



Third Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
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ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
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ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary, Hon.	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, June 1, 1992

The House met at 8 p.m.

COMMITTEE OF SUPPLY (Concurrent Sections) NORTHERN AFFAIRS

Mr. Deputy Chairperson: Order, please. Will the Committee of Supply please come to order. This evening, this section of the Committee of Supply, meeting in Room 255, will be considering the Estimates of the Department of Northern Affairs.

Does the honourable Minister of Northern Affairs have an opening statement?

Hon. James Downey (Minister of Northern Affairs): Yes, I do.

Mr. Deputy Chairperson, I apologize for being a couple of minutes late. You know the old saying in Saskatchewan: Gall'darn the CPR. Well, that is what happened. I got stopped by a train.

I am pleased to introduce my Department of Northern Affairs Estimates for the 1992-93 fiscal year. I always look forward to the opportunity to report to the committee on the progress my department has achieved since I introduced the department's Estimates for last year.

* (2005)

This fiscal year will prove to be an exciting and rewarding period for northern Manitobans and for those in my department who serve them. There are several initiatives underway that will undoubtedly prove to be beneficial for Manitobans who live and work in the northern region.

Before elaborating on these initiatives, I would like to remind the members of this committee of my commitment to the North. As the Minister of Northern and Native Affairs, my primary responsibility remains clear. Let me make it very clear, that is to represent the best interests of the northern communities and the people I serve. I remain committed, along with the staff in my department, to improving the quality of life and to provide opportunities for the people of northern Manitoba.

I would like to take this opportunity to recognize the staff of Northern and Native Affairs for the

outstanding contribution, support and participation they have shown in creating a positive environment for growth and change that will benefit all Manitobans.

* (2010)

Despite the current economic climate Manitoba is facing, the budget for my department is almost \$3 million higher this year than the previous fiscal year. This is evidence of our strong commitment to the people of northern Manitoba.

The estimated expenditure of the Department of Northern and Native Affairs for the 1992-93 fiscal year is \$20,383,500.

There is a significant increase in the Northern Development and Co-ordination division. The largest portion of this increase is found in the Northern Flood Program. This money will be used toward implementing Manitoba's outstanding obligations under the Northern Flood Agreement. The department has made substantial progress in claims settlements. This increase in expenditure reflects our commitment to implement these settlements.

I am also pleased to note that the negotiators for the Province of Manitoba, the Government of Canada, Manitoba Hydro and the Split Lake Cree First Nation have recommended a comprehensive agreement to settle the outstanding obligations arising from the Northern Flood Agreement. This proposed agreement is the result of two years of intense and determined negotiations involving all four parties.

This comprehensive agreement, when signed, will fully and finally settle Manitoba's obligation to the Split Lake Cree under the 1977 Northern Flood Agreement. It will provide a total settlement of \$47.3 million to the Split Lake Cree.

I am pleased to add, this agreement directly benefits Split Lake residents and it is in keeping with the principles of self-government. Our government has indicated its commitment to settle the outstanding Northern Flood Agreement claims where we can. The invitation to negotiate a comprehensive settlement remains open to the four

bands: Norway House, Cross Lake, Nelson House and York Landing.

We have recently negotiated an eight-year settlement with the Norway House commercial fishermen which will provide continuing support to this most important community activity.

We are also making progress on a number of communities' trapline claims and look forward to settling these claims in the very near future.

My department is also moving forward to settle outstanding treaty land entitlements. Our government has indicated to both the entitlement bands and the federal government, we are committed to negotiating the resolution of these outstanding entitlements without delay. As members are aware, treaty land entitlement relates to unresolved land matters dating back to the signing of the treaties.

I am pleased to inform the members that negotiations are continuing with four bands in the Island Lake region: St. Theresa Point, Waasagomach, Garden Hill and Red Sucker Lake, maybe familiar to one of the members here at the table. We are also working with Roseau River and the Swan Lake First Nations. A resolution of these entitlements is an important step towards the attainment of self-determination. My department is pleased with the progress we are making, and we are looking forward to future successes in negotiations.

This department, like others within our government, believes that Manitobans are this province's most valuable resource. This is particularly true in the North. Northern Manitobans know better than anyone what they need to create job opportunities and economic growth in their communities.

Expenditures in the Northern Development and Co-ordination division have increased to reflect the implementation of the Northern Manitoba Economic Development Commission.

The Northern Manitoba Economic Development Commission has been established to ensure that the people of the North have the opportunity to voice their concerns and views about the future economic development of northern Manitoba.

Northern Manitoba is a vast area with enormous potential and challenges. This commission will bring community leaders from the North together. They are the experts on this region and they are best

able to set their priorities and, most importantly, control their own destiny. The members of the northern commission have been actively consulting with northerners, and I am pleased with their progress to date.

I would like to draw the committee's attention to some major initiatives the Northern Development and Co-ordination division has been diligently pursuing and will be coming to fruition in the coming year.

The Manitoba government has reached agreement on settlement principles with the communities of Easterville, the Chemawawin First Nation, the community of Moose Lake and the Moose Lake Indian Band related to flooding associated with the Grand Rapids forebay. These principles are designed to resolve outstanding issues between these communities and the Manitoba government by providing additional lands, integrated land and resource management and upgrading of community infrastructure.

* (2015)

Since November of 1990, Manitoba Hydro, along with the Province of Manitoba, in many instances have signed agreements with the communities impacted by the Grand Rapids forebay project totalling more than \$32 million. These settlements reflect this government's commitment to address long outstanding issues with Manitoba's aboriginal people.

Within the department's Local Government Development division, members will note that there has been an increase in expenditure for this fiscal year. The largest single increase in this division is \$249,000. These funds will go towards community operations which is responsible for delivery support directly to 56 Northern Affairs communities.

In 1990 this department, along with the Department of Culture, Heritage and Citizenship and the Department of Education and Training, unveiled the Recreation Director's Program. This two-year pilot project has been very well received. Nineteen participants from both Northern Affairs communities and bands are looking towards their graduation this August.

Because of the success of this program, I am pleased to say that this program will itself graduate and become a full-time community-based program. To illustrate this program's success, allow me to point out that the nine recreation directors from our

northern communities have been able to provide recreation programs in 25 communities. About 54 percent of those participating in this program are younger than 19 years of age and have expressed much enthusiasm at the new recreation opportunities.

This initiative supports a recommendation of the Aboriginal Justice Inquiry to promote crime prevention measures, coupled with the participation of young people. I am indeed encouraged with the success and the potential of this program. By providing a constructive outlet for our northern young people, we can assist in providing a valuable development mechanism to enhance their ability to become contributing members in their community when they reach adulthood.

I am allocating \$180,000 of new money to fund the Recreation Director's Program in our Northern Affairs communities.

While I am on the topic of recreation, I would like to add that this division has been helping to co-ordinate the construction of several arenas in the communities of Jackhead, Pukatawagan, Berens River, Camperville, Poplar River, Bloodvein, Easterville and Gods Lake.

This government has supported arenas with a total value of some \$3 million. These arenas play an integral role in the communities ability to provide recreation programs for their local residents.

I am pleased to report to this committee that this department, along with the several communities and the Northern Association of Community Councils, has been vigorously pursuing a process for incorporation.

Their hard work has brought results. A detailed procedure has been finalized and guidelines are being printed for distribution, copies of which I am prepared to provide for the members of this committee.

When a community incorporates, the local council will assume a variety of new administrative and management responsibilities. These responsibilities include passing bylaws ranging from policing to environmental control within the authority provided by legislation. They will also be involved in negotiating and entering agreements with individuals, business, corporations, government and agencies as well as purchase and then development of lands within the communities' boundaries. In this way, incorporation increases

the authority and autonomy of northern communities, thus placing greater local control in the hands of these communities.

Residents of these communities see this as a significant step in the direction of self-determination. To meet the objective of progressively transferring authority, funds, resources and responsibility to local councils of authority, the Local Government Development division provides block funding to the northern communities.

Up to last year, we had seven communities in block funding arrangements. So far an additional six communities have shown an interest in entering a block funding arrangement as an interim step toward greater autonomy.

Whenever possible, the department has entered joint ventures with northern Indian bands. These ventures generally involve building new infrastructure projects and sharing existing services for the benefit of native communities.

The Local Government Development division recently finalized several ventures and is pursuing several others with at least 10 Indian bands. These initiatives vary from water and sewer projects to waste disposal and fire protection.

We will continue to work co-operatively with residents of northern and native communities. The partnerships we build now will ensure the success of future joint ventures.

With these initiatives and others, our department is demonstrating its commitment to promote and enhance the quality of life for people living in our northern communities.

Mr. Deputy Chairperson, while I am on the topic of Northern Affairs, I would like to draw the committee's attention to the provincial audit of this department. When I became responsible for Northern Affairs there was a long list of outstanding concerns and issues raised by the Provincial Auditor's office. I value the comments and concerns raised by the Provincial Auditor's office.

* (2020)

Therefore, I have taken the initiative with the deputy minister and staff to ensure that these concerns are addressed and rectified as recommended by the Provincial Auditor's office. I complement staff for their hard work. Staff have worked hard at resolving these matters, and I wish to advise the committee today that in the next report

tabled by the Provincial Auditor's office you will note the department has made some significant improvements in this area.

I have also the pleasure to serve as the Minister responsible for Native Affairs. In that role, I am committed to working with the aboriginal community to create and maintain a climate of open communication and co-operation. I would like to take this opportunity to acknowledge the valuable insight and contributions of native people across Manitoba who are working in partnership with our government to find solutions to several issues.

Mr. Deputy Chairperson, our government is currently involved with several initiatives through the Native Affairs Secretariat. These initiatives are in place to address many pressing and complex issues that have been highlighted in our discussions with Manitoba's aboriginal people. The secretariat is involved in various discussions focused on the resolution of outstanding issues and the development of policy options in areas of self-government, taxation on reserves, justice, aboriginal women, and child and family services.

The recognition of the inherent rights of Canada's aboriginal people is the central issue which must be resolved in order to settle other outstanding issues. The resolution of this central issue will require teamwork between federal and provincial governments as well as native leaders.

The Native Affairs Secretariat provides a liaison with other provincial and territorial governments to discuss issues of common concern and share information on aboriginal issues. Several meetings have been held between provincial and territorial officials to further develop a process for effective provincial territorial communication and co-operation.

These meetings also set in motion the plan to hold the first nation-wide meeting of Ministers of Native Affairs on March 2 and 3 of this year. I had the pleasure of attending a meeting in Toronto with aboriginal affairs ministers from across Canada along with representatives of the national First Nations organizations to discuss aboriginal issues. The meeting was certainly timely. Within days of our meeting, Canada's aboriginal leaders received the invitation to participate in federal-provincial discussions that will hopefully lead to a constitutional reform package. This was indeed a historic accomplishment.

Our meeting in Toronto ended with the agreement to work together to develop a co-ordinated strategy to resolve aboriginal issues. The two-day meeting provided a unique opportunity to foster new and co-operative relationships between government and leaders of Metis, Inuit and Indian peoples. It was a golden opportunity to take some substantive steps.

The provincial ministers, officials and national leaders agreed to an ongoing process to address the Canada-wide concerns of Indian, Inuit and Metis peoples. These new relationships will facilitate open discussions to deal with long-standing issues of concern to the aboriginal peoples, including self-government and improved delivery of services to or by aboriginal peoples. We believe aboriginal Canadians are entitled to the protection and rights embodied in the Charter of Rights and Freedoms.

Aboriginal women in Manitoba have expressed concern that the implementation of self-government will result in an erosion of their Charter protection. They have called on us to protect their rights and set up a framework for consultation with them to address their concerns.

Just recently I have made an announcement with my colleague the Minister of Culture, Heritage and Citizenship, the Honourable Bonnie Mitchelson, to introduce the aboriginal women's policy. This policy was created to address the concerns expressed by aboriginal women in our province. This document represents significant growth and development in the co-operative effort demonstrated by both this government and the aboriginal women, but its legacy will be the concrete action that follows.

The Native Affairs Secretariat is also involved in the Metis tripartite negotiations on self-government. I am pleased to inform members that the technical groups have made significant progress in the housing and education sectors as well as economic development. I would like to report that the housing technical group has developed a property management initiative that was approved by the federal and Manitoba governments. A technical group is currently working to identify concepts of self-government and economic development initiatives.

Perhaps no topic has attracted more attention regarding native issues than the Aboriginal Justice Inquiry. In January, Justice Minister James McCrae

and I released the Manitoba government's response to the 293 recommendations in the inquiry's final report. In our formal response to the AJI, we noted that many of the recommendations can only be dealt with when a new constitutional framework has been set up. We have, however, indicated our intention to implement the accepted recommendations using a partnership approach with the active participation of aboriginal people.

* (2025)

Currently staff at the Native Affairs Secretariat are advising on strategies for consultation and involvement of the aboriginal communities in the implementation process. Our goal is to ensure that the aboriginal people have a greater voice in the institutions that serve them.

Another example of successful co-operation between our government and Manitoba's native communities is our progress with Indian gaming agreements. At this time, agreements have been successfully negotiated with 13 First Nations and we are currently negotiating with several other bands and tribal councils. I expect this summer this number to increase. The Native Affairs Secretariat led the way in the development of a historical provincial policy on Indian gaming and will continue to assist in the negotiating process where required.

The Native Affairs Secretariat has also been monitoring changes in federal-provincial jurisdictional issues. The Secretariat closely monitors this area to assess the implications of federal shifts in financing programs and services. This enables provincial departments to respond quickly and effectively to the specific federal decisions that affect aboriginal peoples.

We are also looking for new opportunities to enhance the quality of life and economic development of our northern and native communities. Members of this committee will recall, we recently signed the North Central Hydro Electrification Agreement. The signing of this agreement marked the culmination of extensive consultations between the federal and provincial governments, Manitoba Hydro and residents of the nine communities affected by this project. This agreement will effectively bring an ample supply of electrical power to some 8,700 residents living in the First Nation communities of Gods Lake, Gods River, Red Sucker Lake, Garden Hill, Oxford House, St. Theresa Point, Waasagomach and northern communities of Island Lake and Gods Lake

Narrows. Before construction can begin on this project it must be subjected to the vigorous requirements of an independent federal-provincial environmental review panel.

The partnerships we have formed in the development of this initiative will enable us to meet the challenges we have set for ourselves to encourage growth and sustainable development in the next century and beyond.

As members will appreciate, the north central hydro line project itself will give an extra boost to this goal by providing considerable employment to our province over the next four to six years. Many of these jobs will be done by northerners. In fact, as a result of this agreement, Manitoba Hydro will contract with a community-based agency to ensure that the nine communities involved in the project are kept informed of progress at each phase of the development to maximize their access to employment opportunities.

Our department will continue to explore every possible option to create new opportunities for growth and diversification in our province's northern and native communities. In fact, we see great potential for growth and job opportunities in the Conawapa project and Bipole III.

Our department is currently studying options to help northern residents upgrade their existing skills. This in turn will enable them to take advantage of jobs arising from Conawapa and future long-term employment opportunities. Our policy is to give first preference to northern people followed by other Manitobans for job training and employment opportunities. Local businesses will also benefit from the Conawapa project. We are working to guarantee that Manitobans receive the maximum benefit from this project from start to finish.

Mr. Deputy Chairperson, members of this committee, this concludes my opening remarks for this 1992-93 expenditure Estimates for the Department of Northern Affairs. I have just a few other thoughts I would like to conclude with.

To best appreciate these expenditure Estimates, they should be considered in the context of the Manitoba budget presented by Manitoba's Finance Minister, Clayton Manness. As with his previous budgets, there will be no increase in personal income taxes, business taxes or the provincial sales tax. This applies to Manitobans everywhere, but

perhaps affects no one more than those living in northern portions of our province.

Northern Manitobans do not want government at any level to be reaching into their pockets to take what they have laboured hard for. This government is not about to do that. We want to help them realize the potential that northern Manitoba has stored away.

Last September, a prominent economic landmark in northern Manitoba was mentioned specifically in an economic co-operation agreement with the Russian republic. The agreement considers possible increased use of the Port of Churchill, but it would be the entire northern region that would benefit with expanded trade through this northern community.

Another prospect for northern Manitoba lies in the reactivation and expansion of the Churchill research rocket range. The Department of Northern Affairs is willing to contribute any energies necessary that will help realize this goal.

The most promising resource in northern Manitoba is its people. It will be their resolve and their enthusiasm that help northern Manitobans realize its full potential. Those Manitobans living in our north will not have to accomplish this alone. This government will work with them as a partner. We will equally shoulder the decision making and hard work that lies ahead. Together we can realize our dreams and aspirations.

Mr. Deputy Chairperson, I appreciated that opportunity for my opening comments, and look forward to the quick passage of the Northern and Native Affairs Estimates so that we can get on with the work.

Mr. Deputy Chairperson: Order, please. We thank the honourable Minister of Northern Affairs for those comments. Does the critic for the official opposition party, the honourable member for The Pas, have any opening comments?

* (2030)

Mr. Oscar Lathlin (The Pas): I also welcome the opportunity to make opening remarks at the start of the Estimates process in Northern Affairs. After listening to the Minister of Northern Affairs speak—

Mr. Deputy Chairperson: Could I ask the honourable member to bring his mike up just a little bit? We are not picking up on his—thank you.

Mr. Lathlin: Mr. Deputy Chairperson, I am not like the Minister of Northern Affairs. I would sooner speak quietly and—

An Honourable Member: Carry a big stick.

Mr. Lathlin: —but I am not a crook.

I welcome the opportunity to be able to give opening remarks at this start of our Estimates process on Northern Affairs. As I was saying before, as I listened to the Minister of Northern Affairs speak about his department and all of these wonderful things that he is doing in the North through the Department of Northern Affairs, all these initiatives that he talks about, I was just reminded of my last tour of the North.

I visited people in Norway House, Cross Lake, Cormorant, a little community called Wanless, where I spent about four hours listening to community representatives relating to me the issues and concerns that they face in that little community of Wanless. It is approximately 60 miles north of The Pas.

Then, of course, I go over to Grand Rapids and Easterville and I do the same thing there. I listened to people who were telling me about some of the problems that they are experiencing, the issues they are being faced with as a result of government policy.

Of course I spent quite a bit of time in the town of The Pas, listening to again senior citizens, daycare people, health professionals and even people who are still employed at Repap but who are concerned that they may not necessarily have a job three, six, twelve months from now, Mr. Deputy Chairperson. I go, of course, visit the businesses, the senior citizens homes, and there again the story goes on that people are indeed having some pretty serious problems in their lives.

So as I listened to the Minister of Northern Affairs speak about these initiatives that he has launched and all of these expected results that he hopes these policies will bring about, I do not usually like to be negative, but I sometimes wish that the Minister of Northern Affairs could go and visit the same places and talk to the same people that I talk to. Then perhaps when it comes to making speeches such as the one he has just made, maybe he would inject some realism into his speeches and talk about what is really happening out there in northern Manitoba.

For example, about three weeks ago perhaps, the employment centre in The Pas put out labour market

information. I am sure the Minister of Northern Affairs has received a copy of it. I have a copy of it myself. Also, in the paper it was reported that the unemployment rate just in the town of The Pas alone is hovering around 24, 25 percent, and that is on top of the situation where we have Repap laying people off every two or three months or so for two or three months at a time.

As we sit here this evening, there are about 300 workers from the woodlands division at Repap who have been laid off for two or three months now, and who are not going to be returning to work until August, if they return to work.

When I talk to people such as the ones I speak about, and also when I read reports such as the CEC, labour market report that came out about two or three weeks ago, I am wondering sometimes whether the Minister of Northern Affairs (Mr. Downey) is really talking about the same area that I am talking about, because the situation as I see it, is very much different from the one that is being projected by the Minister of Northern Affairs through his speeches and responses to questions in the House.

People are concerned. For example, just recently, the Women's Directorate in The Pas has been deemed no longer necessary, no longer useful, for the people of The Pas, and so therefore, has been closed down, or will be closed down, and is being relocated to Thompson.

Well, needless to say, Mr. Deputy Chairperson, I have had a lot of inquiries from people who have asked me to try and please find out why this government has decided, in the face of all of this unemployment that I have just finished talking about, in the face of all this unemployment uncertainty, Repap, government offices, programs, services being eliminated or cut back. People are asking me to please try to find out why this government would be so insensitive so as to look the other way when people are being laid off, and continue closing down offices, and thereby, displacing a lot of people from employment, and therefore, forcing them onto Unemployment Insurance schemes and eventually onto welfare situations.

Just two weeks ago, I was at my house, it was a Sunday afternoon. I was just getting ready to come back to Winnipeg when a man from Moose Lake, who is residing in The Pas, came into the house. I

spent I guess about two hours with the worker, who was laid off from the woodlands division from Repap, who had been living in The Pas, renting an apartment in The Pas. This was the middle of May that he came to see me, towards the last week in May.

He was supposed to be moving out of his apartment by the end of May because he could no longer afford to pay the rent. He has a family—his partner and three children and one grandchild he told me.

* (2040)

His request of me at the time that he was visiting me was, because I spend a lot of time in Winnipeg, according to his perception, and that I just spend weekends in The Pas, that perhaps I should let go of my house and rent my house to him because he was being kicked out of an apartment in The Pas. He could no longer afford to pay the rent which was about I believe he said \$604 a month. He is getting behind, behind, behind—all the time. He was at a loss as to what he should do next.

