and every department of government has responsibilities in northern Manitoba. And I think that the member has to understand that and be aware of it.

But the other thing is that I sometimes get letters from Gillam that say, "Well, what about us?" The Department of Northern Affairs has very little relationship with Gillam or the urban centres. Now I can talk to you about what is happening in those urban centres and I can talk to you about The Pas and I can tell you what every department of this government has done in relation to The Pas. And the Member for Thompson can tell you everything that every department has done in relation to Thompson. And the Member for Churchill can tell you what every department has done in relation to Leaf Rapids or Lynn Lake or Churchill or Gillam and those communities. But under my Estimates, I don't, because our department's focus is with the remote communities, I don't want to tell you all the things that happen in The Pas in this speech. I will wait until the budget or some other time. I will tell you about the things that all the departments of government have done within the urban communities.

I suppose that one of the areas of the Member for Assiniboia's lack of understanding was when he mentioned fishing because we have had quite considerable discussions on fishing here and I think he might have caught some of it.

Our biggest problem right now, in relation to fishing, is the Freshwater Fish Marketing Corporation and the Federal Government's control thereof, and how they control it. And that's our biggest problem.

The Member for Lakeside asked us about our relationship with DREE. Our relationship with DREE is fairly reasonable, especially when you compare it with the Minister of Resources' dealings with the Federal Minister of Fisheries, who is just not willing to listen, who is just not willing to try and understand the problem with the fishery in Manitoba. If he were willing to listen to the Minister of Resources then I'm sure we would see quite a drastic change in what's happening to the fishery and have considerable benefits for the fishermen in northern Manitoba.

In the area of loans to the small communities, or to northern Manitoba generally, there are again a number of different agencies that are in fact providing assistance. The agency that you see within this Estimates Book on Pages 48 and 49 is the Special Programs section, but basically that deals with the Special ARDA Program, but there is economic development assistance that is administered by the Federal Government under that program and cost-shared by ourselves. I think that matter is important in relation to the overall economic development, to know all those sources of funding and to be able to put them together for a package for the community in terms of its economic development.

The member asked about transportation policy and I want to get into considerable detail on that when we get to the Engineering Services and Construction because these are part of the department that deals with winter roads, that deals with airstrips and that deals with some other internal community transportation facilities. I would also like to mention to the member, and I think to all members, because I don't think people understand this, that construction of transportation facilities by itself does not mean development, because a very clear example is: some of the treaty communities, some of the Metis communities in southern Manitoba have railroads, they have roads and they are not that far from airports, and yet those communities are worse off in terms of their development than many of the communities in northern Manitoba. So by itself transportation doesn't do very much. When transportation is combined with the other kinds of programs and policies we are talking about, then it can have a pretty dramatic effect, but by itself it doesn't do very much. I would like to look at the Winter Roads Program when we get to that section, relate it to the Highways Program and talk about the Airstrip Program as well. I know that the Minister of Renewable Resources has talked about northern transportation as well during his Estimates.

I don't think, Mr. Chairman, I'll go into detail on some of the other questions like cultural programs, like education programs, because as I said, the Department of Northern Affairs is not directly involved in those. I am generally aware, as a northern member, of those programs; I am aware of how they relate to my department but I think it would be more appropriate if he dealt with them under the appropriate departments.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Chairman, I was prompted to get involved in this Committee mainly because after listening to the Minister, it reminds me so much of the old children's fable of Alice in

Wonderland with the Minister playing the role of the Cheshire cat, that every time that you begin to say that there is some corporeal body there, all of a sudden it evaporates and all that is left is a big grin. There is nothing tangible, nothing real about what he is saying. It almost kind of begins to be a tremendous sense of unreality about the description of what this department is doing.

I would particularly draw his attention to the number of contradictions that he finds himself getting into. I would start off by saying first that he's a very ungrateful gentleman. He passed a couple of harsh comments about the philosophies and commitments of other political parties and suggested that while the Conservatives are simply all wound into the whole out-of-date market system, the Liberals simply patch it up. I look down and say, my God, it's that nasty Liberal government giving \$96 million to the Northlands Program. Now, where did this come from? These are the people he says aren't doing anything for the north, yet they are paying for his programs. All of a sudden he's saying, they don't care, they're not interested — \$96 million worth, now that's what those nasty guys in Ottawa are doing, you know, those people who are so indifferent are paying your bills and yet he's not prepared to recognize that or acknowledge it. Now all those programs he is describing, the money for them at least, is coming, a large percentage, from the people in Ottawa, the Minister of Northern Affairs and the rest of them who are assigning it, \$96 million worth. And all of a sudden the Minister says, well, they don't really care, do they?

Mr. Chairman, I find that frankly to be again part of the alluded to Wonderland world that this Minister exists in — he only wants to see what he is prepared to see, which is wearing a very heavy case of political blindness, perhaps bifocals — he can only see the reality that he wants to pretend is there. In fact, if what he says is true, then I suppose those horribly sort of indifferent people in Ottawa wouldn't be giving him the \$96 million in the next five years to finance these programs. But what concerns me is in fact that maybe our colleagues in Ottawa are finding that their \$96 million is simply being frittered away, and that because they don't have control of the direct implementation of the program, and relying in putting the money in the hands of this Minister, that, in fact the taxpayer of Canada is not getting his funds well spent as far as Manitoba is concerned under the commitment they are making, simply because we put the money into the hands of a Cheshire cat, that every time you go to touch him all you've got left is a lot of empty air.