When I explained to him that I needed a house, a home of my own whenever I am in The Pas, and that my daughter would be living with me for the summer when she is out of school, that I could not possibly, although I would have liked to, rent a house to him.

I had to refuse him, Mr. Deputy Chairperson, and I relate this story to you, Sir, because this is the reality that is happening out there. Very much different from what the minister talks about when he responds to questions in the House, such as the themes and initiatives that he talks about in his opening remarks.

As I said, I am not trying to be negative. I would like to be positive, but I would also like to be realistic. I do not want to paint a picture that is not there. The picture that the minister is painting, I am afraid, is not the reality that I see whenever I go into those communities. I thought I would just relate that one of many stories. I could tell you others, but time will not permit me here.

The northern employment service office again was closed in The Pas, displacing two very long-term employees.

The nursery, the greenhouse at Clearwater Lake—in December I asked the Minister of Natural Resources (Mr. Enns) whether the nursery would continue to exist, or I asked him what the future was for the nursery in Clearwater Lake in The Pas. The

Minister of Natural Resources, in his initial response in December, was very vague, did not quite know what was going to go on, but he hoped for the best.

In March, I asked the Minister of Northern Affairs (Mr. Downey) again to see what the future was for the nursery at Clearwater Lake and in his three responses did not say much. What I thought was fortunate at the time, later on in Question Period, came back and assured the House that the nursery would continue to operate in the summer as per usual, and that we did not have anything to worry about. At least that is the impression that he gave us. As I was trying to tell him this afternoon in Question Period, he is there on Hansard on record for people to see.

When you look at only four out of 12 crops—I believe they call them—when they are only going to be doing four out of 12, again when we were talking about the nursery in December, things were starting to look a look a little bit, well, pretty grim then, not very sure. The Minister of Natural Resources could not give us a definitive answer.

When you look at how the minister responded in December, and also the Minister of Northern Affairs response to my questions in March in regard to the future of the greenhouse at The Pas, and when you look at the reality that is out there today when four out of 40 employees have indeed been called back, when four out of 12 crops have been planted—four out of 12—you begin to put two and two together, you know from what happened in December and March and what is indeed happening out there today, again you start looking at the reality and you begin to ask yourself, what does that mean for the greenhouse in The Pas and all of those 40-odd employees who have been working there? Is this the beginning of the end of the greenhouse, or what is it?

The reality that exists out there today is that there are only four out of 40 persons working, four out of 12 crops are underway. To me that indicates that something more serious might happen in the near future, such as completely closing it down and doing the seedlings somewhere else.

The health care system is an issue that many northern people are continuing to talk about, Mr. Deputy Chairperson. I sometimes get the feeling that people who have lived all their lives in the North and have never really—for example, such as myself and Elijah and others who have come from the North and have come and lived in Winnipeg for periods of

time and have gotten used to the programs and services, the readily available programs and services. You can access almost anything if you are living in Winnipeg. Hell, they will even come and kill mosquitoes for you if you live in Winnipeg. But I sometimes think about these people who live in the North and have never really come to Winnipeg to see the good life in Winnipeg, as I call it, because it is a good life as compared to the North.

I talked to the students who are currently enrolled in the Northern Bachelor of Nursing Program. They tell me that if they were going to university in Winnipeg here as compared to in The Pas, which is what we wanted in the first place anyway, but what we did not want was a second class type of university training.

In any event, what they are relating to me is that when they do research or papers or any, you know, in the course of their study, whatever it is that they have to do, that they are very limited as to what they can access. So those are some of the examples that I think about or that I talk about with people as I travel around the North.

I want to come back to the fact that as I talk to people who have never really come down to Winnipeg to live for any length of time and gotten used to the, as I refer to it, good life in Winnipeg, when they are talking to government officials, ministers and so on, they are not able to compare sometimes, I feel, the discrepancy in the way the North and the South is being treated. They are not able to differentiate between the types of programs and services that they get, the nature of the funding that comes with those programs and services, how policies are determined, how—just generally the treatment that the North gets as compared to the South.

So when I listen to them I get frustrated sometimes, because they come only so far, they can only talk about their experience base, what they have in the North. So I go on to tell them, look, if you are living in Winnipeg, this is what you would be able to do.

For example, when people talk to me about the user fee that has been imposed for those people who do not live in Winnipeg, why is it that we in the North—it is not our fault that we were born and raised here and that we decided to live here, go to school here and work here and we are going to continue to live the rest of our lives here. Is it our fault? Is the

government penalizing us for being that way, for being born in northern Manitoba, for having to travel through winter road or travel from Cross Lake to The Pas to go see the doctor, or Thompson or even to Winnipeg?

* (2050)

So people are asking those questions. For those people who have come from the South, decided to move to the North and to work there, maybe temporarily, and for one reason or another decided to live there permanently, those people are asking me, why am I being penalized for having decided to come and live and work in the North?

I do not have any answers for those people other than to say that this government has a double standard for Manitoba, and that is, one standard for southern Manitoba where Tories come from, and one standard for those people who come from the North, and even perhaps another standard for those people, as the minister said one day in the House, who just did not know who to vote right.

That is a double standard. That is what exists out there, Mr. Deputy Chairperson. That is why these people are asking me, is it my fault that I was born and raised in Norway House, in Moose Lake, in Wanless? Some people say, maybe I would have been better off if I were born and raised and working in Winnipeg. That is what they are saying because when they talk about the user fee and all of the access that is available to programs and services, I do not know.

In Moose Lake, the minister talks about Local Government Development, talks highly about the forebay compensation package that has been given out. Again, I wonder when the minister was last in Moose Lake, because the last time I was there I met with the mayor and council, the chief and council, and their main concern was that the road needed to be fixed. The road from The Pas to Moose Lake is very dangerous. I have travelled on it quite a bit myself in the summer and winter. I also believe that the Minister of Highways and Transportation (Mr. Driedger) has received several letters from the community of Moose Lake, both the treaty and the nontreaty sides.

They also talk about the employment situation in Moose Lake, Mr. Deputy Chairperson. The Minister of Northern Affairs (Mr. Downey) speaks glowingly of all the work that he is doing, but the reality is that the unemployment rate in Moose Lake is around 90

percent as we sit here today. So when there is an unemployment rate of 90 percent, of course, you will see the social and economic conditions deteriorate even further.

We have Moose Lake Loggers whose future is very uncertain right now. The government, I do not think, really has a grip as to what is going to happen to Moose Lake Loggers. They have done away with the Moose Lake Loggers Crown corporation and have pretty well left it up to the community of Moose Lake to fend for themselves and to be on their own.

Again, the road is a very popular topic of discussion whenever I am in Cormorant. Housing, employment and recreation programs are badly needed in Cormorant.

In Cross Lake, Norway House—same thing. The road from No. 6, going into Cross Lake and Norway House, again, the Minister of Northern Affairs, the Minister of Highways and Transportation (Mr. Driedger), both departments, I know have received several letters from those communities urging the government to do something about the highways and the road system in that area.

Again, the employment situation in Norway House and Cross Lake is not a very good one. Although the minister says he is doing all of these great things for the North, but the unemployment rate, again, as I talk to the chief and council, the mayor and council, the unemployment rate is 80 and 90 percent in those two communities.

Grand Rapids: What can we say about Grand Rapids? The Minister of Environment (Mr. Cummings) is here this evening, Mr. Deputy Chairperson. I have asked several questions now in the House regarding the problems that are currently being experienced at the station in Grand Rapids. Before this incident happened in March, incidentally, the people in Grand Rapids told me that they had warned Hydro on numerous occasions before that perhaps the shaft in the generating station was vibrating more than normally what is there. The people who do maintenance work in this generating station apparently have told community members that they were concerned that there might be too much vibration and maybe the situation should be looked at with a view to maybe overhauling or fixing the generating station in a major way to prevent what happened, eventually, in March.

In March we were assured by the Minister of Environment not to worry, that everything is under control and we are doing everything that we can to remedy that situation.

Well, Mr. Deputy Chairperson, two weeks ago, I was in Grand Rapids visiting the fishermen from Grand Rapids, and they were showing me video tapes of how they had gone out at one o'clock in the afternoon to set their nets. Then, four o'clock, they went to lift their nets—and that is the time that I was there—and the nets were just full of logs, trees, branches, muck, moss, dirt. All of the debris that was swept down from the forebay through the spillway was in the nets, and yet—was it June 1, today, fishing was supposed to start today?

Since then, two weeks ago, I have not talked to the fishermen, but I could see with my own eyes what the water that was let through the spillway from the forebay had done to those nets. They were not very optimistic about the fishing season this summer.

Again I want to come back to Wanless, a fellow by the name of Lee Theriault there, Mr. Deputy Chairperson. Perhaps when the Minister of Northern Affairs is next in the area, maybe next election when he is out there and campaigning, he can pay a visit to Mr. Lee Theriault, who is the chairperson of that community. He has a whole list of legitimate and valid concerns and problems that he wants to talk about. Certainly he has talked to me about them.

I want to finally say a little bit about the Northern Economic Development Commission. The minister again talks at length about the Northern Economic Development Commission. I have no problem whatsoever with the people who have been appointed to sit on the commission. I think they are fine people with good credentials and so on. What I do question, though, is the manner in which the commission was launched, was initiated, and also the timing of the work that the commission is starting to do, because you see, they are just barely getting started now. They are just getting started, and as I look at the terms of reference and the mandate that this commission has, they have anywhere from 18 to 24 months in which to complete their report and give their recommendations to the government.

One cannot help but wonder whether this will be another commission such as the AJI report, the Suche commission, the Pedlar report and all of

those very good reports, especially the AJI report, that have been commissioned by the government. A lot of money was spent on those reports. A lot of very good people have spent a lot of time researching and then finally writing a report, recommendations to the government.

* (2100)

The government does not take any action, Mr. Deputy Chairperson. It has been almost a year. At the end of August, it will be a full year when the AJI Report was released with all the recommendations. It will be almost a year. So far we have not seen anything substantial that this government has done in responding to those recommendations that were put forth by the two commissioners.

Now, when I look at the Northern Economic Development Commission, I look at it this way. It is going to take 18 months, maybe 24 months, and by that time we are into an election and will be doing something else. I am not saying, I am not even thinking, it does not matter who is in government then. What I am saying though is, although the people who have been chosen to sit on the commission are very fine people, but I have a sneaking suspicion that this is just a show that is being put on by the Minister of Northern Affairs (Mr. Downey) to tell people in the North, yes, we are doing something. Look at this commission that we have set up.

I was in The Pas when the commissioners visited The Pas. There was hardly anybody in the hall when the commissioners were there. I thought, well, very good consultation, six or seven people in the hall. I do not blame them for not coming to this commission because who wants a commission? Who needs to be told that in order to have economic development in the North, we need infrastructure? We do not need a commission to tell us that we need an infrastructure in the North in order for economic development to take place. We know all of that already. We do not need a commission to tell us that we need this kind of activity happening in the North.

I know you are telling me to close and I am always very respectful to the Chair. I will close now and thank you for giving me the opportunity. You see, I did not want the minister to beat me on the time because he kept on and on and he was reading from a text. Thank you very much.

Mr. Deputy Chairperson: We thank the honourable member for The Pas (Mr. Lathlin) for those comments. Does the critic for the second opposition party, the honourable member for St. Boniface (Mr. Gaudry), have any opening comments?

Mr. Nell Gaudry (St. Boniface): Yes, Mr. Deputy Chairperson, I will be extremely brief because I have seen we have taken an hour of the time that is allotted for us in the Estimates and I think it is very important that we get answers.

So we have listened to the minister with his 90 pages of long-winded information here where he has taken a lot of initiative, but I do not know whether he has proceeded with all of his initiatives that he wants to undertake. But we want to deal with the Estimates, I think, on a positive attitude, and we want to work for the northern people. I think we always have interest. A lot of time I think they say that beyond the Perimeter that we do not care, but I think we want to care for all of the northern people.

I listened to my colleague from The Pas here who mentioned some of the northern people who would like to come and live in Winnipeg. I wonder if that is true, because if you went down to all the northerners who are walking the streets of Winnipeg without employment, if they would not rather be in their own communities and have work in their communities.

I think these are the things that we have to address, and we have to work with the people from northern Manitoba. I think all three parties have to work together so that we resolve the issues that we have concerns and they have concerns. We have to listen to these people in the North and I think we have to continue to do that, and not just listen, but take action on their concerns. If we all do that together, we will succeed somewhere, somehow. [interjection]

No, I have 25 minutes to go, Mr. Minister, and I will take them like you have done because after listening to these comments here, I have concerns.

You talked about progress and initiatives that you have done in the last five budgets and—no, I would not say nothing has been done, but there is a lot more to be done. I think we have to do that and we have to work together, and with all the colleagues of the Legislature we have to look positively for our northern people and there is work to be done and we will do it together.

Mr. Deputy Chairperson: We thank the honourable member for those brief remarks.

Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item and now proceed with the consideration of the next line.

At this time, we invite the minister's staff to join us at the table, and we ask the minister to introduce the staff members present.

Mr. Downey: Mr. Deputy Chairperson, I have Mr. David Tomasson, who is the Deputy Minister and the head of the Native Affairs Secretariat; Rene Gagnon, who is the Director of Administration; ADM, Mr. Oliver Boulette; and Ms. Brenda Kustra, who is the ADM for agreements management within the department.

Mr. Deputy Chairperson, I want to compliment them on the work and effort that they have put forward on behalf of the Department of Northern Affairs over the last four years that I have been the minister.

Mr. Deputy Chairperson: I thank the honourable minister. Item 1.(b) Executive Support: (1) Salaries \$460,200. Shall the item pass?

Mr. Gaudry: Mr. Deputy Chairperson, in all of the Estimates, we have always been asking about the decentralization program. How many staff have been decentralized in the program over the last year?

(Mr. Jack Reimer, Acting Deputy Chairperson, in the Chair)

Mr. Downey: Mr. Acting Deputy Chairperson, there is approximately 75 percent of this department that is decentralized. The majority of it works out of Thompson, Manitoba.

Mr. Gaudry: Yes, but you initiated a program of decentralization. How many have been decentralized out of the staff of Winnipeg since the program has started over a year ago?

Mr. Downey: Approximately five, Mr. Acting Deputy Chairperson.

Mr. Gaudry: The five or six that were decentralized, did they all accept the move?

Mr. Downey: No.

Mr. Gaudry: How many did not accept? Were they transferred to other departments?

Mr. Downey: I will get that information for the member. Two, Mr. Acting Deputy Chairperson.

Mr. Gaudry: Were they transferred to other departments, or were they laid off or given a severance package?

Mr. Downey: One went to another department, and one is still with the Department of Northern Affairs.

Mr. Gaudry: Mr. Acting Deputy Chairperson, the minister indicated that there was a \$3-million increase in his overall budget. Where did the money come from, from what department was it cut?

Mr. Downey: It was a general increase, Mr. Acting Deputy Chairperson.

Mr. Gaudry: I know it was a general increase, but where did the money come from?

Mr. Downey: From the taxpayers.

Mr. Gaudry: Since you did not have any tax increases for the last five budgets like you claim, there must have been other revenues that were used, or some other departments were cut back.

Mr. Downey: Reprioritization, Mr. Acting Deputy Chairperson.

Mr. Lathlin: I would also like to follow that, Mr. Acting Deputy Chairperson. The minister in his opening statement said there is approximately a \$3-million increase. I think it is the responsibility of the minister to tell the committee where the money came from, whether it came from other departments, a reshuffling of money, or what are we doing here, because he is telling us that he had a budget of \$16 million last year, and now he has increased it by \$3 million.

* (2110)

I think he owes it to the committee and to the public to tell us exactly how this \$3 million came to be in the Department of Northern Affairs and which departments did it come from. Did it come from Highways and Transportation or Natural Resources, or where did it come from?

Mr. Downey: It came from the general revenues of the province as a reprioritization within the government. The request was put forward by the departmental staff, and I went forward to Treasury Board and got approval—as I have indicated, some new initiatives, one of them particularly as it relates to the northern Rec Director's Program.

Mr. Lathlin: Well, on the northern Recreation Director's Program that the minister referred to, that program is coming to an end this year?

Mr. Downey: Mr. Acting Deputy Chairperson, apparently the member was not listening. What I told him was, it has now been implemented into the department as an ongoing program. It was a pilot project for two years, and once we found out whether or not it was acceptable by the people, did an estimate as to the success ratio, then we made the determination as to whether or not it would be continued. It is now being continued, and there is \$180,000 put in Northern Affairs Estimates for that program.

Mr. Lathlin: Perhaps I can ask the minister what that \$180,000 is going to be used for. The reason I ask the minister is because I still get asked by constituents, people who are in the program, wondering whether the program is going to continue or not. Apparently, when they ask questions from their superiors, they do not really know whether they are going to keep on working. They are asking me if the funding is going to continue, whether their salaries are going to be looked after, or whether the department is going to contract with Indian bands, community councils, and have them look after their salaries. These are the questions I am getting from the constituents, and that is why I am asking the question.

Mr. Downey: Mr. Acting Deputy Chairperson, the two-year training program will be evaluated this summer. There is an ongoing program of the Department of Northern Affairs, of which the graduates are graduating in August, I believe, who, it is my understanding, will be getting employment under the northern Recreation Program—nine trainees.

Mr. Lathlin: Funded by the department and not contracts entered into and being paid for by Indian band councils and community councils?

Mr. Downey: There will be nine trainees who will be employed by the Department of Northern Affairs under the Recreation Director's Program.

Mr. Elijah Harper (Rupertsland): Yes, I just wanted to ask the minister—I know that he has indicated that there has been a \$3-million increase to the Department of Northern Affairs. What I notice here is an increase in certain areas within the department, one in particular in the area of Northern Flood Agreement. I think that accounts for almost \$2 million in the increase of the \$3 million. If you put the Director's Program and also the commission, that would make almost a \$3-million increase.

Now my question to the minister is that the increase there is almost \$2 million. Has anything been increased in terms of new policy changes or new initiatives in that program, because a lot of the agreements or the Northern Flood Agreement are not usually added on to the budget because they cannot really estimate the costs as the agreements occur.

I was just wondering what the increase of that money is for, that \$2 million or nearly \$2 million.

The Acting Deputy Chairperson (Mr. Reimer): If I could just interject, if I could get some consensus from the committee members here, it seems that we are going all over on the Estimates here. I was just wondering whether there is a direction, whether we should go line by line? I notice that the Northern Flood Agreement is Item 3.(b).

If I could get the consensus from the committee to go line by line?

Mr. Harper: Yes, I was just following the discussions of what was going on here.

The Acting Deputy Chairperson (Mr. Reimer): Excuse me, we started off on an introduction of 1.(b) Executive Support (1) Salaries, and then we started to go all over. I would like to seek some guidance from the committee.

Mr. Downey: Let us do it line by line and then get to it.

Mr. Harper: Well, I would go with that, but there was a general question that was posed in terms of the general increase in the department, and I was trying to sort that out. I was actually within the whole departmental budget, and I saw that there was a substantial increase in the Northern Flood portion of the budget.

Mr. Downey: Mr. Acting Deputy Chairperson, I will deal with that, if it is okay with the member, when I get to the Northern Flood section of the Estimates.

The Acting Deputy Chairperson (Mr. Reimer): Item 1.(b) Executive Support (1) Salaries \$460,200—pass; 1.(b)(2) Other Expenditures \$131,300. Shall the item pass?

Mr. Gaudry: Yes, in this section here, in the Activity Identification, it says, implements and monitors affirmative action policies to meet the departmental affirmative action goals and objectives.

Can the minister tell us what affirmative action policies have been implemented in the last year?

Mr. Downey: The target within the government is 10 percent aboriginal. This department, in 1992, we are at 30 percent aboriginal. Within the government target, we have 50 percent for women, and our department is 54 percent, well above the provincial targets in the department.

The Acting Deputy Chairperson (Mr. Reimer): Item 1.(b)(2) Other Expenditures \$131,300—pass.

1.(c)(1) Salaries \$425,100—pass; 1.(c)(2) Other Expenditures \$72,600—pass.

1.(d)(1) Salaries \$122,300—pass.

1.(d)(2) Other Expenditures \$6,000.

Mr. Harper: Yes, I wanted to ask the minister in respect to this area, I know that this might be the area in which the administration of cottage area fees might be for discussion.

What I wanted to ask the minister was—
[interjection]

The Acting Deputy Chairperson (Mr. Reimer): Excuse me, if I could get the member to pull his mike up a little closer? Thank you very much.

Mr. Harper: Maybe the minister can clarify whether this is the right area to ask the question in terms of the area in a project that is taking place in the Manigotagan area, a similar area in which the Pelican Harbour proposal is being considered.

There has been substantial opposition to this by the communities in that area. They have complained to me that there was a lack of consultation in this area and also that the whole area—I do not know whether this area has been purchased by a private person or a group called the Northeast Sustainable Development Association.

Maybe the minister can elaborate on this. I do not know what the status of that is right now, because there seems to be a lot of concern from the residents in that area, the community residents in that area. Maybe the minister can elaborate on that.

* (2120)

Mr. Downey: Mr. Acting Deputy Chairperson, I do not think this is a specific area, but I will comment under this line just to help the member. It is my understanding that discussions had taken place previously with the communities as it relates to the project which the member refers to. Initially it was my understanding that there was not a lot of objection, but as the member has raised this last while, there are some concerns being brought forward.

What we are currently doing is having departmental staff meet with those communities to see if we can deal with those concerns that are being brought forward.

Mr. Harper: This proposal, has it been finalized, or is it just in the process of being completed at this time?

Mr. Downey: It is in the process of being finalized, but as I said, I am prepared to either meet with the communities or have staff bring forward their concerns to see if they can be dealt with.

Mr. Harper: I would very much appreciate that, because there have been a lot of concerns raised from Seymourville and also from the surrounding communities in terms of that development. They want to have input, so I appreciate if the minister would assure the community that they would have access and input or consult the communities in that area.

Mr. Downey: Just for maybe the member, if not now, he could make sure that I got the community issues. If he has a list of them, maybe he could table them with me or give them to me either right now or sometime after the committee to make sure that I have the concerns as he sees them so that I am not missing any issues that he is bringing forward.

Mr. Harper: The communities that I met with wanted to know what was actually happening so they did not have the information at that time. Unless the people who were involved have provided the information recently, I have not got the most recent information from either Seymourville or Manigotagan or Angaming. Maybe the Northern Affairs staff would like to meet with the communities.

Mr. Downey: I am prepared to do that, Mr. Acting Deputy Chairperson.

Mr. Gaudry: It says here: To provide financial assistance to start or expand small- and medium-sized businesses in Manitoba. How many small- or medium-sized businesses were helped in Manitoba in the last year?

The Acting Deputy Chairperson (Mr. Reimer): I was on item 1.(d)(2) Other Expenditures \$6,000—pass.

Item 1.(e) Communities Economic Development Fund \$1,850,000.

Mr. Harper: This item will I think be tabled as a report in the Legislature. When do we expect that?

Mr. Downey: Mr. Acting Deputy Chairperson, we have just gone through the Economic Development

report about a month ago. We hope to have the next one, if it is ready, before the Legislature rises. This session we will table it; if not it will be tabled at the next session.

The Acting Deputy Chairperson (Mr. Reimer): Item 1.(e) Communities Economic Development Fund \$1,850,000—pass.

Mr. Gaudry: I had asked a question in regard to the financial assistance to small- and medium-sized businesses. How many were helped in the last year?

Mr. Downey: That information is available in the Communities Economic Development report which we tabled. I do not have that information with me. If I can recall—I usually keep track of this—I think there were 30 probably last year, but I stand corrected, but we did go through that report about a month ago, I guess. It went before committee with all that information, but this line is—to help the member—losses that are incurred by the Communities Economic Development Fund.

The Acting Deputy Chairperson (Mr. Reimer): Item 1.(e) Communities Economic Development Fund \$1,850,000—pass.

Item 2.(a)(1) Salaries \$225,400—pass; 2.(a)(2) Other Expenditures \$74,700—pass; 2.(a)(3) Community Operations \$4,458,800—pass; 2.(a)(4) Emergency Response Program \$48,600.

Mr. Lathlin: Mr. Acting Deputy Chairperson, I am having difficulty—

The Acting Deputy Chairperson (Mr. Reimer): Pull up the mike.

Mr. Lathlin: I said, Mr. Acting Deputy Chairperson, I am having difficulty keeping up with the process here. It is just too fast for me this evening for some reason or other. Perhaps I could get the minister to—because I am trying to follow both books here, the description and the budget—the Emergency Response Program, give maybe just a brief explanation.

Mr. Downey: Mr. Acting Deputy Chairperson, this looks after the equipment needs of the communities for fire and related protection for their communities.

Mr. Lathlin: In the Northern Affairs communities, how many communities would have a program such as an Emergency Response Program? What would they have in terms of people working and money being spent? What kind of activity do they have, do they engage themselves in?

Mr. Downey: All communities have equipment, training, and the magnitude, or the sophistication of the equipment is dependent upon the size of the community. For example, a small community would have probably a trailer-type system, with related equipment for firefighting. You get to a larger community, they would have a fire truck with all the equipment that goes with that level of service, that is, the communities are categorized in size and to the level of service that can accommodate those different communities. So, basically, they all have equipment. It is a matter of the size of the equipment that they have to look after the different-sized communities.

Can I tell you as well that I am pretty proud of the record of the Northern Affairs communities and the work that they are doing in this whole area of safety and fire-related activities? They are becoming very good at the work that they do in this area.

Mr. Lathlin: This program would not be tied in with the Natural Resources forest fire, nor does it tie in with the Constable program through the Justice department?

Mr. Downey: No, Mr. Acting Deputy Chairperson.

The Acting Deputy Chairperson (Mr. Reimer): Item 2.(a)(4) Emergency Response Program \$48,600—pass; 2.(a)(5) Community Training \$46,000.

Mr. Gaudry: Is this a new program? I see there was nothing the previous year.

Mr. Downey: These are training dollars that are identified separately within the department, Mr. Acting Deputy Chairperson, and one could consider it a new program.

The Acting Deputy Chairperson (Mr. Reimer): Item 2.(a)(5) Community Training \$46,000—pass; 2.(a)(6) Regional Services \$692,300.

Mr. Gaudry: Can we have an explanation of the increase of roughly \$40,000?

* (2130)

Mr. Downey: This increase, Mr. Acting Deputy Chairperson, is to take care of maintenance for buildings. The recommendations came forward from the different regions of need for maintenance increase, and that is what this relates to.

The Acting Deputy Chairperson (Mr. Reimer): Item 2.(a)(6) Regional Services \$692,300—pass.

2.(a)(7) Grants \$258,900.

Mr. Gaudry: Can the minister give us a brief explanation of all the grants that are handed out and who gets these grants?

Mr. Downey: This is to support the Northern Association of Community Councils—core funding.

The Acting Deputy Chairperson (Mr. Reimer): Item 2.(a)(7) Grants \$258,900—pass.

2.(a)(8) Recreation Director's Program \$180,600.

Mr. Lathlin: Mr. Acting Deputy Chairperson, I had my hand up, but I guess you did not see me. I was going to go back to the Grants, if I—for a minute?

The Acting Deputy Chairperson (Mr. Reimer): Sure.

Mr. Lathlin: It would seem to me—yes, I agree, it is a worthwhile program. It supports aboriginal self-determination, development, training and soon, but if, as we listen to the minister speaking in the House and in committee supporting aboriginal self-government, development and so on, I am just wondering, maybe—I am trying to remember if there was an increase last year or an decrease.

It would seem to me that if this program is as important as the minister claims it is, why do we see that portion of the budget remaining the same? How is the Grants money allocated? Is it done by formula, negotiation or—[interjection] Yes, application? How is it done? Per capita?

Mr. Downey: This is core funding for the Northern Association of Community Councils to operate their organization. The member is asking about the level of funding. I believe that it was several years when we got into the office that they had not received an increase under the previous administration. When we first came in, we gave them an increase. I think it was 1990. Last year I think there was a reduction of some \$10,000 because we were all having to reduce wherever we could, and this year we have retained it to the level of last year.

But again, it is the realization of not having the additional monies that it takes to increase these areas. As I said, if I checked the record, they had gone for several years under the previous administration without any increase. We gave them an increase. Then there was a slight reduction last year, and we have been able to maintain it at that level without any further reduction.

It is difficult, but Mr. Acting Deputy Chairperson, we all have to realize that we have to live with the monies that we can get appropriated, and that is what we are doing.

We have worked very closely with the communities as it relates to a program of incorporation. There have been some additional efforts put in there on behalf of the communities, and hopefully, when we see some activity take place in that regard, we can see some additional support, but that is a matter of process in an ongoing way.

Mr. Lathlin: How do you allocate the Grants funding?

Mr. Downey: Mr. Acting Deputy Chairperson, each community gets an allocation, I believe, of \$800 per community. The communities are encouraged, if they wish, to forward that to the Core organization to support them. On top of that, they get \$20,000 support for their newsletter, and their Core funding is \$195,700.

So they get Core funding of \$195,700 directly to the NACC, \$20,000 support for their newsletter, and \$800 per community, which comes to \$43,200 that goes to each community. They do not have to, but they are encouraged to forward that to the association to look after their interests in a collective way.

Mr. Lathlin: So there is no formula and no per capita, just per community?

Mr. Downey: That is correct.

Mr. Lathlin: So if a community increases by 1,000 people, it does not matter. That does not really determine the amount of funding that it would get?

Mr. Downey: The same if it decreases, no change.

Mr. Lathlin: I am talking about increases, because an increase in a community would require more funding. It would put a squeeze on the community in terms of programs and services. They may as well increase by 10,000, and they would not get a net percent extra according to the minister's explanation.

Mr. Downey: Mr. Acting Deputy Chairperson, this kind of a program is a political representation on behalf of the communities, so I think it is fair, as was the policy under the previous administration, as is currently being carried on by this government, that there is Core funding to the organization.

Regardless of the size of the community, there is \$800 per community, regardless of whether the population goes up or down. If he is saying a population goes down, what should they get reduced so that another community could get an increase? Is that what he is suggesting should take place?

I believe it is fairer approach that each community would get \$800 to forward to represent them in a collective way. This does not provide service to them in a physical way. It provides a lobby representation for them and an input for that community through NACC to represent them. So, he says, if they get more people, they should get more money. Is he also saying, if the community reduces, they should get less money?

Mr. Lathlin: Mr. Acting Deputy Chairperson, I am glad the minister reminded me of that situation, because I am quite aware of federal legislation called Bill C-31. I know for a fact that some communities, a lot of them have been reinstated. They have gone to their band council, signed and have gotten all kinds of programs and services in education, housing, social assistance.

I challenge the minister to table documents where he says, for example, those Metis communities who have made application to be reinstated, a large number of them—I know in The Pas, the population of treaty Indians in The Pas in '85 was some 1,200 persons—that is in '85, September. We are approaching September—seven years later—and it is hovering just around 3,000 persons.

* (2140)

About 75 percent of that increase is due as a result of Bill C-31, people who would have belonged to community councils, Metis associations and so on. That is why I asked the minister if there was a formula or whatever, because I know for a fact that if a community of say 600 people went down to 200 people, the minister would not give—supposing the funding base was \$100,000, I know for a fact he would not continue to give them a base funding of \$100,000 if the population went down from 600 to 200 people. So who was he trying to kid?

Mr. Downey: Mr. Acting Deputy Chairperson, the point is, the Northern Association of Community Councils gets core funding to represent each community collectively. It is a policy that was carried on from the previous administration. What I am saying is each community gets an allocation of \$800 regardless of the size.

They do not have to forward it to the NACC organization. They can in fact keep it for their own purposes. However, they are encouraged to forward it as money to help represent them, and regardless of whether they have 200 or 500 people,

the importance of that representation, we believe, is important.

(Mr. Deputy Chairperson in the Chair)

Mr. Harper: Yes, this is the area I think I want to question the minister on the lots, I believe. I had a complaint from one of the residents dealing with a sewage tank that was—is this the area that it might be in? [interjection] Which area are we then on?

Mr. Deputy Chairperson: We are now dealing with (8) Recreation Director's Program.

Mr. Downey: Mr. Deputy Chairperson, let me help the member. It will be in the regional services on the next page, so if we pass these, we can get right to them.

Mr. Deputy Chairperson: Recreation Director's Program \$180,600. Shall the item pass?

Mr. Lathlin: Mr. Deputy Chairperson, this pilot project, how was it funded up until now? I know he says, the minister is going to fund through our department nine positions for \$180,000. So I take that to mean nine positions, approximately \$20,000 per position. That is one question. Where was it funded before? I know it is going to be funded through Northern Affairs from now on, and I think it will be \$20,000 per position.

The other question I had was—I know the minister is going to tell me I was not listening, but I clearly forgot the total number of trainees there were, and I want to know how many were trained over that two-year period, and how many in fact are going to be retained to become full-time recreation directors for their communities?

Mr. Downey: Mr. Deputy Chairperson, 26 entered the program, 18 are graduating and nine will be employed under the Northern Affairs department, and nine, I understand, will be employed by the bands.

Mr. Lathlin: So indeed there will be nine of those graduates being shoved on to Indian band councils?

Mr. Downey: I do not think the terminology is correct. There were nine that were offered job opportunities by the bands.

Mr. Lathlin: Those nine positions will be paid for by the bands themselves?

Mr. Downey: Correct.

Mr. Lathlin: I believe my other question was, how was it funded up until now?

Mr. Downey: Lotteries.

Mr. Lathlin: Not New Careers?

Mr. Downey: Through New Careers, but the monies came from Lotteries.

Mr. Deputy Chairperson: Item 2.(a)(8) Recreation Director's Program \$180,600—pass.

2.(b) Thompson Region: (1) Salaries \$386,200—pass; (2) Other Expenditures \$115,100—pass.

2.(c) The Pas Region: (1) Salaries \$218,200. Shall the item pass?

Mr. Lathlin: Mr. Deputy Chairperson, I guess I want to know how many positions we are talking about for each region. What level they are at? Also, my more important question is: Why did The Pas Region go from 312 to 284? I believe that is a drop of—[interjection] I know. I want to make a point here.

Mr. Downey: One vacant position was transferred to Northern Flood.

Mr. Lathlin: One vacant position was transferred?

Mr. Downey: That is correct.

Mr. Lathlin: You mean one position was terminated in The Pas and relocated?

Mr. Downey: The answer is no to that. There was one vacant position transferred to Northern Flood.

Mr. Lathlin: Why was this one vacant position in The Pas not filled?

Mr. Downey: Because it was the Administrative department's decision not to fill it but to use it in Northern Flood.

Mr. Lathlin: May I ask the minister what position and types of activities that position carried out in The Pas, that he decided not to fill and move elsewhere?

Mr. Downey: Mr. Deputy Chairperson, it was a planning position, and they were not filled in other regions either.

Mr. Lathlin: Thank you, very much.

Mr. Deputy Chairperson: Item 2.(c) The Pas Region: (1) Salaries \$218,200—pass; (2) Other Expenditures \$66,000—pass.

2.(d) Dauphin Region: (1) Salaries \$336,100—pass; (2) Other Expenditures \$79,500—pass.

2.(e) Selkirk Region: (1) Salaries \$441,000.

Mr. Lathlin: This is that area in which I raised the question, Manigotagan area. I had a complaint from one of the residents, Dorothy Meade, regarding lots for sale in that area. A sewage tank had been put in, I think, within about 200 feet of their lot, and they

had complained to the Department of Northern Affairs about this. They were not satisfied with the response and figured that they should have been probably more appropriately dealt with.

Can the minister provide the answer as to what went on and why they were not really properly consulted? Maybe the minister can elaborate on that?

Mr. Downey: Mr. Deputy Chairperson, I will take that question as notice and get the specific information for him.

Mr. Lathlin: I did not hear the response.

Mr. Downey: I understand the complaint was from a person by the name of Dorothy Meade in what community?

Mr. Lathlin: Manigotagan.

Mr. Downey: Manigotagan. I will take that question under advisement and get the information to the member as to the current status of that situation.

Mr. Gaudry: In regard to another complaint from Manigotagan in regard to the waste disposal plant construction, can the minister give us the details on that?

Mr. Downey: Yes, Mr. Deputy Chairperson. I will get that for the honourable member of the Liberal Party as well.

* (2150)

Mr. Deputy Chairperson: Item 2.(e) Selkirk Region: (1) Salaries \$441,000. Shall the item pass?

Mr. Harper: Yes, I wanted to question the minister in regard to the Seymourville, a question in terms of a project that is going on in the area in regards to the Green Plan. There is a water-line project that is taking place there, and what kind of involvement is the community involved in that project?

Mr. Downey: Would you repeat the question, please?

Mr. Harper: I had a complaint from Seymourville in regards to a water-line project, I believe under the Green Plan. I think that is the federal project that is taking place there.

They were complaining that no one was being employed in that project, and I am asking whether there has actually been any communication to anyone in that project, any co-operation between the communities or anything being done by the

Department of Northern Affairs to ensure that local people are being hired.

Mr. Downey: Mr. Deputy Chairperson, I think he referred to this as being possibly a federal program, and I am not—[interjection]

Mr. Harper: I said the Green Plan. There is a federal program called the Green Plan for the water-line project. In that area, there is a water-line project taking place, and the community had complained that the local people from that area should be employed regardless—I know it may be taking place on the Hollow Water reserve.

People are complaining that they should also have access to employment in that area. I was wondering what the department was doing in that regard.

Mr. Downey: I appreciate the concern of the member. We, when operating as a provincial government in those communities, try to employ as much as possible the local people. I am prepared to speak to the chief and see what there might be done to hire more people locally.

I know that, knowing the chief relatively well, he is usually pretty concerned about that local employment, and I am sure that there may be some difficulty that has been developed with the federal system, but I will check into it as well.

Mr. Deputy Chairperson: Item 2.(e) Selkirk Region: (1) Salaries \$441,000—pass; (2) Other Expenditures \$126,000—pass.

2.(f) Technical Services: (1) Salaries \$383,700—pass; (2) Other Expenditures \$72,100—pass.

2.(g) Audit Services: (1) Salaries \$142,900. Shall the item pass?

Mr. Harper: Yes, my colleague wanted to ask a question on, maybe it was the next item coming up, but he went to the washroom. I wonder if we can revert back when he gets back?

Mr. Deputy Chairperson: The honourable member for The Pas, you have stalled it long enough. Now we have it in Hansard anyway.

We are dealing with 2.(g) Audit Services (1) Salaries \$142,900, on page 135.

Mr. Lathlin: No, we are okay there, Mr. Deputy Chairperson.

Mr. Deputy Chairperson: Shall the item pass?—pass.

Item 2.(g) Audit Services: (2) Other Expenditures \$20,000—pass.

Item 2.(h) Inter-Regional Services: (1) Salaries \$299,200—pass; (2) Other Expenditures \$70,900—pass.

Resolution 110: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,742,200 for Northern Affairs, Local Government Development, for the fiscal year ending the 31st day of March, 1993—pass.

We will now go to page 136.

Item 3. Northern Development and Co-ordination
(a) Northern Development: (1) Salaries \$312,200—pass; (2) Other Expenditures \$90,900—pass.

Item 3.(b) Northern Flood Agreement: (1) Salaries \$175,900. Shall the item pass?

Mr. Lathlin: Mr. Deputy Chairperson, salaries run from \$128,000 to \$175,000. Maybe I could ask the minister, what people does the department have in the Northern Flood Agreement office?

Mr. Downey: There are four, Mr. Deputy Chairperson. There is one manager, two professional technicians and one administrative support.

Mr. Deputy Chairperson: Item 3.(1) Salaries \$175,900—pass; (2) Other Expenditures \$25,000—pass; (3) Northern Flood Program \$1,990,900.

Mr. Harper: Yes, I believe the minister wanted to elaborate on this part.

Mr. Downey: Mr. Deputy Chairperson, the increase is for identified settlements that have been made in areas of the four communities that have not decided to go for global settlement. Of course, he is aware that the Split Lake Cree vote has taken place today, and they have been requesting a global settlement. These monies are to deal with the non-Split Lake Cree, I believe, and we are talking about the Nelson House commercial fishing, Nelson House domestic fishing, Norway House commercial fishing and Key Communicators Program for the increase of \$1,386,000.

Mr. Harper: Yes, you are saying that this was part of the budget that has already been concluded?

Mr. Downey: No, Mr. Deputy Chairperson, this is to carry out ongoing settlements for the commercial fishing, domestic fishing in both Nelson House and

Norway House, and also to hire key communicators on behalf of the communities.

Mr. Harper: Yes, and it is a program that is ongoing. Would there be a time when this portion will be settled at some point, or would it be ongoing? Is it a yearly program, or is it something that requires settlement in the future that will require maybe millions of dollars?

Mr. Downey: The communicators are annual. Some of the other programs that I have referred to are of an ongoing basis to the fisherman. However, if there is a decision by any of those bands to do a global settlement, then this would be absorbed into that global settlement, but under the Northern Flood Agreement, this meets the terms of the Northern Flood Agreement and this has a longer term commitment to it on an ongoing basis.

Mr. Harper: Is this part of Split Lake fishermen's program, or is there a fishermen's program or there is none there?

Mr. Downey: No, Mr. Deputy Chairperson, there is nothing to do with Split Lake Cree in this agreement. The Split Lake Cree, as I tabled in the House, is totally separate and apart from this budgetary number that we are looking at here.

Mr. Harper: So they are not part of the Key Communicators Program at all?

Mr. Downey: No.

Mr. Gaudry: Yes, Mr. Deputy Chairperson, in the Activity Identification it says: Supports the Wildlife Advisory and Planning Board; Community Liaison Committee. Can I have a brief explanation of this activity identification?

Mr. Downey: Mr. Deputy Chairperson, it is an ongoing commitment and arrangement under the Northern Flood Agreement to liaise with government and with the communities to assist in directing concerns as it relates to loss of activities in the hunting area and the fishing area. It is a direct communicating link to assist some of those communities, and one of the areas that have been identified by the Northern Flood communities in discussions I have had with the communications people was their full and strong support for the rec director's program as an alternative initiative in program development to assist their communities. So it is really a communicating linkage between the government and the communities that were impacted by the northern flooding.

* (2200)

Mr. Gaudry: Are there special reports that are provided to the government from these committees, and are they available to the members of the Legislature?

Mr. Downey: No, Mr. Deputy Chairperson.

Mr. Gaudry: Why would there not be reports made available in regard to these committees?

Mr. Downey: It is done by verbal communication through meetings and through different exercises. I suppose there is some correspondence, but a report per se is not done.