The fact of the matter is that, you know, there is an interesting number of unreal contradiction. The Minister tries to suggest in this House that everything is just going swell up there, the people love it and they are all happy and they are getting involved, yet you find that the native communities themselves boycotted the signing of the Northlands Agreement because, they said publicly on many occasions that they did not agree — they certainly wanted the funds — but they did not agree with the way the Department of Northern Affairs was spending it, that it was a form of directed planning. They were being told what to do and how to do it and where to do it and at what time to do it, and that they themselves would have no involvement in the delivery or development or planning of it.

So all of a sudden there is a high degree of unreality. The Minister is sort of saying, well, look at all these wonderful things we are doing, and yet the people who are presumably going to benefit from this — all these wonderful things — are in fact saying, thanks very much, we don't want it that way, give us the chance to do it ourselves, make that commitment.

And it goes back, I think, Mr. Chairman, to the philosophy that we have heard expressed now, on several occasions, by the Minister of Public Works and the Member from St. Matthews — they don't want people involved in making decisions. They have said that in this House in the last week time and time again, they don't trust people to be involved in making decisions for their own development. That's they say, adding, you don't trust the people in the community because we know better, that's what we were elected for. Well, sure, but some people define their elected duties differently, they don't define their elected duties in an authoritarian way saying, we're going to decide for people what is best for them. Other politicians can sort of decide that their responsibility is to enable people to decide for themselves more adequately what should be done. I think that that's what it comes down to, Mr. Chairman, is that it does come down to a real difference in philosophy and that is, that the way in which these kinds of objectives are being met, everyone can agree we want to have economic development and manpower and information extension, but when you get down to the hard reality of, in fact, how it is being done, the voice that is coming from people in the north — and I just finished talking to two of them who have decided that they are in fact going to — from the reserves — take their position opposite to the Minister because they feel — and previously supporting it — because they feel that over the past four or five years they have had programs imposed upon them and they have had very little to say about what should be done.

I also have to take some exception, Mr. Chairman, to the remarks of the Minister in relation to the statements made, by him again, in relation to the Premier's remarks. The Premier has a great facility of also sort of getting scapegoats from other departments and other places and the Minister says, boy, isn't it wonderful, our Premier has gone after those people in Ottawa to take up their fair share of responsibility when it comes to welfare and social assistance services. But he obviously hasn't read

his own study, by his own government, on child welfare which says — if he wants me to read it to him — on Page 46 of that report, that “Non-status native persons are a provincial responsibility. One might therefore assume that there would not be problems in the extension of child welfare services to non-status Canadians. Unfortunately such is not the case. In many instances there are non-status persons living on or nearly adjacent to reserve land and who are, in consequence, members of a single community. This presents provincial authorities with an uncomfortable dilemma of offering full services to some. This dilemma is resolved by offering services at the same low level as that provided to the treaty population.” And he says, “However grievous is the refusal of the Provincial Government to exercise its rightful authority to offer child welfare service to status Indians living in reserve communities. We should not imagine the reversal of policy or the arrival of an agreement with Canada will buy itself redress of the very serious problems faced by Manitobans of native origin.”

It's the old *cliché*, Mr. Chairman, that before you start throwing stones, you better take a look at what's going on in your own backyard. I would think, Mr. Chairman, that the Provincial Government is in itself, and I have been equally — I'm not in any way suggesting that the Federal Government is living up to its responsibilities, but you sure as heck aren't either. And to try to escape out from that one simply by writing nasty letters and holding a press conference or running off and saying it's those guys in Ottawa again, again the people who are suffering from that kind of political game playing are the people described in this report that was done by your own consultants, not by nasty Liberals or Conservatives, it's your own people who did this.

The same thing is true, Mr. Chairman, if you read the report that Mr. Blakeslee from the Planning Secretariat issued two weeks ago when he commented upon the fact that probably one of the end results of the lack of direction policy and effective implementation in northern Manitoba is that there will be 100,000 native people living in Winnipeg within a very short period of time. It wasn't the Opposition who was saying it, it was someone who was working in the Provincial Government who is saying it. He is their consultant, not ours and he made the statement publicly.

And so for the Minister to kind of get up and break his arm patting his back, I think is a little grievous to this House and doesn't do this Committee much good. I would prefer, Mr. Chairman, for this Minister, rather than engaging in a high degree of self-glorification and congratulation, to be taking what Blakeslee is saying and either telling us whether it's right or wrong. And if it's right, then beginning to give some address as to how we are going to deal with those problems. I think it's clear, Mr. Chairman, I think all members, Lakeside, Portage or Assiniboia, are saying that the way you've been kind of doing it so far hasn't been working and I'm afraid that that \$138 million is not going to have any kind of impact and that there will be someone four or five years from now looking at perhaps another Northlands Agreement signed in another way, with the same problems still there.

I think part of the problem, Mr. Chairman, was touched upon by the Minister himself. He said, “Look, we've decided in our wisdom that we are only going to deal with remote communities; we'll let all the rest of the guys deal with the urban communities and the larger communities.” Yet, one of the formulas, I suppose, in any kind of economic regional development scheme, is to begin concentrating resources in certain settlement areas. That is the way that you begin, you know, to develop a base, first of population who become producers and consumers, you build a critical mass of economic activity and out of that it begins to generate its own jobs and its own economic dynamic.

Mr. Chairman, this province has a policy nowhere in the province. It doesn't do that for the City of Winnipeg; it doesn't do it for rural areas; and particularly in northern Manitoba it has not decided what are the key ingredients of that economic development, work it out in consultation with the people up there and that's where they put the money rather than all these kind of random arrangement of programs. There's an old saying about “a hundred roads leading to Rome.” Well, it seems that every time, the Minister's consultants or whoever it is come up with another idea, whom goes another million dollars, let's try that one out and see if it's going to have an impact. It's not having an impact. Blakeslee from your own government said it wasn't. I'm quoting your own people, nothing that we've generated.

It seems, maybe therefore, that it calls for some very major departures from where we're going. I think, Mr. Chairman, the reason that we don't get these departures is that they are so busy covering their tracks, making excuses, blaming somebody else, that they haven't got time enough to concentrate on really the hard-core strategies and it may take some tough decisions. I think, certainly members from our group, and I wouldn't want to speak for members of the Conservatives, would be prepared to be in agreement if the government was prepared to take some hard decisions in these areas, and it may mean that certain small remote communities are not going to survive and that there is going to have to be concentrations of populations in certain northern communities to develop that kind of economic critical mass. It may mean that at some point we're going to do something serious about the Port of Churchill which, many people have said and I am not pretending to know what the answers are there, but say that that in many cases does hold the key of becoming a transportation node. And there are ways of dealing with that issue which have never really been tried effectively.

So, Mr. Chairman, I find that the Minister's comments about the planning and development, of what he is doing misses deliberately and avoids with very clear preconception what are some of the difficult problems that are being faced up north, and instead is talking about alternate technologies and all the rest of that kind of stuff. What he doesn't say, Mr. Chairman, is: "How many?" He says, "For example, we are developing portable chip plants," or something. How many? One, 17, 100? What's going on? Is that going to be the big push this year, portable chip plants? —(Interjection)— Well, let's get some numbers, let's get some indicators.

The Minister seems to be able to use the jargon of the economic and social consultants, great, but let's see some hard numbers on those things. You can measure some of these things in dollar terms and people terms and output terms. I mean, if he wants to do it, let's hear these things. Let's get something rather than, sort of the "for example this and for example that." That comes back to when the has taken place and as we have so many "for examples," so many demonstrations and pilots and everything else, that we're not really concentrating the funds in a concerted way to get maximum impact about it, particularly when he says that he's got all these other funds.

We went through, Mr. Chairman, for two years now, discussions in Economic Development Committee of the work of the Community Economic Development Fund and the Moose Lake Loggers and all the rest of it. And what we find out, having gone through all those considerations in those committees, is that in many cases they are doing exactly what the Minister says they shouldn't be doing. They are going into the big technologies. I can remember one report from the Moose Lake Loggers group about how they bought logging machinery costing somewhere in the estimate of \$75,000, \$100,000, \$150,000 each and they were all ending up on the bottom of the lake. When you ask the guy who was heading it, "Why are you doing it?" he says, "I don't know, we thought it was a good idea."

We were spending all kinds of money on that heavy capital equipment and it was all ending up rusting somewhere in a northern lake, I suppose, providing a place for fish to sort of congregate.

I also find, Mr. Chairman, that the Minister for Renewable Resources and the Minister for Northern Affairs, when it comes to the issue of freshwater fish marketing, again have avoided their responsibilities. The Freshwater Fish Marketing Corporation is not an Ottawa corporation, they elect people from Manitoba. You've got representation on the boards, they elect people from here. —(Interjection)— They have people on the board from here. They have people on the thing; there is joint responsibilities on this thing. Let's find out. . . let's begin taking a look at the responsibilities that have been made. —(Interjection)—

Have these Ministers, in all their wisdom and presentations really talked, as we suggested, about the question of doing processing plants up in the northern communities themselves? Has that been your program and policy? Have you said that? No, they haven't and they know they haven't said it. All of a sudden again we're laying the wood on someone else when in fact the Minister gets up and says, "Well, wouldn't it be a good idea to have a more self-contained economic community in northern Manitoba?" Fine, how does one do it? What's one of the major resources? Fresh water fish. Give them the opportunity, to use his own analogy, they do it in underdeveloped countries — to begin, not just simply becoming exporters of raw materials but also the processors of that. Why aren't we doing that in Manitoba? Why isn't that happening? Why isn't it taking place? I haven't heard the Minister of Renewable Resources making that kind of argument. I haven't heard the Minister of Northern Affairs making that kind of argument. But they might get some credit and some credibility for being serious about it, rather than again doing the old press conference political game.

Frankly, Mr. Chairman, I think that's what it comes down to. Again, you talk to the people from northern Manitoba, — and I don't have to do it because it's in the newspapers almost daily, certainly CBC television news seems to have a pipeline up to it — but simply in talking now as we have to our candidates who will be running in those areas, their feeling is that one of the major problems is the activity of the Department of Northern Affairs, that they are so busy involved in political activity that they don't have enough time to be involved in anything else. But that is a real problem. And one of the questions that has to be raised in this whole questions of planning is how are people hired? What kind of loyalty test is measured in terms of any out working for this department?

A MEMBER: Little green card files.