Mr. Gaudry: Because to me it would appear that certain reports as to wildlife, for example, would be interesting and I think effective to the members of the Legislature.

Mr. Downey: I will speak to the community because it is community controlled, and if they feel it is important that the legislative members get that information, then I will encourage them to do so.

Mr. Harper: Yes, I wanted to question the minister in respect to the Split Lake settlement. I am not a lawyer or anything. I want to ask the minister whether any further compensation or anything has resulted in this agreement, or whether that is a finality to the agreement in respect to Split Lake?

Mr. Downey: Mr. Deputy Chairperson, we have seen over the past several years a desire by those communities to see some conclusion to those agreements that have been out there, and the difficulties the communities have been facing.

As far as the province is concerned, this will basically extinguish any future responsibilities as it relates to what is known as the Northern Flood Agreement. As he knows, the vote is taking place today in Split Lake. It still has to have final approval from both the provincial government and the federal government and through Hydro, but I am anticipating that there is a general feeling of support for this agreement.

Answering the question, it will relieve the province of future responsibilities as it relates to the Northern Flood Agreement.

Mr. Harper: Of course, you are referring to the Split Lake community?

Mr. Downey: Correct.

Mr. Harper: If the Split Lake band sees any further hydro development taking place in that area, you mean that they cannot take the province, including Hydro, to court for further compensation, or

unforeseen circumstances that may arise that may have been totally omitted by the government and also by the band.

Mr. Downey: Mr. Deputy Chairperson, I do not want to mislead the member or the committee. This is for the predetermined level of water that is currently the regime with which Hydro is operating.

If there were a new development which were to impact on the Split Lake community, then that would be a different story, and there would be a responsibility by the parties that caused that to provide compensation and deal with the losses incurred.

There are still some obligations that Hydro has under this current agreement that is being signed as it relates to the project causing some difficulties as it relates to this, but it is spelled out in the agreement. The province is no longer held responsible or the federal government under the current operating regime of Hydro, but if that regime were to change, a new development to take place, then there would be a responsibility by the parties to go back to the Split Lake Cree and negotiate with them.

Mr. Deputy Chairperson: Order, please. The hour being ten o'clock, what is the will of the committee?

An Honourable Member: Continue.

Mr. Deputy Chairperson: Carry on? Okay, we will carry on then.

Mr. Harper: Yes, can the minister indicate as to what the status of the other communities is in respect to these ongoing negotiations in terms of the Hydro settlement?

Mr. Downey: Yes, Mr. Deputy Chairperson, I can tell the member that he knows that the other four communities were a part of the global settlement until some two years ago when they withdrew and did not want to proceed.

However, I have had recent communication from one community that they want to see—no, from more than that—they would like to see a speed-up of resolve of the Northern Flood Agreement.

As far as global settlements are concerned, I cannot indicate at this point where those communities stand, but they are all—and I do not blame them—somewhat impatient as to the length of time it has taken to resolve some of the settlements. That is why we have tried to advance to some degree the settlements that we are referring to in tonight's Estimates.

As far as globally settling, I cannot speak on behalf of the bands at this particular time. However, we will see what happens with the Split Lake Cree. As I have said all the way through, I am prepared to discuss with the other bands their desire if they want to talk towards global settlement.

Mr. Harper: There has been discussion in regard to the Conawapa Dam. Does that have any impact with respect to the Split Lake Cree at all? What kind of impact will it have, or any other things that may cause the agreement—in terms of employment, or anything that will take place in terms of the water regime, or anything like that?

Mr. Downey: Conawapa does not, I believe, have any impact on the water regime as it relates to the Split Lake Cree. However, I know that Hydro and Split Lake Cree have talked about passage of a Hydro line, a transmission line, through their community; that is one thing that has happened.

I do not believe there is any direct impact that Conawapa would have on Split Lake, although I think Split Lake, all other communities want to make sure that when a project like Conawapa, Limestone is carried out in the northern communities, they in fact have their people fully participate in employment opportunities.

There is a concern that has been brought forward as well by the Fox Lake Band people, by Robert Wavey. Both Hydro and I have jointly met with Chief Wavey. We will be discussing further with them their concerns as they relate to Hydro development, community services, compensation, the whole business, but that is just at a very preliminary stage.

Mr. Harper: I wanted to get into that area. I know the Fox Lake Band is not part of the northern flood bands, but in terms of the Hydro developments that are taking place, I know the band has been requesting that the site—what do you call it?—Sundance be turned over to the band in some future. Is that ongoing now? Is there negotiation taking place right now?

Mr. Downey: Mr. Deputy Chairperson, the member has to be aware of the fact that Sundance is, of course, needed for future development as it relates to Hydro and Hydro projects, following proper environmental approvals.

As far as I am concerned, we have had discussions with the Fox Lake people as to what the future holds for Sundance. I guess I have no difficulty at this point in saying: When that

development is concluded, the discussions could well be carried on as far as that community being part of the opportunity for Fox Lake. That is not very far down the road. It has been introduced for discussion between the Fox Lake community, Hydro and Manitoba.

Mr. Harper: In regard to Sundance, I have had further inquiries. I guess, he being also the Minister responsible for Hydro and also Energy and Mines (Mr. Downey), would have an idea whether Conawapa will be built, but at the present time, there has not been anything announced.

Many of the people are looking for some sort of assistance. I had one person call me—I do not know the name right now—in terms of assistance, in terms of relocating some of their trailers. I am sure that he has had inquiries in regard to that. I was wondering: Has there been any assistance accorded to the people or anything been planned in that regard?

Mr. Downey: Mr. Deputy Chairperson, I am not aware of any assistance being provided from Hydro. There has not been any from our Northern Affairs department. I can check with Hydro to see if in fact there has been any assistance.

I think there is a difficult situation here that the member is referring to. The people at Fox Lake have certainly lacked any consideration from previous activities carried out there. Previous governments and people involved in the responsible roles of looking after them are considering their concerns. I am not giving any guarantees, but what we are doing is at least talking to them to see what might be done in the future.

* (2210)

I am not clear as to what the member is referring to—as if he wants to make sure Sundance is maintained and kept operating for the building of Conawapa? Is he saying he wants to see that happen? Maybe he could help me. Is he supportive of Conawapa or is he not? Does he want to see Sundance closed down or does he not? Maybe he could help me a little bit in this regard.

Mr. Harper: Yes, I had an inquiry from one of the residents that is living in Sundance in regards to I guess everything being closed down, and he did not see Conawapa coming on for some time, and he wanted to move his trailer maybe down to Winnipeg or something because he does not see any employment opportunity. So I was just wondering whether there is any assistance or whether there is

any kind of help that he can receive in moving his trailer?

Mr. Downey: Mr. Deputy Chairperson, there is not any under Northern Affairs. I would have to check with Hydro, but I do not believe there is. I guess the question is, is the member for Rupertsland wanting to move aggressively to see the start-up of Conawapa? That is I guess the other side of the coin. Sundance has a purpose and that is, of course, for supporting the construction crews of Hydro. We have to go through an environmental process which I think is essential, that we have to get a permit to carry out the work. That takes time. I guess the member could be helpful if he were to come forward with his position and let us know where he is at as it relates to Conawapa.

Mr. Harper: Well, I guess I do not know what the plans of the government are. I am sure there are a lot of issues that arise from the construction of Conawapa and environmental concerns and other issues relating to the people living in that area that have outstanding issues to resolve. So I am awaiting the plans of the government to see where they intend to go.

One thing I wanted to ask in regards to—still on the northern flood issue—whether the agreements that have been reached are in a sense regarded as more than the treaties, because under the Constitution any agreement that is reached with the aboriginal people can be considered more than the treaties and be constitutionally protected. I am just wondering if the minister can give—I do not know whether he can give legal response or not—what the position of the government is in regards to these treaties that are being settled.

Mr. Downey: Mr. Deputy Chairperson, the Split Lake Cree agreement does not impact on any other treaty obligations.

Mr. Harper: I think the minister misunderstood my question. My question is that any land claim agreements or any modern-day agreements that are reached between aboriginal groups can be considered under the Constitution as being protected. I was just wondering what status do these agreements have in regards to the Canadian Constitution, whether they would be constitutionally protected or not?

Mr. Downey: I am not clear on the question. Is he referring to the Split Lake Cree agreement that is being proposed at this particular time?

Mr. Harper: Well, if it is Split Lake Cree, what status does it have?

Mr. Downey: Mr. Deputy Chairperson, my understanding is, the Split Lake Cree agreement, if accepted by governments and if accepted by the band, will have the full force of law in this country.

Mr. Harper: So they are regarded as modern-day treaties then?

Mr. Downey: Mr. Deputy Chairperson, it is considered an agreement between Hydro, Split Lake Cree, the Government of Canada and the government of Manitoba, an agreement.

Mr. Harper: Okay.

Mr. Deputy Chairperson: Item 3.(b)(3) Northern Flood Program \$1,990,900.

Mr. Lathlin: Just a couple more items, Mr. Deputy Chairperson. Just to follow on the line in question that the member for Rupertsland (Mr. Harper) was on, I believe that is why the Department of Northern Affairs, the Minister of Northern Affairs, who is responsible for Hydro, and Northern Affairs (Mr. Downey), and this government were so adamant in negotiating for global agreements. Global agreements suggest to me and to others that if an agreement is reached by all the parties, that is it. I mean, it is gone; you cannot come back to the agreement and reopen it for negotiation.

So I wish the Minister of Northern Affairs would give straightforward answers and say, no. That is why Norway House and the other bands are opposed to this approach. Those other bands see the validity of having an agreement such as the Northern Flood Agreement be regarded as a modern-day treaty, because a treaty is a binding agreement.

You can come back to it if problems arise in the future. That is why First Nations across Canada have been working so hard to give constitutional protection to modern-day treaties such as the Northern Flood Agreement. As far as I can see, I do not think this government is interested in any remote way whatsoever in protecting modern-day treaties in the Constitution. Why do you not just say so?

Mr. Downey: Mr. Deputy Chairperson, I would like to help the member for The Pas (Mr. Lathlin) out, so he does not embarrass himself too badly.

It was the five northern flood committees that came forward and requested global settlement, not the province going to the bands. The bands came forward and asked for, requested, global settlement

of their agreement. We believed that was the right thing to do and have proceeded to do so, but it was not initiated by the province with any grand scheme. It came forward from the five bands.

Mr. Lathlin: Maybe I misworded my question, Mr. Deputy Chairperson. I guess what I was getting at was—

An Honourable Member: Make it perfectly clear.

Mr. Lathlin: Yes, I wish the minister would make it perfectly clear. I did not erase the tapes.

In my experience negotiating with this minister and other ministers of this government—and other governments as well, federal and provincial—it is has always been my experience when you are negotiating on items such as the Northern Flood issue, the provincial government, including the federal government, would just like to do away with it completely and never have to come back to it.

That is what I was getting at, Mr. Deputy Chairperson. I believe it was this government's approach that—I know it was the same way with forebay, when negotiations were going on, because I was involved in some of those negotiations.

I am quite aware of the fact that we will negotiate and conclude this agreement—and I do not want to see your face, tomorrow or any time thereafter, to come back for more compensation: that has been the attitude of this government. That is why there would be no point for them to try to protect agreements such as this in the Constitution.

So I just thought I would clear that up for the minister because he seems to be having a lot of problems in saying it directly or very clearly—perfectly clear.

* (2220)

Mr. Downey: Mr. Deputy Chairperson, I do not want to get into a political harangue on this, but he is sitting with an opposition party that for some 20 years ignored the requests of the band that he is from, he was chief of, the Easterville band, the Moose Lake communities, that did not entertain the fact that there was a moral obligation to pay compensation for damages done under the Grand Rapids Forebay program.

I am a little disappointed in him. I have to be honest with him. I am honest with him at all times, and I am being more than honest with him tonight. I would hope he would be fair in bringing forward his statements as to where it was when the previous administration was in government in

Manitoba—totally ignored any obligation, kept saying there was no legal obligation for Hydro and/or the government of the day to settle any damages. I am a little disappointed; I am being honest with him.

This government under the direction of this Premier (Mr. Filmon) directed Hydro to do a review as to whether or not there was a responsibility. Hydro did a review and came back and said, yes, investigation showed there was a moral responsibility to pay some compensation. Compensation has been paid, and I can tell you, I am darn proud that this government did it, that I did not sit with an NDP government that had no respect for the people who were impacted by the forebay, and I am disappointed in his approach.

Mr. Harper: Yes, in regard to the Northern Flood bands, I know they have a large area of land that they have access to as a result of Northern Flood Agreement for development, and as they conclude each agreement, I know they have certain areas that they are assigned to, at least in regard to land and resources.

I wanted to ask the minister in regard to the area that has been allocated by the—what is the name of the company that has the timber?—Repap areas. It is affecting the Northern Flood areas, hold areas.

Has there been any discussion in regard to Northern Flood communities that have access to those hold areas? What kind of security, what guarantees or assurances do they have in regard to those hold areas that these Northern Flood communities have access to? Have there been any actual negotiations between the communities and Repap at all?

Mr. Downey: Mr. Deputy Chairperson, again, I want to remind the member who sat as a member of government in cabinet where Manfor cut in those hold areas, no different than what Repap had proposed to do. What is currently taking place, as I understand it, is that there is a local community member cutting wood for Repap in the Cross Lake hold area.

Under the new proposed agreement basis for settlement under the Split Lake Cree, there is a direct exchange of land for every acre that Manitoba Hydro has used for Hydro projects, because the band has agreed to make it contiguous to their reserve or basically contiguous to the reserve with one exception. They will get approximately a 17-to-one ratio of land that will become reserve land.

In addition to that, they will get an agreement to co-manage. There is a co-management agreement which will be applied to the resource area of the Split Lake Cree, and in return for that, the resource, the hold area is unfrozen, so the hold area will come under a joint management agreement between the government and the Split Lake Cree.

It will accommodate jointly the harvesting of resources and the land use in those regions, and it is not frozen forever and not allowed to be developed for economic reasons and job opportunities for their communities.

Mr. Harper: Yes, I know the minister has indicated that this whole area in terms of the forestry activity has been ongoing for many, many years. I know that Manfor had been active during our time in government, but what I was getting at is the new arrangement that has been taken over by Manfor and also the involvement of the provincial government in that regard.

I wanted to question the minister as to what was taking place as a Minister of Northern Affairs responsible for northern residents. I was just asking him: What guarantees or assurances is he giving to the northerners plus the obligations that they have under the Northern Flood. That was what I was getting at.

I know that there are other areas that they can go into, trapping, trap lines that are being diminished as a result of the forestry activity. I was just wondering what is happening in that regard.

Mr. Deputy Chairperson: Item 3.(b)(3) Northern Flood Program \$1,990,900.

Mr. Gaudry: Can the minister tell us what is happening—

Mr. Deputy Chairperson: Could you bring the mike up? Hansard is not going to quite pick you up.

Mr. Gaudry: Yes, Mr. Deputy Chairperson. Can the minister tell us where he sits with the legal charges in the Northern Flood Agreement?

Mr. Downey: Yes, they are being reviewed by the arbitrator.

Mr. Gaudry: There will be a report made to the Legislature in regards to these charges, at one point?

Mr. Downey: The normal process is not to report to the Legislature, but they would be dealt with by the arbitrator in the normal fashion.

Mr. Lathlin: I believe, in the description of activity, it talks about treaty land entitlements and so on. I would like to ask the minister where things are at in terms of negotiating or any progress that might have been made in relation to treaty land entitlements with, I believe, some 22, 23, 24 Indian bands, 23.

Mr. Downey: I made reference to that in my opening comments that we have considerable progress being made in the areas of Island Lake communities plus Swan Lake plus Roseau River. We are working aggressively with those communities that I have identified. It is in Hansard, and it is in the minutes, notes that I have handed out.

We hope to have an agreement in principle come later this year with those communities that I have identified in the speaking notes that I referred to earlier.

Mr. Lathlin: One more question on that, Mr. Deputy Chairperson. The Island Lake Bands, three—did you say Island Lake Bands, all three of them? [interjection] Four communities and Swan Lake and Roseau. That is five. Is there any potential for coming to an agreement with the other 19 bands?

Mr. Downey: What we are doing is, we are dealing with them as aggressively as possible. In fact, as they come forward, we have dealt with them. I will re-emphasize or reread the communities that I talked about, and I will just read the paragraph to them.

I said I was pleased to inform the members that negotiations are continuing with four bands in the Island Lake region, St. Theresa Point, Waasagomach, Garden Hill and Red Sucker Lake. We also are working with the Roseau River and Swan Lake First Nations.

* (2230)

As far as the other communities are concerned, we are quite prepared to continue to open negotiations and dialogue with them as it relates to treaty land entitlement. There is a disagreement with the member for Rupertsland (Mr. Harper) who last year kept pushing the point that he wanted to make sure that the 23 bands all got settled at the same time. That is not the desire of the bands. The bands have come forward individually and said they want to settle as individuals or as a group such as I have referred to. I notice I got his attention, but it is not meaning in any way challenge him. What I am trying to display is that there is a desire by some

bands to probably move, and we have entertained those.

Apparently the entitlement chiefs are talking and will be coming to the province with their position sometime this summer. We would like to see the treaty land entitlement issue resolved sooner rather than later.

Mr. Harper: Yes, I know the minister's reference to my involvement. I think as this issue becomes more clear, he will understand where I am coming from, and also that the final disposition of treaty land entitlement would have to be made by the federal government.

I know that there has been a lot of discussion in regard to settlement of treaty land entitlement. I did ask the minister last year in regard to what he was doing, whether he was looking at the settlement that was being proposed in Saskatchewan because that itself would have set a precedent in regard to how the federal government was going to be dealing with the treaty land entitlement bands in Saskatchewan and Manitoba. I was very concerned about that.

I know that the province is involved to a certain extent here, but like I said, I do not know what involvement the federal government has had in this issue. I would just ask the minister whether there has been any funding involved in this from the province or from the federal government?

Could the minister respond to that? I know that they are going to be briefing me on this in the future as to the issue, and, of course, I will have input in the process.

Mr. Downey: Mr. Deputy Chairperson, I guess what we would like to see, as I have said earlier, is a resolve to it. It has been outstanding for far too long. I have identified those communities that are most advanced as it relates to treaty land entitlement settlements. I have said we will be meeting with the other representatives of the treaty land entitlement chiefs this summer, who are anticipating a meeting before too long, to see how they are positioned and how we are positioned to resolve it.

As far as the federal government is concerned, and I was going to do it at the conclusion of my comments but I will do it now, we believe that hopefully there is a person in Brenda Kustra who will be taking on the job of director general, whom I want to thank for her many years of work with the Northern Affairs department.

She has indicated to me and to the department that she will be joining the federal government as Director General of Indian Affairs, and will bring the Manitoba perspective to that job, I am sure, but also working for a different level of government. She clearly has been very supportive in this area. I hope she continues to be as supportive in her new capacity, and I want to wish her well in that new job, Mr. Deputy Chairperson.

Mr. Harper: I, of course, would like to wish her well. Of course, when I was the Minister of Northern Affairs she worked under the Department of Northern Affairs which I very much appreciate, and also the work that she has done. I look forward to working with her in the federal Department of Indian Affairs.

As you know, we presently have an emergency situation taking place in Red Sucker Lake in which a school has been closed by the federal Department of Labour. So that issue has to be resolved. So the sooner she gets into that position—I hope to work with her. In that regard, I also wish her well.

I do not know whether I need to make any further comments here on the treaty land entitlement.

Mr. Deputy Chairperson: Item 3.(b)(3) Northern Flood Program \$1,990,900—pass.

3.(c) Economic Development: (1) Salaries \$386,000. Shall the item pass?

Mr. Gaudry: I guess we have a reduction in staff of one member. Could the minister tell us if a position is vacant?

Mr. Downey: The answer is yes; it was a vacant position.

Mr. Gaudry: Why was it not filled?

Mr. Downey: Because it was vacant.

Mr. Deputy Chairperson, I guess it was one of those decisions that had to be made when we were going through our budget. We showed an increase in an area of Northern Economic Development Commission, which required considerable salaries, and it was a matter of selecting that position to be given up to allow us to fund the Northern Development Commission and the positions for that job.

Mr. Gaudry: What happened to the employee? Was he terminated, or was he transferred to another department?

Mr. Downey: We normally do not keep people in vacant positions.

Mr. Deputy Chairperson: Item 3.(c) Economic Development: (1) Salaries \$386,000.

Mr. Harper: I had asked the minister a question in regard to the treaty land entitlements, whether there has been any monies that have been provided by the provincial government at all, or the federal government. Only the federal government has provided the money through the treaty land entitlements process in the Island Lake area

Mr. Downey: Only the federal government, Mr. Deputy Chairperson.

Mr. Gaudry: As to that same question, the position was not vacant. You had nine employees; now you have eight. Either he was terminated, or he was transferred to another department.

Mr. Downey: It was a position which was vacant that was terminated. There was no person in the position. The position was terminated.

Mr. Deputy Chairperson: Item 3.(c) Economic Development: (1) Salaries \$386,000—pass; (2) Other Expenditures \$109,400—pass.

3.(c)(3) Corporate Projects \$250,000.

Mr. Gaudry: Yes, in your Activity Identification, you say: assist local residents in securing funds for capital infrastructure.

How many communities were involved and have been helped in securing capital funds for their infrastructure?