MR. AXWORTHY: You know, that becomes an issue we can play around. You know, I'm not trying to turn it into an election issue, but I do say that if one's objective and ambition in becoming an employee is to further enhance the position of the political party that happens to be the government of the day as opposed to doing the work in the communities then that is severely going to reduce the ability of that person to do the work for which they are hired and for which the Liberals, the government in Ottawa, is paying two-thirds of the cost. If I'm going to talk to my colleagues about something I'm sure not going to talk to them about that, because that should not be happening. Yet it is certainly one of the major issues being raised by people in northern Manitoba. Those who have no political axes to grind will simply say, "We're tired of being hustled politically by members of the Department of Northern Affairs." I would suggest that one of the reasons why your programs are not

working is that reason alone, that you have politicized it far too heavily. You've turned it into sort of a political shop and therefore all these objectives that have been set out and which are being paid for in the Northlands and the rest of it, are being put into secondary priority. That's perhaps a fair game, but I think that you're going to have to answer to your own conscience on that one, because you can't continually get up here year after year and say, The reason why these things aren't working is because the there's nasty people everywhere else except here. Well, I'm suggesting that maybe it's about time that you looked at your own department and what's happening in that department, and that becomes one of the major reasons why we're not getting the kind of impact we should be getting for all the very large amounts of money that we're now putting in. And I quarrel not one cent with that kind of money, but I certainly do quarrel with the way it's being spent and how it's being used and certainly the lack of any result.

MR. McBRYDE: I haven't heard this kind of babble and dribble in this particular House since the Member for River Heights was fighting for his life as the Leader of the Opposition.

MR. AXWORTHY: I don't want to be leader of anything.

MR. McBRYDE: The Member for Fort Rouge does not know what he's talking about. It's very plain and simple. The Member for Assiniboia was a little bit naive in trying to understand what's going on, but the Member for Fort Rouge is being deliberately dishonest in this House, because he doesn't have his facts straight and he does not know what he is talking about. The Department of Northern Affairs hires its staff through the regular Civil Service process and there is no politicalization of that staff within the Department of Northern Affairs. Maybe he's judging from his experience at the Institute for Urban Studies, federally government financed. Well, he can finance his campaign from that source. Or maybe he doesn't know that his candidates have now or did work for the provincial government. They weren't hired on any other basis except there was a competition and they had merit to fill that position.

A MEMBER: He's paid by the federal government to run for office. — (Interjection) — Yeh, you are!

MR. McBRYDE: And, Mr. Chairman, I've never heard of this kind of nonsense before.

MR. CHAIRMAN: Order please. Order please.

MR. McBRYDE: . . . what he is talking about, then he should shut up. Or if he finds out the facts he should apologize and say he didn't know what he was talking about, because in this case he clearly does not. Well Mr. Chairman, I'm quite willing to deal with the people that are running against me and I'm quite willing to know how the Liberal Party of Manitoba finds its candidates, how they offer them a certain amount, pay all their campaign expenses if they'll run for them and say: We need you to help us, we'll give you all your campaign expenses to run for us because we're so desperate we can't find candidates anywhere." And, Mr. Chairman, with their candidate, the Member for Fort Rouge — the great Liberal Party who campaigns in purity, who doesn't know anything about political patronage, political appointments. Mr. Chairman, I have to laugh at the Member for Fort Rouge, because of his ignorance — an allowable word — his lack of understanding of reality. He was talking about reality. There's a man that's living in a dream world when it comes to reality. I wonder how come they got Jean Allard to be their candidate in the last federal election? How did they get such a good candidate? — (Interjection) — Well Mr. Chairman, the member has just answered his own question. Because that's the way they're trying to line up candidates for the provincial election as well. And, Mr. Chairman, when I was out campaigning in Ste. Rose, I saw the Liberal Party and how they operated. And the member, this General Liberal of the University of Winnipeg, helping the poor people of Winnipeg, their involvement and their development. I don't think he was there, but maybe he should find out how his people worked. Maybe it would be interesting for him to learn how you try and win an election in Ste. Rose, because he's got a lot to learn yet when it comes to the reality of his own particular political party.

Now, Mr. Chairman, the member wanders around enough when he has a written speech and he wasn't prepared to speak so he wandered even further. I don't know if I can in a coherent way answer his wanderings, but I will give it my best shot.

First of all he was concerned about our high degree of self congratulation. Well, I don't know, maybe the Member for Lakeside didn't mention that and maybe he missed something in my comment, because basically what I said was, "Here are some of the real problems and here are some of the ways to tackle those real problems." But for him to stand up and say, "The Minister says that everyone in the north is happy, that everything's fine. That's what the Minister is trying to say." Well, he wasn't listening, Mr. Chairman, because that's not at all what I said. There are very real problems in northern Manitoba. There are very real problems I think throughout Canada. And, Mr. Chairman, what we are trying to do is take some concrete steps to deal with those problems.

A MEMBER: That's more than the federal Liberals are doing.

MR. McBRYDE: Mr. Chairman, there is a Department of Regional Economic Expansion in Ottawa. That department has programs that they pay for out of funds collected from all the people of Canada, and maybe they give more effort in Quebec, maybe they give more effort in the Maritimes, but the people of Manitoba, I think, have some justification to use the programs of the Federal Government,

and the Department of Regional Economic Expansion is one of those departments. But I think we have some right to expect that they'll contribute a few dollars back into the Province of Manitoba, and if the member was listening he would notice that of the \$14 million here, almost \$4 million is recoverable from the Federal Government. It's not quite two-thirds, but the member of course didn't get his facts straight on anything else, so I don't know why we should expect him to get his facts straight on that particular matter.

A MEMBER: Hear, hear.

MR. CHAIRMAN: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, I would be very . . . Was it the Minister that distributed this document, Synopsis of Canada-Manitoba Northlands Agreement, which on page 2 says, "Contributions from the Federal Government, 96; Government of Manitoba, 42?" Did he distribute that or not?

MR. McBRYDE: Well, Mr. Chairman, I guess we'll have to go through a lesson for the honourable member — I don't know if it's worth it, but I guess we should give it a try. Okay, there is a DREE Agreement with the Province of Manitoba. The agreement is one that was negotiated, but from our position a weak position — the Federal Government had some money; we wanted some money to do some worthwhile things, so we negotiated an agreement. The agreement is signed by myself, the Department of Northern Affairs. As we get to that section, it has a couple of people that oversee and see that things are happening within that agreement. But a lot of the agreement is administered by various departments of government and I think the member might have missed that when I repeated it yesterday, today and tomorrow. At least I assume I'll have to repeat it tomorrow, if the honourable member is here. And we welcome that assistance and I have attempted to give credit wherever possible, even in my political columns I give credit to DREE if they are willing to involve themselves in the development of northern Manitoba.

There is a little bit of difference I think from the day the Member for Lakeside was involved in agreements. Now Ottawa requires to be seen more. They want to have more input and they want to get more credit for what goes on. So we have the same signs the Member for the Interlake had, I think, all over the place, Federal-Provincial signs. But the attitude in Ottawa has changed a little bit. They want a little bit more say than they did have in the past. I welcome that contribution and I haven't knocked the Federal Government for giving it. It's not quite two-thirds in relation to the Department of Northern Affairs, it's \$3,968,800 of a budget of \$14,608,400, and that is recovered from DREE, through the Northlands Agreement, Special ARDA agreement and a very small part I believe through the Canada Assistance Plan as well, which is available again to all provinces.

Now the member's concern that we would criticize the Federal Government. Heaven forbid! And that we would criticize the Freshwater Fish Marketing Corporation. And that was not the first indication, but indication number 11, that the member did not know what he was talking about, because they have a Board on the Freshwater Fish Marketing Corporation. Manitoba gets to appoint one person to that Board. And who does the Manager report to? And who reports to the Board really? The Federal Minister of Fisheries is who he really reports to. It's a Federal Government run operation. And what we have is one member, one member out of 11. And I think that the member maybe should understand that before he says, "Well, that's not the Federal Government corporation." "Mr. Chairman, that's not a Federal Government corporation." It is a Federal Government corporation. We are trying to get the Federal Government to be a little bit more reasonable in how they run that corporation so that it will benefit the fishermen. We'd even like some fishermen to have a say in that corporation; some fishermen, the people that catch the fish you know, and the corporation is supposed to sell them and give money back to the fishermen. We would like some of those fishermen to have a say in the corporation, but the Federal Minister, — I don't know, maybe he's very busy worrying about the east coast — or the west coast, but he's not very busy worrying about the inland fishery, that's for sure.

The member, when he was being a little bit more rational, talked about the philosophy of involvement, and it's not a simple subject. I think the member has some realization of that, that to involve people in a realistic way requires quite a bit of development and assistance and working with the people so they get to that stage where they are involved in a realistic way, where they can in fact, themselves take control. And it's not sort of a simple process that all of a sudden you hand over control of certain things to people in communities, because it doesn't always work. Sometimes the new controller of the community might be a little bit different coloured in skin, but he's still a controller of the community and controls everybody else in there and operates for his own benefit. And that's something where there has to be some kind of balance, where the province in fact still has some involvement, where the Federal Government of Indian Affairs still has some involvement in conjunction with the community people, in conjunction with the organizations. But there is always a problem of an institution, because once an institution gets established, it spends a lot of its time protecting itself if only for its own interests. And that is the danger within a department of a Provincial Government or a Federal Government, and we are trying to guard against that problem all the time.

That is a problem also with some of the native organizations or native groups, that they can institutionalize themselves and work for the benefit of that institution as opposed to the benefit of the people that they are supposed to be assisting.

And I think that could be a problem with the Urban Institute, if in fact they say, "This is community involvement," and then push their own programs on people. And I think that's what the Member for St. Matthews was talking about, and the Member for Fort Rouge razed the Member for St. Matthews in the discussion that took place the other day, that it is possible for a institution working with people to push their own ideas on those people.

Mr. Chairman, the approach that we try and use is to make as much information available to the people as possible, it is to help people get some experience, some basic training and some basic understanding of what goes on, and then provide them with the options and the alternatives that are open to them. And when we get into the part of our program here that's called Local Government Development, or Northern Development Corps, or in fact most aspects of the Department of Northern Affairs and how we function, a lot of time by staff has taken in the field, just outlining the ways things can be done; outlining the options; outlining the alternatives, explaining to people the choices that are open to them. But that choice has to be made by the people in those communities.