Mr. Downey: Mr. Deputy Chairperson, to varying degrees, there are 56 communities that would be helped, some more than others, as dependent on the level of service which they had.

Mr. Gaudry: Probably the minister has not got the information here, but can he supply us with the information in regard to the infrastructure for these communities that have been helped?

Mr. Downey: Yes.

Mr. Deputy Chairperson: Item 3.(c)(3) Corporate Projects \$250,000—pass.

3.(d) Northern Manitoba Economic Development Commission: (1) Salaries \$46,000—pass; (2) Other Expenditures.

Mr. Lathlin: Mr. Deputy Chairperson, I wanted to ask the minister some questions on the Northern Economic Development Commission. First of all, I guess, I would like to know if there are any vacant positions that are not being filled, and if all those vacant positions are indeed filled, how many are there?

Mr. Downey: Mr. Deputy Chairperson, there is one position, and it is filled.

Mr. Lathlin: What about these positions? I believe there is one out of Thompson. I was talking to Mr. Henley, I believe from Brandon. I met him twice in The Pas now, just when we were up there to have the hearings, I met him there again and as well I think he said that there was an office opening up in Thompson. I believe I saw an announcement in the local paper in The Pas about a position having been filled in Thompson that was related to the Northern Economic Development Commission. There must be more than one position in this commission; there must be an office somewhere.

* (2240)

Mr. Downey: Mr. Deputy Chairperson, yes, there is only one government position which is reported here. The Northern Development Commission have hired two contract people to work with them, but they are not provincial employees; they are employees of the Northern Development Commission by contract. There are other employees, but not directly under government position hiring.

Mr. Lathlin: Could I ask the minister then how Mr. Henley was hired, through what process?

Mr. Downey: Mr. Deputy Chairperson, the Northern Development commissioners—and Mr. Tom Henley is not from Brandon, he is from Winnipeg—were hired on a per diem basis as are the other Northern Development commissioners.

Mr. Lathlin: Well, perhaps I can ask the minister how many commissioners in total are there now in this commission?

Mr. Downey: Six.

Mr. Lathlin: Could I ask the minister then, this—what is it—\$46,000 Salaries, it says, and \$606,000 for Other Expenditures, what will that \$606,000 be spent on? He says, per diem, and what else?

Mr. Downey: Mr. Deputy Chairperson, in setting up the commission we funded the commissioners and that will pay the commissioners' salaries or per diems. It will pay transportation; it will pay communication. It will cover operating supplies, materials, office supplies, repairs and maintenance, rentals, professional services, furniture and furnishings, equipment, computer related charges, and general support of the commission.

It was felt that if they were given their budget and the terms of reference, they would be more independent than being directly answerable to government. They have prepared a budget; they are carrying out their activities, and I am satisfied the work they are doing is going to be of excellent quality and will provide the job for the people of Manitoba to give some policy direction.

I guess the member made comments earlier about lack of attendance at The Pas. I do not think one would expect great volumes of people, but I think it is the quality of presentations that are made. It is a working commission. What they are doing is at certain times sitting as a total commission and then they are now breaking down into groups of two to go out to the different communities.

Mr. Deputy Chairperson, I hope the member is not too critical. I think he did make a reference to his support for the individuals. He said they were excellent individuals. I believe they are, and I just wish them well in their endeavours. The \$600,000 is basically to support the commissioners' per diems, the transportation and the work of the commission. There is some major research work that has to be carried out and they have to report to government through the administrative exercises that are normally available, but it is anticipated that within the 12 to 18 months they will have the job done within the budget that has been struck for them.

Mr. Lathlin: Mr. Deputy Chairperson, I would like to also ask the minister, he mentions there is a great amount of research that has to be carried out and, also, there are these hearings that have to be conducted and people bring forth their ideas as to what they see might work, I guess, in terms of devising some sort of strategy which I believe the minister is looking for.

I am also aware of invitations to consulting groups. Maybe I can ask the minister what that activity entails. I know one firm, I believe, or a group of firms received a contract from the commission to do what work I do not know—perhaps specific economic development proposals and projects? Perhaps the minister could clarify that for us?

Mr. Downey: The commission requested a proposal. It was publicly advertised for research contractors, and I guess they had some 58 firms or organizations responding. The successful contract was awarded to M.O. Harvey and Associates of The Pas because of the lowest proposal that was put

forward. Basically what the work is, it is a substantive document that they are looking for. They call it a bench-mark document, which will give the Northern Development Commission today's picture as to what the northern community's strengths are, what the employment or unemployment situation is, what are the current restrictions. It is a basic, overall blueprint of current northern Manitoba.

I think that is an essential piece of work that has to be done so that we can assess what has happened under, for example, previous agreements, previous activities and go forward from here. It is a large amount of money but, again, the commissioners, whom I have put our faith in as a government, their work should be independent of the politics of government to carry out work that the commissioners felt had to be done. That is what it is all about.

Mr. Lathlin: Mr. Deputy Chairperson, that money that is to be spent on that consulting group, does that money come from the \$606,000?

Mr. Downey: Yes.

Mr. Lathlin: Perhaps then I could ask the minister—he says there were some 58 applicants. I am aware that M.O. Harvey from The Pas got the contract, but I am wondering what other group or groups went in with M.O. Harvey and company and, if so, if there was more than M.O. Harvey and company, where were those firms from? Were they from northern Manitoba or from Winnipeg?

Mr. Downey: I do not have the detail of that, but I am quite prepared to get it from the head commissioner for the member for The Pas. My understanding is that the commission called for the proposal, accepted what they considered was, I believe, the best proposal to do the work. I cannot honestly say who M.O. Harvey and Associates has working with them, but I am prepared to get that information for the member.

Mr. Lathlin: Could the minister also indicate if he can now, or he could provide information later on, as to how many northern consulting groups were part of the 58 applicants and if there were, indeed, northern consulting groups, because I am aware of some of them who came to me and expressed disappointment that they were not awarded the contracts. How many northern consulting groups were there? Secondly, out of those northern consulting groups, how many were aboriginal organizations seeking to get a contract from the

commission? I am also aware of some aboriginal organizations, economic development corporations, groups who also were seeking a contract from the commission again were disappointed that, in their perception, southern consulting groups were given preference over northern groups.

* (2250)

Mr. Downey: I will get that information. I would just like to further elaborate a little bit. I do not consider M.O. Harvey and Associates to be exactly a southern consulting firm.

The commission is made up of six people from northern Manitoba, of which two are aboriginal: Chief Helen Cook, Chief of the Bloodvein Indian Band; Chief Pascal Bighetty who is the chief of Pukatawagan, who is well respected—he is also the chairman of the MKO—plus the mayor of the city of Churchill, Mr. Doug Webber; Adrian De Groot from Thompson; Sony Klyne who is Metis from the Camperville community; and Tom Henley who is the head of the Natural Resources Institute here in Winnipeg and born in northern Manitoba.

I guess I have had some calls, too, and my response is it was not handled by me as a politician, it was handled by an independent commission who are nonpolitical. If the member has criticisms then I think we should direct them to the commissioners and see why they proceeded to do it as they did. I understand they got the best organization for the best amount of money they had available to them. What I will do is get information for the member for The Pas and make sure his criticisms go through to the commission.

Mr. Lathlin: Mr. Deputy Chairperson, could I perhaps be allowed to put on record very clearly the purpose of that line of questioning to the minister. I want to repeat for the record and to this committee, to the minister, that I was not in any way, shape or form trying to criticize the decision that was made by the commissioners.

I am here as a representative of a riding. There are a lot of people in that riding who come to me every now and then with their concerns such as, I am sure, the minister receives from his constituents when he is in his riding—or people phone him, write him letters. Sometimes those concerns are legitimate and sometimes they are not; nevertheless, you would not be doing your job if you

did not follow through to seek information for those constituents. That is exactly what I am doing here.

In my opening remarks I made it very clear to the minister that I thought those people—[interjection] or else he is going to erase the tapes. I wish the Clerk would not allow him to do that.

I made it very clear to the minister in my opening remarks that I have absolutely no issue with the credentials of the commissioners. The remark, as a matter of fact, that was given to me—and, yes, I did say, you know, you should get a hold of Chief Pascal Bighetty, at least the commissioners that I am familiar with, that I know who they are and where they are from, and so on. I said to the group who approached me, I said my advice to them was to contact personally or in writing or have a meeting with the commissioners individually or as a group and talk to them and get that information that way. Their contention was that southern consulting groups were using northern groups to get at the contracts.

That is the perception that is there. I must say that I do not blame them for having that perception. I know M.O. Harvey myself, I know him personally, an individual who has a good, long, strong record of community involvement in The Pas. He is owner of the Opasquia Times in The Pas, and he does a lot of community work. He belongs to the Air Cadet program, so I have no issue with M.O. Harvey.

All I am simply doing here is relaying to the minister some of those questions and concerns that I was getting from constituents. The perception that is there is, oh yes, southern consulting groups will get together with anybody from the North just to get at these government contracts. That is what the group was saying to me.

Mr. Downey: Fair comment, Mr. Deputy Chairperson. I will get the information that the member requires.

Mr. Deputy Chairperson: Item 3.(d)(2) Other Expenditures, \$606,000—pass.

Resolution 111: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,992,300 for Northern Affairs, Northern Development and Co-ordination for the fiscal year ending the 31st day of March, 1993. Shall the resolution pass?

Mr. Harper: I just wanted to make a comment on this before this area is passed, that as a result of the loss of the cost arrangement in the Northern

Development Agreement, that the whole North has been put in jeopardy in terms of services, because we have lost I do not know how many millions of dollars as a result of the loss of the Northern Development Agreement.

I am sure the minister is aware of the tremendous opportunity that we had, if he had pursued the federal government to continue the Northern Development Agreement, and as a result of that, we have lost jobs, we have lost—as a result of that lack of action with regard to infrastructure, the airports, the roads and many other things we could have done in the North. I would just like to put on record that we are—at least constituents that I have talked to—very disappointed in that area.

The other area, you look at the Special ARDA, in which many of the primary producing activities took place and which trappers and fishermen were assisted. This minister did not take the case before his federal cousins in Ottawa, and as a result of that, I think placed the government of Manitoba in a difficult position to try to provide that kind of opportunity and service to the northern people.

I would just like to put that on record and maybe the minister has a response to that. I would just like to put that on record.

Mr. Downey: Not to prolong the Estimates process, but I am disappointed in the member for Rupertsland, the member who represented the northeast communities for I do not know how many years as a cabinet minister, and he is criticizing us for not having a Northern Development Agreement.

I would hope he would be a fair-minded person. I thought he was. We have just signed an agreement for \$117 million with the federal government that has a very specific program and objective, to provide long-term hydroelectric power off the northern system for his communities, which will create job opportunities for upgrading of wiring, which will create employment opportunities for people wanting to put in new electrical appliances, to create employment opportunities for the building of land lines in the interconnects within their communities.

He talks about some agreement that he had for \$200-some million and the unemployment rates were still running at some 90 percent. I can point out some specific program objectives and agreements that I believe will surpass in a real way—not hiring a lot of government employees—but

in a real way assist those communities. I hope he takes a little fairer approach to this when he is criticizing us for not having an agreement.

* (2300)

What I believe will happen—and I can talk about the Recreation Director's Program, which was not in place—we had to put in place. I do not know how many arenas I mentioned here a few minutes ago, probably seven arenas that have been built in the northern communities. The work that CEDF have been doing, Mr. Deputy Chairperson, to encourage the owner-operators, the work in the Berens River community, where we are now getting letters supporting us in our move to create more employment through direct work with—

An Honourable Member: Table your letters.

Mr. Downey: I would be more than pleased to table them. Mr. Deputy Chairperson, again, the member, I think, is a little quick to criticize when he does so without thinking of the actual programming that is in place. I hope that the Northern Economic Development Commission work will give us the basis to go to the federal government and say, here are the guidelines that the grassroots people have brought forward. Here are the programs that will assist, whether it is in transportation, this will give us the basis to work from to ask for federal government money to build a new opportunities in the North.

Mr. Deputy Chairperson, with respect, I would just hope he would acknowledge some of the work that has been done without always being on the negative side like his Leader, who is the prince of darkness.

Mr. Deputy Chairperson: Order, please. I should caution honourable members that when we refer to any member, they are referred to as honourable members.

Mr. Harper: I, of course, would want to respond to the minister.

One of the things that happened to us when we were in government was the lack of co-operation with the federal government. He knows that we had announced this electrification, I think it was 1986, and his federal cousin, the Conservative government in Ottawa, did not co-operate with us.

Also, I will point out to the minister too, that in dealing with the treaty land entitlement, the minister knows that I as the Minister of Northern Affairs took to our cabinet the treaty land entitlement, and the federal Minister of Indian Affairs did not take it seriously, although he had a cabinet

Order-in-Council that was passed by the provincial government here.

A lot of the things that he talks about that he feels we did not accomplish, it is not because we did not have the will to do it; it was the lack of co-operation with the federal government. I would like to put that on record so that he knows where I am coming from.

Mr. Deputy Chairperson: Shall the resolution pass? Pass.

We will now move on to item 4. Native Affairs Secretariat (a) Salaries \$485,500—pass.

4.(b) Other Expenditures \$133,100.

Mr. Harper: Did you want to continue till 12, or—

Mr. Downey: I want to finish.

Mr. Lathlin: We did not establish, or at least I was not clear in my mind, whether Northern Affairs and Native Affairs were going to be together, because in the papers that I have been looking at, Northern Affairs and Native Affairs are separate for Estimates hours.

Mr. Deputy Chairperson: The government House leader today rose in the House and brought to the attention of the House that the two would be raised and brought up as one issue this evening. A motion was passed in the House.

Mr. Downey: Mr. Deputy Chairperson, as well we have staff in from Thompson. It would be appropriate to deal with it while they have come down from Thompson, so it would be nice to finish it this evening if we could.

Mr. Lathlin: I do not see us finishing tonight because we wanted to go into Native Affairs, not rush through it, because I think there are some substantive issues that we have to deal with in the Native Affairs area. I know the member for Rupertsland (Mr. Harper) is the lead critic in Native Affairs, and I think we should spend a little more time in Native Affairs tomorrow.

Mr. Downey: It would be my advice that we proceed and, if we are unable to finish, that is fine, but let us try and work until twelve o'clock and see if we can deal with as much as possible tonight.

Mr. Lathlin: We can go perhaps until 12, Mr. Deputy Chairperson, and then deal with Native Affairs tomorrow afternoon.

Mr. Deputy Chairperson: At twelve o'clock I will canvass the committee and see what the will of the committee is at that time.

Is it the will of the committee to take a five-minute break right now? Is it the will of the committee to just take five minutes? Five minutes.

* * *

The committee took recess at 11:06 p.m.

After Recess

The committee resumed at 11:18 p.m.

Mr. Deputy Chairperson: We are now dealing with item 4.(a) Salaries \$485,500—pass; 4.(b) Other Expenditures \$133,100—pass.

Item 4.(c) Aboriginal Development Programs \$1,338,000.

Mr. Lathlin: Mr. Deputy Chairperson, I believe the question I had there had to do with the increase in the Salaries and yet Aboriginal Development Programs were cut back by some \$100,000.

Mr. Downey: Yes.

Mr. Lathlin: I did not hear that response.

Mr. Downey: I said yes, Mr. Deputy Chairperson.

Mr. Lathlin: I wanted the minister to make it perfectly clear to us the reason for the increase in Salaries and yet cutting down on the Aboriginal Development Programs.

Mr. Downey: Mr. Deputy Chairperson, the reduction was a reduction of \$100,000 in the Urban Native Strategy, and the increase in Salaries was for general salary increments.

Mr. Lathlin: Perhaps I can ask the minister where his urban strategy is at now. I have been here almost two years now and I have been asking the question over and over again, where is it at? Are we there yet? Can we have a document that would show us that progress is being made and, if progress is being made, what is it? When does the minister expect to have this strategy completed?

Mr. Downey: Mr. Deputy Chairperson, I will just take a couple of minutes. With the greatest of respect, I think the member has to appreciate, all members have to appreciate the magnitude of the work that has to be done as it relates to the urban native issues. I think he probably touched on something earlier on in his comments that maybe he was not aware of that we would get to it at this stage, and his reference to the fact that the good life is in Winnipeg and find a lot of people that have decided to move to Winnipeg, and they move to the urban centres. I do not necessarily subscribe to that. I think that the good life is in our northern and

rural communities in this province, and there are opportunities there.

* (2320)

That is what part of the problem has been and the reasons for people coming to our cities, of course, have been lack of opportunities in some of our northern communities. I would hope that part of the work and effort of this committee and this government and the members of the opposition—and I take most of the opposition members' comments as positive—that we try to work towards enhancing the job opportunities in the communities of which people want to live.

Where we are at with the Urban Native Strategy, I guess, I am not satisfied with the current situation. We probably should have had more things in place, but to establish for example a committee, to establish a board, to establish a structure which was initially proposed, I did not feel was serving the individual to the way in which we should be with government programming. I believe there are some initiatives between the federal and provincial governments, of which we are talking about as it relates to an agreement, which are focused directly on the urban native community.

I look to the urban native community leaders. I have to say I admire the work and effort of those individuals who have worked closely with the Department of Native Affairs to try and come to grips with some of the needed programming activities that should be put in place. For example, I believe it is important that the business community and the educational community and the aboriginal leadership of the communities and our department come together to identify the types of meaningful programs that will equip people when they come to the urban setting to get a meaningful job, to find themselves reasonable housing, to make sure that they have the kind of supports that are essential to a good quality of life.

I do not have the immediate answers. We have worked over time. We have spent considerable amounts of money. We have had ongoing conferences, meetings. It is not easy to resolve. It is an issue which I look for a positive input from the member for The Pas (Mr. Lathlin). As I say, he can be critical and I accept his criticism. Where is it at today? We are still working with the aboriginal leadership. We are still working with the city. We are still working with the federal government to try to identify resources that can assist us, but I guess

the most meaningful Urban Native Strategy would be one of creating opportunities for the aboriginal communities in their homes where they have traditionally been born and raised.

Let me say, that is why I am so encouraged by the Split Lake Cree agreement and, hopefully, it is resolved on a positive note. I believe that will give some resources to those community people for enhancing their livelihoods at home. Again, I will go back to the north central agreement.

I do not blame a lot of the community people who have lived under the conditions that have been less than acceptable as far as hydro services are concerned. I do not blame them for wanting to move to where they have the modern conveniences of the city of Winnipeg or of Brandon or of Selkirk.

Those are the kinds of programs that we have put in place that, hopefully, will at least stop the flow of people from wanting to move out of their communities, but they need economic opportunities. They need lifestyle. They need quality of life which, quite frankly, they are finding, as the member for The Pas said, the good life in Winnipeg—which I do not agree with necessarily, but that is what is happening. It is not an easy answer. There is not an easy answer. I believe the answers will come from the aboriginal leadership working with government. We have tried to structure ourselves so we can get those kinds of programs in place, but to date we have not had as much progress as I would like to see.

Mr. Lathlin: Mr. Deputy Chairperson, I agree with the minister. When I was talking about the things that my constituents tell me in terms of the disparity that is there in programs and services and a whole lot of other things when it comes to north and south, I also do not agree that the good life is in Winnipeg.

I do not want to create that impression for one minute here. It is just that as the minister has just acknowledged, yes, people are looking for opportunities, and when the opportunities are not there, they are not going to stay.

We all know, the minister knows full well, that the traditional livelihood is practically gone in the North. We have the mining industry that is—Lynn Lake is a ghost town now and Flin Flon is next, and what will happen in The Pas with Repap being in the position that they are in, I do not know—yes, Snow Lake I meant, not Flin Flon.

The infrastructure is not there. If the people from the North wanted to get into some economic development schemes or business development, transportation costs are prohibitive. The marketing is just not there. Again, if somebody wants to go to university or go on and get a better opportunity in life, it is just not there in the North.

That is what I was alluding to when I was saying that people are saying, is it our fault for having been born in the North and having decided to stay and live in the North. We are citizens of Manitoba just like those people are in southern Manitoba, and that is what they are saying, and I guess in their moments of being cynical, they say, we might as well all move to Winnipeg because that is where the action is, but I know that they are saying that out of frustration, and that is the picture that I was trying to create for the minister when I said those words.

If this aboriginal development program, this urban strategy is so important, then why was the program cut by \$100,000? If there are problems that are seemingly overwhelming, what are they? Are there plans to eventually complete the strategy? If there are problems, what are they? If the program is so important, why is it being cut by \$100,000?

Mr. Downey: Mr. Deputy Chairperson, I guess I should have elaborated a little more. I am not trying to leave the impression that we have not done a lot of work. I guess in all fairness to the department, with the work that has been going on with constitutional discussions, we have had the whole AJI report and the response that has been developed, and hopefully we can move on some of those activities that were related to that.

So I believe in total numbers of dollars, there will probably be more spent, but it will not be put under the quotation of Urban Native Strategy, but we still have a substantial amount of money there. We did not spend the complete amount last year. I guess the determination was made to say we could maybe deal with a little bit less until we get a federal-city-Manitoba agreement.

It is not that work has not been done. I mean work has been done with the Family Services department of government in a major way. Work has been done with the Department of Education in a major way. We have done a considerable amount of work on the AJI, although, again, maybe at this point we have not laid out a lot of the options, but we are working to do that with the different departments and in co-operation with the aboriginal community.