I'm not sure the Member for Fort Rouge would let them make that choice. It hasn't been my experience that he's been able to let them make that choice when he's functioned with people in the core area of Winnipeg. And I'm not sure that he would let them make that choice, because he's already got a preconceived model in his mind. Some people are going to have to be relocated. Some people are going to have to move into a critical mass area. We have one in Manitoba. It's called Winnipeg. I don't think we have too many critical mass areas in northern Manitoba, because those are basically resource exploitation communities that are there to take goods out of northern Manitoba and send them somewhere else. And it's not quite a critical mass situation in Thompson or Leaf Rapids or Lynn Lake, because those are one industry towns. Those are resource towns, and I assume that the honourable member should be well aware of that, but he has a preconceived notion that he wants to move people around, and he knows, I hope, that we've done this before. The Federal Government's done it before, both Liberal and Conservative. Provincial Governments have done this before; moved people around. We moved people from somewhere into Churchill, one area of Churchill, and they moved them to another area of Churchill. We took people from . . . on Cedar Lake and we moved them into a new community of Easterville. None of those people were better off. They were all worse off because of that move. So maybe the honourable member shouldn't be too preconceived or willing to force his preconceived solutions on people. Maybe he has to realize that there has to be a general goal, a general outline of one of the things that has to be done. And then the people have to fill in that program and the people themselves have to make decisions of how they use that general goal, how they can work that to their advantage. Certainly things are not perfect. There is a lot needs to be done. There is going to be coming on stream in northern Manitoba, a very very large work force. The population of northern Manitoba is very very young and there are more and more people coming into the labour market. With the programs that I'm going to outline and explain to you people here, if all of those programs is a hundred percent successful, or even expanded, we're still not going to deal with all of the people coming into the work force in northern Manitoba. We've got a problem and it's a serious problem. The ability to have employment is in our society a very very important aspect of a person's life. And if we are not going to be able to assist those people in their employment, their economic development, then we're going to be faced with very very serious problems. I don't think the member quite understands that situation or quite understands the small steps that we are taking to deal with those problems, because I don't think even with our present program or the Resources program, that we are going to deal with that situation that we are now facing. But we are, Mr. Chairman, in the world of reality. We don't know all the answers. We don't think we do like the honourable member does. We are not arrogant about it like the honourable member is. But we do understand the problems and we are willing to work and attempt to find the answers and to assist the people to find the solutions to those problems.

MR. AXWORTHY: Mr. Chairman, I think it's nice to see the Minister finally getting a little interest in his department and showing a degree of verve and energy in his voice. It's too bad, though, that the Minister is falling into the same trap that other members opposite seem to have fallen into the last several weeks, when they find themselves totally incapable of dealing with an argument in an intellectual way, they resort to character assassination to do it. —(Interjection)— Well, Mr. Chairman, I didn't read things into the record about one's past, I didn't bring out one's background, I don't revert to what one was doing before. In fact, Mr. Chairman, if the Minister was able to deal with the objections that were being raised by people in the government, itself. I was not the one boycotting his meetings. It wasn't Liberals or Tories, it was the people up north who boycotted the meeting because they said they weren't being involved. Now, Mr. Chairman, that's not something we've made up and I'm going to resist the temptation to answer some of the charges they made. I would say this, that it's interesting, Mr. Chairman, I find that I am accused of having to belong an institution that supports

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my own political claims when in fact the first person to run for office from that institute was the New Democratic member of Council. So, I suppose we might have slipped up somewhere, but it's strange. And there's also been a couple people actively working for the Conservative organization who also work for me. So, I find that a little odd, Mr. Chairman. Again, it is really unfortunate that they have become so bereft of self-confidence in what they're doing, but they have to revert to that kind of name-calling, character assassination. It really is, I think, reducing the level of exchange in this House to a pretty low level, and I'd assume that the Minister would deal with matters on a somewhat different plane than his colleague from St. Matthews, who, I think, is getting a reputation as a hatchet man. But it's unfortunate.

I also find it's interesting in terms of an outburst that one of the prime projects that we were responsible for, the Winnipeg Home Improvement Project is held up by the Premier as one of the crowning examples of effective community organization in the core area of Winnipeg. Well, I'd like him to know who it was who initiated it and who transferred responsibility of that project, back to the people who are running it and who have it now taken over by the Provincial Government. It's a matter of historical record and if the Minister would like to check it the reports and evaluations are there, and I'm not afraid to show it to him. But the Premier recognizes the work that was done even though the Minister isn't prepared to do in his own fit of anger.

Mr. Chairman, he didn't answer the questions, questions posed by people within the Provincial Government itself. Does he expect the opposition to be less critical than people working in their own . . . ? I mean frankly when you get to down to it, what we're saying is only the kind of reports coming out of people who are working in the Provincial Government offices in their own right. No one that I know of on our side was paying Mr. Blakeslee's salary. And yet he is the one that was saying things are in a serious state in northern Manitoba, that there's going to be mass migrations, very major departures have to be made. And the Minister, conveniently, sort of evaded that problem. He didn't deal with it. He still hasn't dealt with it, even when it was raised with him. And when I suggested the question of what's the alternative, I wasn't saying that I had the preconceived notion. I am saying that there are certain models of how community economic development works that could be tried and be examined and worked out in proper consultation and imposed. We're not talking of moving people. It's too bad that the Minister can't control his own fits of temper and deal with the issues on a more objective plane. We're dealing with the issues. He didn't deal with the question raised again by his own government report about the lack of services to people non-status — I didn't write this report; the Member for Lakeside didn't write it; it was written by someone who's working for the Provincial Government. He didn't answer that. All I want is answers to these questions, Mr. Chairman, and the Minister doesn't deal with those hard issues.