* (2330)

So I think when you look at a combination of the areas that we are working on, that you just cannot say here is a specific Urban Native Strategy that deals with certain singular issues. There are a multiple of issues out there that are being dealt with on an ongoing basis from many departments. I guess, again, the trap that I was a little bit concerned about was to establish what might have been perceived to be a super structure or super body of people. When all the monies that we were putting out would be used by those individuals for sitting on a board of some kind at the end of the day, the individuals who needed the support individually may not have been able to get it.

I would accept comments from the members as to how they see it going from here. We certainly have not quit working on it. We are continuing to work on it. We have limited employees within the department and, as I have said, they have been working very hard on the AJI. They have been working very hard on the constitutional discussions that are taking place, and it is a matter of saying, at this point, what are our priority areas?

I guess, priority areas this last while have been AJI and constitutional issues, and to some degree, some work has been done within the Urban Native Strategy. As well, we have been working very hard with the aboriginal women's organization, the Indigenous Women's organization, staff have been, and I think there have been some major advancements made in discussions there. We have the aboriginal women's policy now that has been introduced, and I think is very, very substantial. Plus, we have been working with the Manitoba Metis Federation as it relates to the tripartite discussions. That has been ongoing in a major way.

So I say in fairness to the staff of the Department of Native Affairs, they have been working extremely hard, and a lot of issues are being dealt with. We have not given up on an Urban Native Strategy. We are very much involved in discussion on it. Again, to say there is a hard and fast conclusion to it, I cannot lay one before the member here tonight.

Mr. Lathlin: Mr. Deputy Chairperson, perhaps then I can ask the minister, this \$1.3 million, how was that money spent? Where is it spent? Do you allocate sums of money to the aboriginal organizations and they do the work themselves, or does the department hire consultants to do the work? How is the money spent?

Mr. Downey: All this money is spent to support aboriginal groups, Mr. Deputy Chairperson.

Mr. Lathlin: How is it being spent? What method?

Mr. Downey: There is an annual grant to each organization.

Mr. Lathlin: What about consultants? Is there money being spent on consultants?

Mr. Downey: No, Mr. Deputy Chairperson, very limited, if any.

Mr. Lathlin: So the minister then is unable to say at this time when this strategy, a draft document at least, can be produced.

Mr. Downey: Mr. Deputy Chairperson, I would like to be able to commit to the member as to have one out very shortly, but again, I have to depend on the same staff as I have said who are working on the many, many issues that are before them.

I do not want to put pressure on them, to say I want you to stop the work you are doing, AJI et cetera, to stop to do an Urban Native Strategy. I do not want to put a time frame on it. We are working to one. When we get one, I will be able to produce it. It is difficult, I can tell you that, to say that at a certain time, I will have a certain document to table. I would like to, but I cannot commit to that right now.

Mr. Harper: I wanted to ask the minister how the Native Affairs Secretariat is structured and how the whole process works within the government.

I know that when we were in government, we had the Native Affairs Secretariat, but also we had a Native Affairs Committee of Cabinet. I ask the minister whether he has that structure in place, whether he is chairing a committee, a Native Affairs Committee of Cabinet. Does he have such a committee in place?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: Yes, how often does the Native Affairs Committee of Cabinet meet?

Mr. Downey: On a fairly regular basis, usually at the call of the chair or any other committee member, but we have been meeting fairly regularly.

Mr. Harper: And you are the chair of the Native Affairs Committee of Cabinet?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: It deals with these policies and the strategy of the provincial government on native issues?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: I know that the Native Affairs Committee of Cabinet, I think, will be dealing with many issues possibly in the next while, dealing with the constitutional issues that are developing very rapidly at this time, and also dealing with the AJI report recommendations and also the Urban Native Strategy which the minister enunciated some points on. I know that there is a lot of expectation of the efforts that were done by this whole process.

I think the native community here in Winnipeg, the aboriginal community has put a lot into this process and has created expectations from that. As you know, the city of Winnipeg is probably the largest reserve in Canada. That has been said by many people.

I want to know what is happening in regard to the Core Area Initiative Program, as to the involvement of the department, the native secretariat, and whether there is any progress or whether there is an agreement forthcoming shortly.

Mr. Downey: Yes, we are working with the Urban Affairs department, City of Winnipeg and the federal government, and the top priority of that working group is to have the urban native issue as the top agenda item as far as working together is concerned.

Mr. Harper: I know that within the urban area, we have an issue that has been brought forward in regard to the old CP station. I know that the aboriginal people have been requesting the provincial government to come up with the funding.

Can you provide some response to that? What is happening there? What is the provincial government doing? Is it prepared to provide the financial assistance that is required?

Mr. Downey: Mr. Deputy Chairperson, we have been working with the federal and city government to try to come to some agreement. We have made a commitment to support that initiative at this stage. We are not complete in our negotiations at this point, but hopefully we can conclude something before too long.

Mr. Harper: In that regard, the issue seems to be that it was the province that was holding up the process and that they had already secured the commitment from the federal government. I was wondering what the problem is.

Mr. Downey: I think it is a matter of making sure that everybody carries a fair share of the responsibility, and that we get the best deal possible

for the aboriginal community and for the people who are putting the taxpayers' money forward.

Mr. Harper: Yes, there is another issue that was raised earlier which deals with the Abinochi Language Program. Is it being considered by your department to provide further funding?

* (2340)

Mr. Downey: As the member knows, this funding had come under a federal-provincial agreement previously, and the funding for the program ran out.

Neither the Department of Education nor the Department of Family Services had funding. I picked the funding up under Native Affairs for one year at \$60,000 and gave notice at that time there would be no additional funding, because we are not a program funder per se.

I do not want to mislead the Abinochi language program people. I compliment the people who provided the service, but we just do not have it within the Native Affairs Secretariat. We are not a program funder. Hopefully, if there is a new agreement, that can be entertained under that agreement.

Mr. Harper: Is the minister saying that under the urban Core Area Initiative, this program is being considered?

Mr. Downey: As far as I am concerned, Mr. Deputy Chairperson, I will be advancing it to make sure that there is a consideration for it under that program.

Mr. Harper: Under the Core Area Initiative program, are there some programs being considered in dealing with some involvement by the aboriginal organization dealing with The Forks developments taking place?

Mr. Downey: I would have to get details of that question for the member. I do not know whether The Forks issue is being discussed at this particular time. Urban Affairs would know that, Mr. Deputy Chairperson.

Mr. Harper: Has there been any request by the aboriginal community, in regard to the development of The Forks, in which the native secretariat will be involved?

Mr. Downey: I would have to check with the department. I am not aware of any at ministerial level, Mr. Deputy Chairperson.

Mr. Harper: In terms of the Urban Strategy, I think there were some recommendations that were made, one particularly. The native initiative council was

recommended by, I guess, the people involved in the report, the people who made the recommendations. Is there a consideration being made at this point at all?

Mr. Downey: It is all part of the proposal, and consideration is being made in all fronts. Again, I want to assure the member, it is not my intention to establish another body, a new body that draws a lot of resources and does not get to the people who need it.

Mr. Harper: Yes, in the House, the Minister responsible for the social assistance program, in which the federal government indicated to the province that they would be withdrawing, I guess, stopping the payments to the province for the municipalities—is there anything being considered to address that problem?

Mr. Downey: Mr. Deputy Chairperson, all issues are being considered. That is a major concern to us. We believe it is the federal government's responsibility to pay for off-reserve Status Indians as far as the social welfare program is concerned. We will stick to that position and have the support of the native leadership and the support of the municipal leaders.

Mr. Harper: Is it the position of this government then that in respect to the Status or treaty Indians, you are saying that the province supports the aboriginal people that they are federal responsibility?

Mr. Downey: Yes.

Mr. Harper: Also, that the treaty Indians, their rights as treaty Indians are also the federal responsibility?

Mr. Downey: Yes.

Mr. Harper: Also, that these treaty rights do not end at the reserve boundary, including the rights to education, to health care and other issues?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: Is the provincial government prepared to support in a very strong way the treaty Indians in terms of securing that right, in terms of forcing the federal government to live up to their treaty obligations?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: I know that this is creating some problem in regards to the aboriginal people, regardless of whether they are Status or treaty Indians, in the welfare payments and in social assistance. Is the province at this time prepared to

provide assistance whether or not they get guaranteed reimbursement by the federal government?

Mr. Downey: Yes, Mr. Deputy Chairperson, the Minister of Family Services (Mr. Gilleshammer) has already announced that the province will be paying the costs but have not given up—we do not want to prejudice our position—the position that we believe it is the federal government's responsibility. But we have paid the costs.

Mr. Harper: Has this policy been conveyed to the municipalities concerned, like, for instance, Brandon and Thompson?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: And they are prepared to provide assistance to any treaty Indian that would come for assistance?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: In regard to the taxation issue, what is being discussed at this time with the aboriginal organizations, especially the treaty Indians, with respect to taxation on reserve in terms of whether it be federal or provincial taxation? Is there any work being done right now?

I remember some time ago we had initiated a study and then a further dialogue would have taken place with the chiefs. Is that being pursued at this time?

Mr. Downey: Yes, Mr. Deputy Chairperson, those questions would probably be more appropriately asked of the Minister of Finance (Mr. Manness) who has done a lot of work and is doing a lot of work in that whole area.

Mr. Harper: But some work, some policy work is being developed by the native secretariat?

* (2350)

Mr. Downey: In conjunction with the Department of Finance.

Mr. Harper: I wanted to raise some questions on this because there are some concerns that the reserves especially have in regards to taxation. I do not know whether the minister would be in a position to ask the special questions. Maybe I should direct them more appropriately to the Minister of Finance.

I know that is an issue that is going to have an impact in respect to the economic development of many reserves, but I will leave it for now. Maybe I can ask the minister responsible for taxation and the minister responsible for Finance.

The other issue that I wanted to get into is in respect to gaming. I know the minister has announced—he has concluded some agreements with some bands, with some of the reserves. There is one particular band that I had a meeting with, and that is Fort Alexander, in which they have established a gaming operation and, I believe, the province has charged the manager of that operation. The Fort Alexander reserve has established a gaming operation meeting all the requirements and the regulations that it is required to do.

So my question is to the Minister of Native Affairs. Has he talked to the people in Fort Alexander respecting the issue there?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: Is it then the position of the province that they will assert their jurisdiction on the reserve?

Mr. Downey: Mr. Deputy Chairperson, I do not believe it is appropriate to discuss an issue that could well be going before the courts at this particular time, but we have said today Fort Alex band, as we have said to all the other bands, that we are prepared to sign agreements as per the original one that was established at The Pas with the honourable member who now represents The Pas, with the changes that were made recently dealing with an upgrade of that agreement to allow for other specific things. So we are open to signing of agreements, but I do not want to deal specifically with one that may well have to go before the courts or be before the courts.

Mr. Harper: As you know, as I mentioned before, there are discussions dealing with the First Ministers, with the Constitutional Conference coming at a rapid pace. One of the issues dealing with that issue is, of course, the recognition of the inherent right to self-government. There have been some proposals, I think, as part of the package, that the native organizations, individuals, whether it be the provincial governments or the federal governments hold off for a period of three years from prosecuting anyone dealing with the inherent right to self-government, and this particular issue dealing with the gaming could be one maybe dealing with the inherent right to self-government. On that basis, would the provincial government back off from taking the band to court?

Mr. Downey: Mr. Deputy Chairperson, I think it is a little bit hypothetical at this point to presume, as much as we have seen progress in the constitutional

discussions. We have proceeded to carry on the operations of our lotteries, carry on our agreements as if we are on a normal path of doing business. So at this point as far as I am concerned, unless the Attorney General may want to respond differently, we are on the same path that we were on previously. We believe we have a good agreement out there which the bands have been signing. We have one more signed today with Nelson House, and so we believe that it will continue on as per previous, not assuming anything as it relates to future constitutional change.

Mr. Harper: If Fort Alexander refuses to come to an agreement or make an agreement with the province, is the province going to, I guess, move in to assert their jurisdictional authority?

Mr. Downey: Mr. Deputy Chairperson, that would be an appropriate question for the Attorney General. I would anticipate that he would proceed as the law allows him to do so.

Mr. Harper: So as the Minister responsible for Native Affairs, you would make that recommendation, or if he asks your advice you would leave it up to the Attorney General?

Mr. Downey: Mr. Deputy Chairperson, he is the appropriate minister. He is the chief law officer of the province, and I would anticipate he would enforce the laws as they are written.

Mr. Harper: If the Fort Alexander reserve is adhering to all the regulations, and even they have the band issue creating under their authority jurisdiction to do that, and it meets all the regulations, would that be sufficient to warrant the province from going into the reserve?

Mr. Downey: Mr. Deputy Chairperson, I cannot answer that. That is an Attorney General's question, and one which I do not believe is within my jurisdiction to answer, and the area which we are dealing with here.

Mr. Gaudry: Mr. Deputy Chairperson, the minister in his dialogue mentioned a few minutes ago that the AJI Reports, they were preparing a response. Can the minister advise where they are in response to the AJI Report at this time?

Mr. Downey: Yes, Mr. Deputy Chairperson, we tabled our response several months ago.

Mr. Gaudry: You mentioned that you were working with the Department of Education and the Minister of Family Services (Mr. Gilleshammer), and I am sure you are working with the Minister of Justice (Mr.

McCrae) also. There have been a lot of questions as to when we will implement some of these recommendations from the AJI Report. Can the minister tell us what is their position at this time?

Mr. Downey: We have working groups that are working on packages or proposals for implementation. A major part of them refer to federal responsibility, constitutional responsibility, but any that are accomplishable within provincial jurisdictions, we have a committee of all the departments working on them now. Hopefully they will be joined by the aboriginal community, and as soon as a conclusion to the proposals that are put forward, then they can be, in fact, moved on.

Mr. Gaudry: Yes, and the other thing that you mentioned was a negotiation with tripartite on Metis self-government. Can the minister tell us where he stands on this at this time?

Mr. Downey: There is a group working within the Native Affairs Secretariat, the federal government and the Manitoba Metis Federation. They have been working on it for some time now. I am not sure how it relates to the current constitutional discussions, but we do have a working process in place.

Mr. Gaudry: Do you expect to have some recommendations shortly after, if there is an agreement in the Constitution, as far as the agreement with the Manitoba Metis Federation?

Mr. Downey: As soon as there is something to report, then it will be reported.

Mr. Deputy Chairperson: Item 4.(c) Aboriginal Development Programs \$1,338,000.

Mr. Harper: I wanted to ask the minister, in regards to the Aboriginal Development Programs, can he provide to us as to how much each organization—I know that in some areas there has been some areas of research and work that several organizations are involved in, the Metis organization, the AMC, Assembly of Manitoba Chiefs.

Mr. Downey: I will get that information for the member.

Mr. Harper: There is also of course some areas that the provincial government is involved in working out with the—like the AMC, Assembly of Manitoba Chiefs, to work on issues like child welfare and taxation. Are those ongoing?

Mr. Downey: Yes, Mr. Deputy Chairperson.

Mr. Harper: I also wanted to ask the minister in respect to what the native secretariat is doing to

some of the things that the province could be doing in respect to recognizing treaty rights. For instance, in respect to, let us say, the Sparrow case in which rights of the aboriginal person or the Indian has been recognized. I am sure that the government is beginning to look at its legislation and statutes that would support that and continue to enhance that.

* (0000)

I want the minister to answer, in what areas are they working toward at to change laws respecting treaty and aboriginal rights?

Mr. Downey: This could enter into a fairly long answer here, and I think I should, to cover the area appropriately. I guess for some time now there has been a considerable amount of interest and concern as it relates to the whole question of hunting and fishing and trapping and treaty rights that I think are understood within this country. He refers to the Sparrow case. He is referring to certain cases that have laid out and set a precedent as to future decisions.

What we have done in certain areas, particularly as it relates to the wildlife and the resources of this province, are to try to establish co-management agreements. I think working together to deal with the whole question of making sure that there are resources here for aboriginal people, for the rest of society, is extremely important. I think the whole co-management concept will help accomplish that.

I know from talking to many of the Native leaders that they feel very strongly that there would be more interest, if more responsibility were provided to the aboriginal communities, that it would allow them to feel more a part of the conservation projects and the need to conserve the wildlife for their people. I guess we have seen progress. I know we have seen progress.

I think the Minister of Natural Resources (Mr. Enns), who I think could enter into a substantial long-term debate on this whole issue, would be more than pleased to respond to it during his Estimates process. I think, though, we have built into the Split Lake Cree agreement—and I say this at this point—again, the opportunity, through the resource management area, to do just that. It may not be the perfect agreement, but I think it is as close as we can get to deal with a broad range of issues within a land base that has been the traditional trapping and hunting areas of the Split Lake Cree. So I think progress has been made.

I guess what I am hearing from many people and that is the need to make sure future generations of this province and of this country have a resource base from which to work. I know I have heard considerable criticism of the spring hunting season or the taking of birds for food by the Native community. I do not get as alarmed about that as some people do, because I have happened to see the unfortunate situation, in Mexico for example, where a lot of harvesting is taking place without any regard for any laws or regulations by the total of society.

I think we have to see both sides of it. I think it was the intent of the treaties to allow for the taking of game for food for aboriginal people, and I think that is a supportable position. What troubles society and what troubles members is if we see, for example, the unfortunate taking of some of the female elk recently. Regardless of who it is, aboriginal or nonaboriginal, that is a very difficult thing to defend because it is the resource base that we all depend upon.

Again, I think we have got to come to the table responsibly, both as aboriginal people and as nonaboriginal people, as government, to talk about the issue of conservation and how we are best to preserve it. The issues of all these things, I think, are timely. As we are talking about constitutional change, as we talk about Native self-government, the rest of society, I believe, wants to be assured that there is a co-operative approach put forward.

So, Mr. Deputy Chairperson, I will do my best to make sure that fairness is applied, and hopefully we have the support of the members of the opposition in doing so. I would hope we could pass this so we could deal with other issues very soon.

Mr. Lathlin: I am just wondering whether you want to canvass the committee to stop now.

Mr. Deputy Chairperson: The hour being after ten o'clock, what is the will of the committee?

Mr. Lathlin: Mr. Deputy Chairperson, I would like to suggest that we spend a little bit of time tomorrow afternoon further on in the Department of Northern Affairs. I wanted to speak to the Capital, and a bit more on the Aboriginal Justice and some of the initiatives that the minister has been referring to this evening. It probably will not take long tomorrow afternoon.

I would suggest to the Chair that perhaps we adjourn for tonight and reconvene tomorrow afternoon.

Mr. Downey: Mr. Deputy Chairperson, I do appreciate the fact that we have some staff from Thompson here, but there is one other thing that I think should be taken into consideration.

Normally, I would be pretty tough on this and make the member stay here to finish this, but just to show you that I can co-operate—the member for The Pas (Mr. Lathlin) has been in hospital this week, and one has to consider the health of one's colleagues. We would be better advised to rise.

I think I heard a commitment from the member for The Pas that it should not take too long tomorrow. He is a man of his word; he has been all the time in the past. I would think that given that he is prepared to take a short period of time tomorrow—I emphasize the short—then I am in agreement with that.

Mr. Deputy Chairperson: Then it is the will of the committee to rise? Committee rise.

EDUCATION AND TRAINING

Madam Chairperson (Louise Dacquay): Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply is dealing with the Estimates of the Department of Education and Training. Would the minister's staff please enter the Chamber?

We are on page 45, item 6. Universities Grants Commission.

Mr. Reg Alcock (Osborne): Just let everybody get their books open.

I would like to start off or pick up from where we left off just prior to the adjournment on the remarks that the minister—the question was around the issue of whether or not there is an open discussion between the Universities Grants Commission and the universities as to the analysis undertaken by the Universities Grants Commission and the findings and the positions that they arrive at, whether or not that information is going to be shared with the universities so that the universities would have some further guidance as they go into their next operating year and their budget preparations for a future year. What I believe the minister said was that, no, it would not be appropriate to share information between the Universities Grants Commission and the universities, because that would somehow pit the universities against the

government. I am wondering if she can clarify that remark.

Hon. Rosemary Vodrey (Minister of Education and Training): Madam Chairperson, the budgets from the universities to UGC when approved by the Boards of Governors then may be made public by the institutions.

Now, the issue that the member is referring to is whether or not the analysis should be made public following the presentation to government and the decision by government on a global percentage increase. I would just like to take the member through again to say that the recommendation to government by the UGC—these recommendations are considered as policy advice and are therefore confidential. Now, the confidentiality is intended to preserve the integrity of that arm's-length relationship between government and universities and also to maintain a stable relationship between universities and the UGC and the government and the UGC.

It would be very important not to have universities be pitted against one to another based on the kinds of analysis that the UGC has done or universities potentially pitted against government based on decisions, and therefore the decision and the process is that the UGC, based on the presentation by the universities both of a budget expectation and a further discussion relating to the stresses and the priorities of the universities, then leads to an analysis by the UGC and then the UGC presenting to government a global percentage increase recommendation. It is then up to government to determine what that increase may be, whether or not that increase is something that is an increase level that can be afforded by government, and then government gives to UGC the global amount of money available to universities. Then it is UGC's job to then determine with that global amount how much goes to each institution, again preserving the arm's-length nature of the relationship between governments and universities.

So the UGC acts as a buffer agency. It is a primary link between government and the universities and vice versa, and that relationship has been quite effective. However, if the member wishes to review that relationship or wishes that relationship to be reviewed then he may wish to see that it is discussed in the upcoming Universities Review.