What we are saying is simply this: that a large amount of money according to the document distributed by the Minister, it says that there is in the five-year agreement a combined total of \$138 million coming from different sources, 96 through federal sources, 42 from the provincial. That's a good sum of money. What we're trying to say here, as has been said by your own people is that the way in which that money is being used is not gaining the kind of economic and social momentum in northern Manitoba to enable a higher degree of self-sufficiency, to enable a degree of ability to begin looking after their own communities and resources, and not have to have it colonized from outside. And the flaw, and the reason, we're suggesting again comes from the people of the north who themselves said — and I want to know if the Minister feels that there is a rational reason. Why is it that members of the Indian reserve native communities in northern Manitoba boycotted those meetings — and they stated their reasons publicly — because they felt that these programs are being imposed and that they had very little to say in the deliberation and discussion of them. Now, Mr. Chairman, that's coming from their words. And for the Minister to jump up and throw his little fit is fine. That happens all the time in this House. But the fact of the matter is he didn't answer the questions that are in fact being posed by those who might know better because they are working up there. They're the ones that are doing the studies. And that's what this particular question of Planning and Development is after. They're simply saying: Can we take the use of these moneys? Reorient them or re-establish them into different priorities. And when we talk about developing communities in the north that do have the critical mass, that means not turning them into resource exploitation towns but giving them a rationale of their own. It only happens, and perhaps I don't have to explain to the Minister, what happens in terms of the concept called critical threshold of economic development. He used the jargon, presumably he should have read that basic kind of concept that after awhile, after a certain size and numbers of people and economic transactions take place, a certain dynamic begins to take on its own momentum. It doesn't have to be force fed from outside. We're simply saying, have they decided on that? I don't know. He hasn't said it. We're talking about planning and development, he hasn't outlined any plans like that. All we get are these very general nice words and series of four examples. We want to know really, when it comes down to the critical question of providing proper jobs and employment for large numbers of people, according to the Blakeslee comments of a week or ten days ago, where is the answer to that. Where is the answer to that

question? And when the Minister can provide an answer to that, then we can begin to get off this item and go on to some specifics. But until that kind of problem posed in many ways by many different people has been answered we have to simply say when it comes to planning and development, you're simply not doing a good job.

MR. McBRYDE: Mr. Chairman, I find the member a bit amazing that he says the Minister then stands up and gets personal. Then he tries to come across as the all reasonable, always calm, always rational kind of person. What did the member say? He said that the Minister has developed a department that is a political department and that people are hired for political reasons, and the Minister, who is a Cheshire cat, will have to live with his own conscience. Mr. Chairman, we've been through this before. I mean I've been through it with the Member for River Heights, who is a member at one time who I respected but in his desperation had to make all kinds of wild accusations in order to try and protect his position which he didn't do successfully, anyway. The Member for FortRouge, who is always trying to be the rational one, and who the Free Press rushes in to cover as the rational member of the House, did make some fairly wild accusations and I really apologize for getting annoyed. I should have realized that he wasn't serious, that his purpose was to try and get me annoyed, and that he really didn't mean all those things. Then again, I didn't hear him apologize or even mention them again. There might have been a couple of hard points the member raised. I had some trouble, I said, because he meandered all over. I probably didn't deal with everything that he brought up. The report on the social services and especially services to children under The Child Welfare Act is one area that we've been very heavily involved in. His all-wonderful Federal Government has withdrawn from about \$30 million worth of programs, of services that they used to provide to Treaty Indians in Manitoba and that they are their constitutional responsibility to provide to Treaty Indians in Manitoba. And of course they withdrew from those areas they can withdraw from easiest because they knew the province couldn't stand by and not fill those services. And most of those services were in the welfare field. But \$30 million a year in services.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: I wonder if the Minister recalls just a little while ago, some while ago now, when I suggested that things weren't all that well with the relationship that he has and this government has with the Federal Department of Indian Affairs. He suggested just the opposite to me a little while ago, that things had improved, that things were looking up and I now find the Minister, as pleasantly as I would like to find him in this contradiction, he is now chastizing the Federal Government, I think correctly, by the way, I think correctly.

MR. McBRYDE: Mr. Chairman, I suppose that my response to him was based on some optimism, that we did a very thorough study of those costs and Mr. Blakeslee was one of those who was mentioned, who has been involved in that study. We sat down with the Manitoba Indian Brotherhood and went over all those figures. And they hired their own researchers and reviewed our figures and said that, basically we agree with you that the Federal Government is withdrawing from services to us, and that we as well as you would like to get them back providing those things that are their constitutional responsibility and that are their treaty responsibilities to Treaty Indians in Manitoba. And so there has been some negotiation going on, and the last I heard, the negotiations were going well. So, I'm optimistic that they've seen the error of their ways and that they are now going to reform and adjust and pay us some money, and that the province, in the funds it saved, intends to make full use of those funds on behalf of the Treaty Indians of Manitoba. We would like to especially use those funds in the area of employment, in the area of economic development. So when the Federal Government does put their signature to the paper and I think they're basically agreeing and that's why I didn't want to get after them this evening.

The Ryant Report touched on one of the key areas of withdrawal of responsibility and there is the agreement that we have reached with the Manitoba Indian Brotherhood, which on matters affecting all the Treaty Indians of Manitoba we see as the legitimate negotiating body or representative body. The agreement we reached with them—and I believe that the Federal Government is going to accept it—is that in fact we will provide some of those services that the Ryant Report is talking about, but that in fact we will be reimbursed by the federal authorities for the provision of those services. With those dollars that we are reimbursed, we hope to be able to get more at this problem of economic development or lack of same in the communities.

The other comment that the Member for Fort Rouge raised was the fact that when we signed the Manitoba-Northlands Agreement in Norway House in September 15 last fall, that the representative of the Manitoba-Metis Federation was not present. And he was not present because he said that there was a lack of involvement. I suppose, Mr. Chairman, this is one of the fairly delicate problems in terms of institutionalization of organizations and the veto right that organizations would sometimes like to impose to basically increase their own power and influence. If the Manitoba-Metis Federation, the Manitoba Indian Brotherhood, the Northern Association of Community Councils, the Northern Fishermen's Association, Lake Winnipeg Fishermen's Association, the Community Educators Northern Project, etc., etc., etc., if they had their druthers they would become the administrators of all

federal-provincial funds. And in some areas that works reasonably well. In some program delivery areas it doesn't work very well at all. I think that what's required is some kind of a balance. There has to be some kind of a balance. And that the province has to accept some responsibility.

Because we do have communities come to us sometimes and say, "We don't agree with our organization, we want to go this way." We have had the Manitoba-Metis Federation or the Manitoba Association of Senators disagree with their national body. The Member for Lakeside gets his constituents from St. Laurent coming in, "We don't agree with the leaders in our community or we don't agree with this." And he deals with them. He tries to help them because they are his constituents and he doesn't say, "Well, I can only talk to your organization or your leaders." Because there are some things you can deal with individuals on. There are many things you can deal with communities on. And there are many things you can deal with the organizations on. When I said that we're talking with the Federal Government, with the Manitoba-Indian Brotherhood, that's one area, because we're talking about problems that affect every Treaty Indian in Manitoba and therefore we deal with the Manitoba Indian Brotherhood. If we're were talking specifically about the community of Berens River then we deal with the community of Berens River. And if they want, they invite the Manitoba Indian Brotherhood to take part in that. Or if they want, they invite other groups to take part in that discussion. But we do deal with individuals and with communities as well as with the organizations. So the fact that one native leader missed the meeting, I don't think I would be quite prepared to interpret that as a condemnation of anything that we are trying to do in northern Manitoba. In fact I suppose that he has certain political things that he has to do to maintain his political position or take a stance on within his organization. But there is a problem of involvement, there is a problem of involvement of people, and it doesn't only apply to federal-provincial agreements, it applies to things that in fact the Department of Northern Affairs is discussing with . . . most of our work is with the non-treaty communities.

If I go to a community and say, "We plan to institute this kind of a program, I want you guys to involve yourselves and help me design the program," and then I take that program to Cabinet and my colleagues turn it down, that is not a very effective way either. So it is a problem. We have to get some commitment from the system first and then negotiate the details of that program once we have some commitment to the program in general.

I think that the Member for Fort Rouge, who is listening now, could understand that when we are begging the Federal Government for funds that they raise from all the taxpayers of Canada and they are being reasonable with us and cost-sharing on some programs and certainly my relationship with the federal Minister is good, he tries to co-operate but he knows that they are his funds and he can make the decision, and I know that I have to talk nice to him and try and get him to pay that money out, but I think that maybe he could understand that there was not of every single program full discussion because we didn't know what programs were going to be approved.

I think I had better repeat what I said a little bit earlier because I don't think the member was listening then. For example if we want to initiate a new program in the Department of Northern Affairs and we involve and discuss it with the people in the remote community and they then think that that is a government program even though I haven't gone to my colleagues yet and got approval, so I am hesitant to get full involvement before I have some kind of a commitment from my colleagues. So I take it into my colleagues who say, "Well, we need some more information to pay you the money." So I get some preliminary commitment from my colleagues, then we negotiate with the communities, deal with the communities, involve the communities about that program. And that is about the best that we can do because there is a problem of getting the expectations up and I think that maybe it doesn't happen in Fort Rouge, maybe it doesn't happen in Lakeside, but it happens in my constituency. If I say the government is going to look at that, the next time I come back, the people say, "Oh, you promised us that the last time you were here." So I am very careful. I say, "This is what is for sure. This is what we are working on and this is just an idea." The people know where it is at and have that clear understanding but there will be cases where native leaders boycott signings, demonstrate at the Legislature, etc., etc., because the only way you would avoid that is to say, "Well, look, you guys, whatever you want, you get. Whatever you want you get as long as you promise not to demonstrate or boycott the signing. Whatever you want." Then that is a little bit of an abdication of responsibility as a Minister of the Crown, wouldn't you think? But that is the only way you are not going to have that happen. That is the only way you are not going to have that happen, is do everything exactly the way people want it.

So when it comes to broad, general agreement like this Northlands Agreement, when it comes to a general program or policy of the Government of Manitoba, there is not full and detailed discussion and involvement. When it comes to a program that affects Berens River, Moose Lake, Pukatawagan or whatever, there is full discussion, consultation about the implementation of that program and if the community doesn't want that program, that program doesn't go there. But at the community level we are not forcing or imposing things. But I think the Conservatives fell into that trap to a considerable extent when they were dealing with the north of imposing certain things, so when it comes to the

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community level, we are not going to impose. When it comes to a broad provincial program, we will not always have full discussion and full involvement before a program is announced or implemented.

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 Churchill.

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

MOTION presented and carried.

MR. SPEAKER: The hour of adjournment having arrived, the House is adjourned and will stand adjourned until 10:00 a.m. tomorrow morning.