* (2010)

Mr. Alcock: Well, Madam Chairperson, I want to get into a discussion of the Universities Review, and I certainly would hope that the role of the UGC is reviewed in some depth. I would like just to quote from the annual report of the University of Manitoba, when it is talking about funding. It says here, quote: Because government grants for ongoing operating purposes increase only at a rate below the inflation of university costs, the high enrollment poses a great burden.

They do not say, "Because Universities Grants Commission grants." They talk about the government. When the presidents of the various universities and the college talk about funding, they do not talk about the Universities Grants Commission, they talk about the government. They talk about the government policy. It would be interesting, it is an interesting thought that there is something going on within the UGC that is so strange, that if it were to become public, it would pit the four universities against each other. I mean, it strikes me that if there is a significant public issue where universities might be contesting, given the need for efficient use of limited resources, that what we might want to do is to have the four universities having that kind of discussion with the Universities Grants Commission.

This is a government, after all, that campaigned on, "open government" and bringing a new style of management and confronting the community with the realities of the current budget situation, and looking for innovation and co-operation with the various sectors that receive government funding, and it just seems odd to me that in one area where they could promote some dialogue on an important public policy issue, they refuse to do so. Maybe I expect too much to have this minister, at such an early point in her tenure as minister, make a policy decision on that. The University Review does seem to be a comfortable shield, but I would hope that as we approach the next budget year, we can have a little bit more openness and a little bit more forthrightness about the policy considerations that underlie the funding of our universities.

Mrs. Vodrey: Well, again, I would like to describe for the member the process in government. Once a policy is made and the funding is allocated, it then is a matter of course and for public record that there can be a public debate, which is what is taking place in this House right now, or a discussion as the

member would like to and has said he would like to call it.

This principle is an historical one. It has been established via the history of the parliamentary and cabinet and legislative operations. The universities have not been arguing about this policy, and I think that is a very important point.

But if the member is wanting to make the point more broadly about the extensive discussion that is necessary, then I would like to remind him that the universities do have discussion with the UGC. In addition to that, they also have discussion with the minister. I have had several meetings with the presidents of the four universities. In addition, I meet with the students of the universities, the student unions of the universities.

So it is not that there is no discussion, there is. There is, in fact, discussion that goes on throughout the course of a year. I think that it is very important for the member not to suggest that that discussion, which goes on at other times of the year, is not important because I believe that it is important.

Mr. Alcock: I do not [interjection] —Madam Chairperson, the two backbenchers in the government are wishing to contribute to this debate. I certainly am prepared to give them an opportunity, but I think if they understood the question, they would be over here hectoring this minister in as virulent a fashion as I might be this evening.

I have to ask the minister this: The minister or the government appoints people to the board of the various universities; has the minister met with the government appointees on the various boards?

Mrs. Vodrey: I think, in terms of the four universities, I did have a meeting scheduled recently for the members of the Board of Governors of the University of Manitoba. That meeting has, of necessity, been rescheduled due to the Estimates proceedings. I have not yet met with the Boards of Governors of the other universities at this point in time, since I have been minister, on a formal basis yet.

Mr. Alcock: Was that meeting planned with the entire Board of Governors of the university or simply those people who had been appointed by the government?

Mrs. Vodrey: Well, the meeting was for the Board of Governors, but again that meeting was cancelled. I will tell the member, in addition, when I had just been named minister, I was invited by the president

of the University of Manitoba to attend a meeting by the Board of Governors. Again, this was a meeting of the whole Board of Governors. I did attend it as a method of introduction to that Board of Governors and that was my one full meeting with the University of Manitoba, my one short meeting with the full board of the University of Manitoba. I have not yet been able to schedule meetings with the full boards of the other universities.

Mr. Alcock: Is it ministerial practice in this government for the minister to meet just with the appointed members of the board?

* (2020)

Mrs. Vodrey: There is a mixed practice; occasionally ministers have met with the board appointees appointed by the government and also have met with the whole board.

I have met with the presidents of the student unions in Manitoba for Manitoba's universities, separate from representation which they might make with a total board from which they would have representation.

Obviously, the ideal would be to have an opportunity to meet with whole Boards of Governors, to be acquainted with the issues directly from that Board of Governors. I have recognized the importance of meeting with the boards, which is why I did attend one meeting and will be looking forward to meeting with the board members, the Boards of Governors and the Boards of Regents for the universities across Manitoba.

Mr. Alcock: What purpose would be served by the minister meeting only with government appointees?

Mrs. Vodrey: Madam Chairperson, government might meet with their own government appointees at times because those individuals do represent the views of the public as opposed to the views specifically of an area of the university for which those other individuals may have been appointed. Those members of Boards of Governors and Boards of Regents who are appointed by the government also reflect larger public views, wide public views and concerns, and it allows the issues of the university to be placed in that larger context. So those are some reasons why governments may choose to meet with their specific board appointees.

Mr. Alcock: Do those meeting not violate the arm's-length principle that is established or that is the purported reason for the UGC existing?

Mrs. Vodrey: Madam Chairperson, the meetings that might take place with—I am sorry, I need to clarify. Was the member asking Boards of Governors totally or government appointees to Boards of Governors? I mean, government appointees to Boards of Governors—no, it is not our opinion that violates the arm's-length nature, because first of all, there are not specific decisions being taken. I am informed specific decisions have not been taken within those meetings. I have not had a meeting like that yet myself, and I am also informed that the agenda for those meetings, again, is not to discuss specific funding issues; but instead they have related to more global issues relating to university concerns, and they have been a way for the government to remain informed on a number of issues as they relate to universities.

Mr. Alcock: Madam Chairperson, perhaps we could move on to the area of new course approvals which the minister had indicated in the earlier session was somewhat different and one in which government may play a more direct role. Can she explain to me the difference in the process between course approvals as opposed to general budget approval?

Mrs. Vodrey: Madam Chairperson, the budget approval process and the budget approval—the budget approval is set out in The UGC Act, and I think that is an important place to look at the differences between the budget approval function of the UGC and then the program approval.

The UGC does have three responsibilities: The first is to allocate resources; the second is to approve programming; and the third is to approve capital projects.

The process of program approval, as I said earlier today, is a series of steps.

First, a university has to submit in writing to the commission a statement of intent which provides the commission with sufficient information to decide whether the university will be allowed to proceed to the development of a program proposal.

The second stage is contingent on the UGC granting approval to proceed to the development of a program proposal. If the commission grants the university the right to proceed, a proposal is then developed and subsequently vetted through the various processes within the university itself. These include the various committees and sub-committees at the departmental, the faculty and

university-wide undergraduate or graduate program committee levels with a final adjudication by the Senate. Once this internal process is concluded, and if the program is retained, it is then submitted to the UGC for approval.

The third stage consists of the UGC submitting the program proposal to the other universities for comments. Then these comments are in turn sent back to the initiating university for rebuttal.

The final stage is the consideration of the entire package for a decision by the UGC.

Mr. Alcock: Madam Chairperson, in that process, one is taking into consideration the needs for the entire province and the programs proffered by the four campuses. To what extent does the government or the UGC exercise some control over duplication of programs?

Mrs. Vodrey: Madam Chairperson, again, the government does not provide the approval. The UGC provides the approval. The three criteria that the UGC uses are, first of all, the issue of duplication, which has been raised. The second is the issue of cost. Will the implementation of this new program be costly, and cost more money? Thirdly, the issue of market. Will there be a demand for this type of program or the training this program provides? The analysis in the area of market is provided to the UGC by the universities.

Mr. Alcock: Does the UGC undertake any independent analysis to determine whether or not there is a market?

Mrs. Vodrey: Madam Chairperson, the answer is no, that the UGC does not undertake a separate analysis or market analysis—they have not until this point, I am informed—and that it is important that discussion with the universities, however, does provide additional kinds of information for the UGC to use in its decision making, particularly around the area of market.

* (2030)

Mr. Alcock: So, if I understand the process to date, then the only determination as to whether or not a program is necessary is based upon the university's belief that it is. There was a relatively recent decision to expand the athletic program offered by the University of Winnipeg. I understand that this is similar to athletic programs offered elsewhere, and I am wondering how the decision was arrived at to allow an expansion in this area if no independent analysis was done of need.

Mrs. Vodrey: Madam Chairperson, it is not true that decisions are made only by the information submitted by the particular university seeking to develop that program. I gave the member the three issues which were to be considered: duplication, cost and market. In the area of the program that the member has referenced, the University of Winnipeg's major in sports studies, I am informed first of all, when the question was asked: Did this program duplicate a program currently offered in the province?—based upon the information received by the commission, the answer was that, no, there was not an unreasonable duplication of programs.

Now, again, it is important to remind the member of the step, that this proposed program was then sent out to all of the universities for comment. So the program proposal was put forward by the University of Winnipeg, discussed by the Universities Grants Commission and then the proposal of this new program sent to the other universities for their discussion. The information back from those other universities was that, no, there was not an unreasonable duplication.

I think that step, involving the other universities, is a very important one for the member to take note of so that he understands it is not just the university submitting the proposal. In addition, the issue of cost was discussed—were there any additional costs related to this program?—and the documentation presented showed that there would be no additional cost. Was there a demand for this kind of program? From the information provided, there does appear to be a demand for this program both by students, including those at the University of Manitoba and also the public at large.

Mr. Alcock: Madam Chairperson, the same issue of duplication has come up when we look across the Prairies, and the one notable example of co-operation is the three prairie provinces joining forces to support one school of veterinary medicine. Is there an attempt, in terms of the prairie region, for this UGC to contact, discuss, relate to the similar bodies in the other two provinces to determine whether or not there is a possibility for the three prairie provinces to co-operate?

Mrs. Vodrey: Relating to the issue of a school of veterinary medicine, the contacts should be made and are made by the universities or by the Council of Ministers of Education. The UGC itself has no equivalent. In Saskatchewan there is a secretariat,

and in Alberta there is direct government to university contact.

So at this point the discussion should occur between the institutions or be instituted by the Council of Ministers of Education, and I understand there has been some discussion between the institutions.

Mr. Alcock: Discussion in what areas?

* (2040)

Mrs. Vodrey: Madam Chairperson, first of all, just let me clarify the role of the Council of Ministers of Education. They are the ones who facilitate the discussion. They do not make the specific approach, and I would not want to leave that unclear on the record.

The member has asked then for examples of discussion between universities. He has referenced one being veterinary medicine, another is ophthalmology, and most recently there has been discussion of medical training across the provinces looking partly at the issue of cost efficiency.

Mr. Alcock: Madam Chairperson, is that discussion on medical training a discussion of further co-operation among the three provinces to share some services, perhaps reduce the total number of spots available? Is that the nature of the discussion?

Mrs. Vodrey: Madam Chairperson, there has been discussion by the Deputy Ministers of Health in relation to the Barer-Stoddart report. The Barer-Stoddart report was very briefly discussed at the last CMEC meeting. To say it was a brief discussion—it was a very global discussion in terms of what might be the impact, what is the situation in individual provinces at this time.

Mr. Alcock: Madam Chairperson, I would like to come back to this question of the direct funding and the recommendations from the Universities Grants Commission to the government.

I notice here, that on page 122 of the Supplementary Estimates, Supplementary Information for Legislative Review, it quotes, what I assume is Section 13(1) of The Universities Grants Commission Act, which says that, "The Commission shall inquire into the financial arrangements and requirements of the universities . . ." et cetera. I presume that is the basis upon which the budgeting system that the minister has described a couple of times to this House—I would like to ask a more general question.

By a series of, I think, relatively objective measures, the universities in this province have been underfunded for some time, not just in the term of this government, although I think some aspects of it have grown worse under this particular government, but they have been underfunded for a period that predates the 1988 election.

I just wondered, given the needs demonstrated by the various universities, we are not talking about new programs now, but just to maintain existing programs, and the objectives stated by this government around higher education, is the minister satisfied that the support proffered to the four campuses is adequate to meet their operational needs?

Mrs. Vodrey: The member is asking for a somewhat subjective comment, but I do have some information which I believe is important objective data for him in looking at that.

First of all, comparing Manitoba and Manitoba support to universities with other provinces' support across Canada, for the last two years, we have been fourth overall in our support to our universities. In 1992-93, we were second overall across Canada in our support to universities, and the Smith report has also said that adding more money to universities was not the significant answer. By adding more money, it would not solve the issues raised by universities today.

Mr. Alcock: Madam Chairperson, I am glad the minister has raised the question of some objective comparisons. Is it not the case that the Manitoba campuses have the highest teaching load of any western university?

Mrs. Vodrey: Madam Chairperson, we do not have any specific statistics with us that speak about teaching load, but I will remind the member of some of the information contained in the Maclean's survey in 1991 in which the University of Manitoba ranked eighth among 46 universities in providing operating budgets per students, and that the University of Manitoba ranked ninth and Brandon University ranked fourth among 46 Canadian universities in student-teacher ratio.

Mr. Alcock: Madam Chairperson, I believe if the minister were to check the statistics today, she will find that, at least at the University of Manitoba, they have the highest teaching load of any university west of Ontario.

Now, one of the things that this government has talked about when it has talked about the role of the university in the community is its value in building a well-trained, competent labour force. I note in—I assume this is quoting Section 15 of the Universities Grants Commission Act: "The commission shall study the requirements of the province for post-secondary education at the universities and colleges in terms of kind, quality and quantity of such post-secondary education required." So presumably the commission undertakes these studies, comes to some determination as to the suitability of the courses offered, and that is why we are now putting the University of Manitoba in the position of closing enrollment to the Faculty of Arts.

* (2050)

I realize that decision has not been taken formally, but the decision is talked about in the report of the president, in the annual report, and it is talked about quite openly on the campus, that they are going to be moving in the direction of closing enrollment to the Faculty of Arts so that there will be no open-enrollment faculties at the University of Manitoba.

Now, is this decision based on a study by the commission that suggests that we have achieved sufficient quantity of post-secondary education, that we no longer need to make this resource available to any Manitoban who can meet the criteria to access it?

Mrs. Vodrey: First of all, in the comments around teaching load, and the member's allegations of where the University of Manitoba—I believe he was specific—sits, I am informed that we have called Statistics Canada on this. They did not have that information, so I would ask that the member confirm his source regarding that particular allegation and information.

In relation to the admission to the Faculty of Arts at the University of Manitoba, first of all, the enrollment and the admission to the Faculty of Arts is the responsibility of an institution, not of the Universities Grants Commission. The act is quite explicit on this.

There have been questions concerning the admission policy to the Faculty of Arts at the University of Manitoba, but the University of Manitoba has not made any changes to its admission policy. Admissions to the University of Manitoba, again, are accepted in May.

Registration, as the member knows, takes place in late July and early August.

The change this year is that the Faculty of Arts has introduced a priority system of registration to be in effect for 11 days from July 23 to August 7. Therefore, high school students with an average of 65 percent or better on the best three of the 300 level high school subjects will be eligible to register during that priority period. Then on August 10, all admitted applicants will be able to register.

Now, the issue of quality, studies have not been done recently in relation to the issue of quality; however, this issue may be one which Manitobans would like to discuss around the Universities Review.

Mr. Alcock: The information on the teaching load comes directly from the administration of the University of Manitoba.

I would like to continue with this question of enrollment. It says here in the Activity Identification, Section 15:

"The Commission shall study,

(a) the requirements of the province for post-secondary education at the universities and colleges in terms of kind, quality and quantity of such post-secondary education required;

(b) the capacity of the universities and colleges to provide the post-secondary education required for the province"

Not only do they determine the quality and quantity, they also make reference to the capacity. I now would like to quote from the report of the president in the annual report of the University of Manitoba: The university senate has requested the Faculty of Arts, the only nonquota academic unit of the university, to give consideration to imposing a numerical limitation on students admitted to this faculty.

So the university is clearly headed in the direction of limiting enrollment to the only open faculty on the campus. The Universities Grants Commission clearly has a responsibility to determine both the quantity and the capacity.

So I am asking the minister, is this decision, is this direction, undertaken by the University of Manitoba, one that is consistent with the studies undertaken by the UGC relative to quantity and capacity?

Mrs. Vodrey: Madam Chairperson, I am informed that the Universities Grants Commission has not

done a specific study on the issue of admission in the Faculty of Arts and that it is important that the university who is at arms length has then made this decision. The university has not said, the faculty has not said that it will cap admission. However, they may have some studies which indicate that students with a particular average will have a better chance within their faculty.

This was a decision which was reached as a result of information that comes from the university. I am informed the university has had this discussion, and I stress that there has been discussion, there has not been action by the university on this, that the university would have done this not relying on data from the Universities Grants Commissions. Just to remind the member again, and I know he knows this, that the universities are autonomous institutions and are able to make this particular decision or enter into this kind of discussion.

* (2100)

Mr. Alcock: Madam Chairperson, if I may be permitted to quote the Minister of Finance (Mr. Manness): It is passing strange that the largest university in this province can be openly musing about limiting enrollment, and the government body responsible for ensuring that the kind of quality/quantity of post-secondary education required by this province has not even studied whether or not that is an acceptable circumstance.

How is it that the Universities Grants Commission is so passive in the face of such a statement from the university that seems to intersect directly with one of the sections of The Universities Grants Commission Act? You would think that an active Universities Grants Commission would want to know whether or not such a policy direction or an action on the part of the University of Manitoba—what sort of impact an action of this sort on the part of the University of Manitoba would have on the province before the university took that decision. The university has sent the signal and it surprises me that the Universities Grants Commission has not responded in any way. Can they explain why?

Mrs. Vodrey: Madam Chairperson, perhaps this may add some understanding to the issue of the studying of the quantity. The Universities Grants Commission does not study the issue of individual enrollment but instead will look at, study and be aware of the quantity of programs offered within the universities.

That may allow the thinking to be somewhat broader than to a specific, individual enrollment. That enrollment in other faculties is capped, as the member knows. Now, again, the University of Manitoba has not said that it is going to do anything. In fact, they have not yet done anything.

So at this point, the Universities Grants Commission—it is important that they monitor the situation. Certainly if this becomes a trend, then there perhaps would be some concern and some reason for the Universities Grants Commission then to look at this particular issue much more closely.

Mr. Alcock: Something about barn doors and horses keeps coming into my mind here.

I understand that the minister corrected me on two things. One is that, as the minister correctly suggested, it is not the enrollment of any individual university but it is the overall courses that they were looking at, at the four campuses, the four institutions, that is what the Universities Grants Commission studies.

If that is the case, then I ask her the same question. Whether it be in the context of the one university that is signalling its intention to limit enrollment or whether it is on a province-wide basis, has the commission studied, and do they have an answer to the question of whether or not, should the university proceed to enact a policy that limits enrollment, that will have an impact on the ability of Manitobans to access university education?

Now, it would seem that if the largest campus does that, that it would have such an impact. It is astounding to me that the Universities Grants Commission should wait until the university has taken an action before it gets around to studying it. I mean, presumably, one studies things so one is prepared to have the discussion with the university as opposed to simply reacting to a decision undertaken.

The university senate is clearly signalling a concern about their capacity to continue to have an open-enrollment faculty. It happens to be nicely contained in writing in the annual report, but it is also one of the first things one is confronted with when one goes out to meet with the administration. I know this minister has taken her responsibility seriously, and I know she has been out on the campus meeting with people. So I am assuming that she has heard about this too.

It is, again, strange to me that the Universities Grants Commission cannot offer an informed opinion as to the impact of a decision of this sort on the students in this province.

Mrs. Vodrey: I think it is important, again, to distinguish that the Faculty of Arts has not chosen to cap its enrollment. The faculty has merely indicated a desire to increase the admission average. The University of Manitoba, I am informed, has one of the lowest admission averages in the country. For example, the University of Alberta has an admission average of 70 percent, and Saskatchewan has an overall average of 65 percent. So, in looking across the country, this has led the University of Manitoba to review its own admissions average.

In terms of other studies, of course, we cannot anticipate everything that universities might consider doing, might wish to discuss in the course of looking at their institution, decide that they might like to talk about. However, I can assure the member that certainly I as minister—and I know the UGC do take their role very seriously. I am informed that the UGC is certainly monitoring this situation and has been very careful to distinguish what the university has discussed among themselves, and what the university has actually indicated a desire to do, that being the increase of the admission average, and what the university has simply left for discussion but has not taken any action on.

Mr. Alcock: Let me quote one more time, page 5, Report of the President, University of Manitoba Annual Report: Because government grants for ongoing operating purposes increase only at a rate below the inflation of university costs, the high enrollment poses great burdens on the University of Manitoba. It is to the credit of the academic and support staff of the university that the load has been carried for so long; however, this situation cannot continue indefinitely. The university senate has requested the Faculty of Arts, the only nonquota academic unit of the university, to give consideration to imposing a numerical limitation on students admitted to this faculty.

Now, that does not strike me as particularly iffy or subject to a whole lot of speculation. They are giving consideration to imposing a numerical limitation on students admitted to the faculty.

The question is, given that the university is signalling this so clearly, why had the Universities Grants Commission not given consideration to the

impact of this on this province, given that Section 15 of their act suggests that they should do so?

* (2110)

Mrs. Vodrey: The member has referred to the university's annual report in which the president has expressed his opinion, but I would like to add to that, for the Universities Grants Commission, that the Universities Grants Commission has been anticipating a Universities Review. That such a review will take place has been announced.

I have made it clear in this House that I am expecting to announce the scope and the mandate of that Universities Review shortly. Within that Universities Review then, I would expect that some of these issues, such as enrollment in faculty capacity, might be discussed under the Universities Review or raised from any number of areas of interest, perhaps from the university, from the students, from the member opposite.

Mr. Alcock: Well, we will discuss the Universities Review before the evening is out, I trust, or perhaps tomorrow afternoon. I would like, however, to talk briefly about the support services available to graduate students.

One of the things that is a mark of a healthy and productive university environment is the kind, quantity and quality of the graduate students that one is able to attract. I note, looking at the numbers, particularly at the university with the largest number of graduate faculties, the University of Manitoba, that the total number of graduate students has been relatively flat and even declining slightly.

When I question why that is, I am told it is because the university is no longer competitive nationally in this country in its ability to offer fellowships to graduate students. I am also told that the government does not provide any support for fellowships outside of something which is referred to as the Duff Roblin fund, which I believe is something in the order of some \$200,000. I would like some details on that tonight. But I am told that our neighbouring province of Saskatchewan offers something in the order of \$4 million for fellowships. I would like to understand how this arm's length Universities Grants Commission defends this situation?

Mrs. Vodrey: Madam Chairperson, I am very happy to explain to the member some of the differences. Saskatchewan does offer less in operating support to the universities, more in the

area of scholarships. I am wondering if the member is then recommending that we do offer less in the area of operating to universities and more in the area of scholarships.

In addition, let me remind the member that Saskatchewan gave to its universities this year a minus one percentage increase. I think Manitoba was far more supportive of post-secondary education in universities and demonstrated its commitment this year. So the comparison to Saskatchewan, the member is particularly interested in the Saskatchewan way of doing things, I do not support what he has brought forward.

Then I would like to tell him that the full-time graduate enrollment by faculty and degree level between 1988-89, 1989-90, '90-91 has in fact remained fairly consistent. So I think those numbers are important to look at the encouragement and the support for graduate programs in our universities and at the University of Manitoba in particular.

Mr. Alcock: Madam Chairperson, before I deal with the rather silly argument the minister put forward relative to Saskatchewan and elsewhere—and I will come back to that. I do want to have that discussion.

Is the minister saying that the current situation relative to support for graduate students is acceptable?

Mrs. Vodrey: Madam Chairperson, the support to graduate programs and graduate education is important, and I think that the member, first of all, should understand that we as a government and I as minister take that very seriously as we do support to the universities.

I would like to inform the member, first of all, that the University of Manitoba does have an endowment fund which yields for that university over \$1 million a year, that the Universities Grants Commission provides \$450,000 in the base funding for scholarships every year, and the Universities Development Fund has \$1.7 million earmarked for graduate fellowships. So when we put that money together, that amount of money, it does approach very closely what the member has described as the richness of the program in Saskatchewan, and I think in Manitoba we need to look at what we are currently offering, as I have just described to the member.

* (2120)

Mr. Alcock: Madam Chairperson, the minister is sitting with the Universities Grants Commission which has this responsibility to study and determine kind, quality and quantity and the capacity of the universities to meet those requirements. The question is simple. Is the current support in this province that is available to graduate students adequate?

Mrs. Vodrey: Madam Chairperson, as I have said, this government does take very seriously the support to post-secondary students and students studying at the graduate level.

I am informed that the Universities Grants Commission does review its support yearly, and in the last two years, as I have described to the member, has provided the support in the range of \$450,000 in the base funding for scholarships. This support will be reviewed again in the next budget year. I think that ongoing process of review is an important one, and may be an aspect of what the member is looking for in terms of our constant assessment of support to post-secondary students and particularly students at the graduate level.

Mr. Alcock: Let me ask the question this way, Madam Chairperson. The University of Manitoba states very clearly that the impact of the support available, the result, the product that is derived from the support available to graduate students makes this university noncompetitive. That is, it cannot offer the same level of support to graduate students that graduate students can access in other parts of the country.

As a result, top students are attracted elsewhere because they can receive greater research support and greater base salary or income support. That is the case put forward by the universities. Is the minister or the Universities Grants Commission saying that they are wrong, and that in fact they do have sufficient support to be competitive?

Mrs. Vodrey: It is well within the university's responsibility and the university's ability to, again, out of the total funds granted, provide some additional support to graduate students.

The Universities Grants Commission has, as I have told the member, specifically earmarked funds, the \$450,000 for graduate scholarships. If the university, apart from that \$450,000 and the support of the UDF, and the support of the university's own endowment fund, wishes to increase the support, then they certainly are able to

do so if they have an expressed concern about the support to graduate students.

Mr. Alcock: Another statement that is related that the university makes is that the kind and quantity of research is beginning to decline, that they are not able to maintain their competitive position relative to other universities in this country. As a result, their ability to access research contracts is beginning to slide. They attribute that to the severe constrictions in support from government.

Is the minister and the Universities Grants Commission saying that they are wrong on this also?

Mrs. Vodrey: Madam Chairperson, well, the issue of research is an important one. It is an important one economically. It is important for the economics of the province. Again, the universities I know are looking for that balance between teaching and research, and there is an importance attached to the attracting of grants. The information that I have is that the University of Manitoba ranked ninth out of 46 universities in research grants per professor.

Mr. Alcock: Madam Chairperson, the university administrations make the following statement, that the quantity of research they are able to attract is beginning to decline because they are increasingly noncompetitive when they are attempting to attract such research grants. They attribute that directly to a constriction in funding from government.

Is the minister saying that they are wrong?

Mrs. Vodrey: Madam Chairperson, again, universities are able to internally reallocate resources or allocate resources to the area of research grants, but obviously what the member has raised is a point of discussion between the universities and those people that they wish to talk about this issue to. They may wish to raise it to the Universities Grants Commission. The presidents for universities may wish to raise this in discussion with the minister. However, they have presented some statistics as a point of discussion. I do have some statistics which speak otherwise, but, again, I am happy to continue the discussion around this issue with the universities.

Mr. Alcock: Madam Chairperson, I wonder if the minister could table the statistics that she has that suggest otherwise.

* (2130)

Mrs. Vodrey: Madam Chairperson, I did just read that information into the record, and the source was the Maclean's article, Maclean's survey.

Mr. Alcock: Why is it when we have a Universities Grants Commission that has a mandate under its legislation to study issues of this sort that the only research source that the minister can quote is Maclean's magazine?

Mrs. Vodrey: The issue of study as raised by the member, again, as we have discussed during the course of this evening, may refer to a number of different methods. It may refer to the examination by referral to other sources. The source I named in that particular discussion was one available widely to the public. Also, issues may be studied by discussions with the universities. The universities do provide information to the Universities Grants Commission, and through that providing of information the Universities Grants Commission is then able to look at what the allocation may be for that university, budgetarily in that year.

So again the issue of study, I think, is an important one, but the issue of study is not necessarily a single statistical study provided by the Universities Grants Commission, but may, in fact, involve study in a number of different ways.

Mr. Alcock: Madam Chairperson, just reading from page 122 of the Supplementary Estimates, Section 15 of The Universities Grants Commission Act says: "The Commission shall study, a) the requirements of the province for post-secondary education at the universities and colleges in terms of kind, quality and quantity of such post-secondary education required; b) the capacity of the universities and colleges to provide the post-secondary education required for the province; . . ."

Can the minister tell us how many written studies were undertaken by the Universities Grants Commission in the last fiscal year?

Mrs. Vodrey: There have been no formal studies undertaken by the UGC in the last fiscal year, studies in the statistical form that I believe the member opposite is referring to. However, the UGC does study issues and they do study issues with the universities. Issues such as base allocation, renovation and all of these issues, as they are discussed and studied with the universities through that process of discussion, are then taken into account in the allocation of funding.

Mr. Alcock: Section 15 of The Universities Grants Commission Act is fairly clear. It says the commission shall study the requirements of the province for—and I shall not go on. Then (b) is the capacity of the universities and colleges. When was the last time the university undertook such a study?

Mrs. Vodrey: I believe the member referred to the universities in his question. We are not aware that the universities have undertaken such a study.

Mr. Alcock: I guess I should have expected that. It is too much for the minister to add the words "Grants Commission" when I have referenced the Universities Grants Commission and quoted from their act. So, let me re-ask the question, and I shall continue to ask the question right through the week until the minister chooses to answer it.

Now, I am on page 122 of the Supplementary Information for Legislative Review, 1992-1993 Departmental Expenditure Estimates, Manitoba Education and Training. On page 122 it is headed "Universities Grants Commission," and in that under Activity Identification - From The Universities Grants Commission Act, it headlines a section called "Study of needs of higher education," and then it says Section 15 "The commission shall study, (a) the requirements of the province for post-secondary education at the universities and colleges in terms of kind, quality and quantity of such post-secondary education required; (b) the capacity of the universities and colleges to provide the post-secondary education required for the province; . . ."

Now, I asked the minister what studies were conducted in this last fiscal year and she said none. I now ask her when was the last time that such a study to determine the requirements of the province, as is required by the act, was undertaken?

Mrs. Vodrey: I certainly know the area and the page that the member is referring to, and I have answered the question for the member. I have explained to the member that in terms of a statistical study, statistical studies have not been undertaken by the UGC. However, studying, through discussion with the universities as the universities present their concerns and their issues, and I did give some examples, is certainly undertaken all the time.

The act provides that the UGC shall study and that studying has been done, as I have explained to the

member, on an ongoing basis in discussion with those institutions.

* (2140)

Mr. Alcock: So is the minister saying that Universities Grants Commission has never conducted such a study? Unbelievable.

Mrs. Vodrey: Again, the word study can be interpreted several ways as the member knows. The Universities Grants Commission has studied in terms of examining and reviewing and overseeing and monitoring through ongoing discussion with the universities.

Now I do understand that several years ago, many years ago, through the post-secondary research reference committee there were some printed studies done, but the UGC is not at the moment doing printed research studies. However, they are doing ongoing studying by virtue of the ongoing discussion which takes place between the UGC and the universities around the issues of concern.

Mr. Alcock: Well, I shall let that one go for the time being. We discussed a question, it has to do with research support out at the University of Manitoba. I have talked about it in the House with the Minister of Industry, Trade and Technology (Mr. Stefanson). There was a proposal put forward by telecommunications research labs for support. The Minister responsible for the Manitoba Telephone System (Mr. Findlay) and myself have discussed this in committee, as I have with Industry and Trade. The understanding is that the University of Manitoba is supportive and offering some support, the Telephone System is supportive, the federal government is supportive. What seems to be holding us back is the provincial support for this, and I am wondering whether the issue of research funding or support funding for the TR labs proposal has come to the Universities Grants Commission.

Mrs. Vodrey: Madam Chairperson, well, I am informed that the UGC has not been contacted, has not been contacted by the university, and the member might like to ask these questions then of the Minister of I, T and T.

Mr. Alcock: Madam Chairperson, I shall indeed take that forward to those Estimates which I believe are coming up in the relatively near future.

Can we move on to the question of the Universities Review, and can the minister describe for us what her intentions are?

Mrs. Vodrey: Madam Chairperson, my intentions around the Universities Review are to follow through on the review which was proposed, I understand, in the throne speech and also has been discussed in this House. I am in the process of finalizing the scope and the mandate of that review and also how that review will be conducted, what the process of that review will be, and I do expect to announce that review shortly.

Mr. Alcock: Is the minister able to discuss any aspects of the review at this time?

Mrs. Vodrey: Madam Chairperson, I am not in a position to discuss the details of the Universities Review because I have not yet announced it, but I will tell the member that we have met with the university presidents to get their input.

The presidents did provide some input regarding a university review in writing through the Council of Presidents of Universities in Manitoba. The deputy minister has met with the presidents, and I as minister have met with the presidents of all four universities together. The presidents have provided valuable input into what might be contained within a university review.

Though I am not able to speak of the details, I think I have alluded through the process of Estimates of the breadth of this particular review. I do expect that it will cover a great deal of scope and areas of interest to all segments of Manitoba, not just universities and those people who are closely associated with universities, but also to the public of Manitoba in general.

Mr. Alcock: Line 6.(d), in this particular section is the Access Fund, and I am wondering on what basis it was decided not to provide any increase in the Access Fund this year.

Mrs. Vodrey: I am informed that one of the main reasons that the Access Fund was not increased is that the Access Fund has not been totally used in over several years, so there have been years when those funds have not been totally accessed.

Mr. Alcock: So, if I understood the minister correctly, the UGC determined that the \$790,000 that was being made available this year was sufficient to meet the demand for ACCESS funding?

Mrs. Vodrey: I am informed that in the last fiscal year there was approximately \$13,000 remaining in the fund unused and that there was also money remaining in the fiscal year before that. So, at this point, it does appear that that Access Fund is

sufficient; however, I would like to say that is certainly an area that we will monitor. We believe it is important.

Mr. Alcock: I am prepared to pass this line.

Madam Chairperson: Item 6.(a) Salaries \$252,500—pass; (b) Other Expenditures \$212,100—pass; (c) Grants \$206,328,500—pass; (d) Access Fund \$790,000—pass.

An Honourable Member: Page by page, Madam Chairperson.

Mr. Alcock: I am sorry, I am waiting for you, Madam Chairperson, to call the Expenditures Related to Capital, Resolution 32.

* (2150)

Madam Chairperson: Madam Chairperson would like to read the appropriate resolution for item 6.

Resolution 31: RESOLVED that there be granted to Her Majesty a sum not exceeding \$207,583,100 for Education and Training, Universities Grants Commission, for the fiscal year ending the 31st day of March, 1993—pass.

Item 7. Expenditures Related to Capital.

Mr. Alcock: Are there additional staff required for this section? Are there additional staff to come in? Then we will just wait until they do.

Mrs. Vodrey: I would like to introduce Mr. Tom Thompson, the Director of Finance for the Department of Education.

Mr. Alcock: I note that this particular item deals with capital across a whole range of area school divisions, as well as universities. The area of vocational equipment, which was something we discussed when we were talking about the colleges earlier, I will come back to that in a second.

Can the minister start by just allocating for us the \$12,419,500 in Universities capital? Could she tell us how that is allocated among the four campuses?

Mrs. Vodrey: I just would like to ask the honourable member leave, because the order that the budget lines and the appropriation lines appear in 16-7(a), deal with the acquisition of equipment and construction of the physical assets for community colleges. Then following, we have the lines which deal with the universities capital and also public school finance. There are different staff who would be available for the different lines. So can I ask the member would he have any questions on line 7.(a)?

Mr. Alcock: I have no difficulty with that at all. Just by way of reference, I note here, I am looking at the detailing at the bottom of page 125 of Supplementary Estimates, Vocational Equipment. I presume that is just in the school division, so acquisition and construction of physical assets—\$2,385,200 is the number I have before me here.

When we discussed colleges, one of the questions that came up was the capacity of the colleges to re-equip and maintain current their inventory of equipment that students were training on, the desire being that students were training on the most appropriate kinds of machinery for today's market.

The minister had indicated we were better off discussing that under this particular line. So, of that \$2,385,200, I see that it is broken out here Red River, Assiniboine, Keewatin.

Let us start with Red River. What portion of that \$1,273,500 is for equipment versus what portion is for physical plant repairs?

Mrs. Vodrey: We do have broken down in specific detail, equipment such as oscilloscopes and time-base corrector and so on, but to give a more global figure, approximately 99 percent of that amount is for equipment.

Mr. Alcock: Would that also be true for the other two, Assiniboine and Keewatin?

Mrs. Vodrey: Yes, that is correct for the other two colleges also.

Mr. Alcock: Is this rate of replacement according to some sort of schedule that is designed to keep the equipment current? Is it in response to specific capital purchase requests from the institutions? Well, let us ask those two questions first.

Mrs. Vodrey: Madam Chairperson, I am informed that each program within the college does have a look at its equipment and then comes up with a list. So the criterion does rest with the colleges and with the college programming.

Just for the member's information, there has been an increase related to capital for all three colleges totally of approximately 26 percent. So each specific analysis of each of the program's needs, again, is done by the programs, and they come up with a list.

Mr. Alcock: Madam Chairperson, I believe the member for Flin Flon (Mr. Storie) has some questions on this particular area.

Mr. Jerry Storie (Flin Flon): Madam Chairperson, yes, I actually have a number of questions that I am going to roll into what will appear very much like a statement. My two colleagues are not going to be here for the conclusion—what I hope will be the conclusion—of the Department of Education Estimates this evening. So apart from a number of questions that I will roll into my commentary, I am also going to, sort of, provide some closing remarks in lieu of remarks on item 1.(a) The Minister's Salary.

First of all, I guess the Estimates process in the Department of Education has been, to put it mildly, a little unusual this year. Part of that, of course, is the fact that we are dealing with a minister who has been newly assigned this responsibility, and, despite what I might say later on, certainly we would wish the minister well. It is a tremendous challenge, and I think there are opportunities to do what is right.
* (2200)

Unfortunately, I think this minister runs the danger of following in the steps of her predecessor. There are a number of outstanding issues in the field of education which are begging for address. There are a number of issues which come to this minister which have been on the plate of this government for now five budgets and four years. The government and this minister are going to have to address them.

We cannot simply afford to let the system continue without some fundamental change. The challenge will be for the minister to pick up some of the pieces that were dropped by the previous minister and to move forward.

Madam Chairperson, for my inner-city colleagues who would have liked to raise questions—unfortunately, this process has not always lent itself to people dropping in and asking questions—there are concerns about what is happening in the core area of the city of Winnipeg.

There are questions about why this government has failed to push for a renewed Core Area Agreement. We know that school divisions like the city of Winnipeg are attempting in their own way to meet the special needs of some inner city students, but programs like the Core Area Agreement which provided employment and training opportunities across the spectrum, or supported educational activities across the spectrum, are going to be sorely missed.

We have yet to see any commitment on the part of the government or any recognition of how

important training, educational opportunity, support programs are for inner city students. We have seen the demise of the parent-child centres. We have seen the demise of other core area programming or programming supported by the Core Area Initiative, and that is going to be sorely missed. It is a vacuum that this minister is going to have to fill in one way or another:

Madam Chairperson, the ACCESS programs. I know that this minister has maintained the government continues to support them. I suppose we would be more convinced if we could see some evidence that this government, in fact, was pursuing the federal government vigorously to see those programs reinstated, to create new programs if for some reason the federal government did not find them successful enough. I do not believe the minister can show us any set of evaluations which said the ACCESS programs were not effective or efficient, and the quiet acquiescence to the federal government's decision to pull out funding I do not think is understandable. The minister may believe that they put up the good fight. I do not think that there is much evidence that was the case either.

Madam Chairperson, the public school system is standing in want. More than three years ago now, or approximately three years ago now, the Minister of Education issued the first High School Review report. We have had, I guess, a long waiting period between the release of that report and any kind of real attempt on the part of the government to create some structural change in our high school system in particular, which, I think, is an obvious need. I know that change creates uncertainty, and the minister may not want to move in that direction, but I think that some change is required.

The government continues, despite the protestations of groups like the Manitoba Teachers' Society and MAST, to follow its course of aid to private schools, follow unabated in that program. We are seeing tremendous increase, certainly in our opinion, in the number of students attending private schools. It should be noted that the amount of money, millions and millions and millions of dollars that are going to private schools, are going there to the detriment of public schools.

An Honourable Member: Many of them are the children of teachers.

Mr. Storie: The Minister of Finance (Mr. Manness) says many teachers are sending their sons and daughters to private schools. Madam Chairperson,

I do not know if that in fact is true, but I can only tell the First Minister (Mr. Filmon) or the Minister of Education or the Minister of Finance, the objective of the government should be to improve the public school system not undermine it. If the Minister of Finance is correct and teachers are, then he had better ask himself some serious questions and so had the Minister of Education, about what they are doing to the public school system and why that is happening, because—[interjection]

Well, Madam Chairperson, the increase in private school attendance has changed dramatically, increased dramatically in the last couple of years. [interjection] Oh, yes, it has. It has been increasing.

An Honourable Member: You said dramatically.

Mr. Storie: Dramatically, yes, dramatically, considering it had been relatively constant for—

An Honourable Member: Put it on the record.

Mr. Storie: I did put it on the record.

An Honourable Member: The numbers.

Mr. Storie: I do not have them before me, but I know that it is over 10,000 students and rising.

Madam Chairperson, the reason the Minister of Rural Development (Mr. Derkach) and the Minister of Finance exercised when we talk about funding to private schools is because their constituents do not like it. They do not want this public money going to the private schools.

The fact of the matter is that the government has also introduced an extremely modest Education Finance reform package which, in its first incarnation, saw a reduction of funding to some 26 school divisions, approximately. The new minister who assumed responsibility with this program in place, amended it and provided some additional assistance to a number of school divisions, but it leaves a lot to be desired and is not, in the final analysis, Education Finance reform. It still leaves the burden on the local school divisions increasingly, and it certainly looks like school divisions will be increasingly carrying that burden.

For a government that continues to say that we have not increased taxes, the Minister of Finance knows, and so does the Minister of Education, that if you ask any homeowner, any property owner in this province to look at their tax bill now for education costs compared to what it was four or five years ago, they will tell the Minister of Finance and the Minister of Education that, yes, this is not a tax-free

government. All they are doing is offloading just like their federal cousins.

The Minister of Finance wants to raise the question, well, does more money just fix everything? If the Minister of Finance had been listening, they have not done anything else either. They have not really reformed the process. They have not done the high school review that was promised or needed, Madam Chairperson. [interjection] Quite correct. The Minister of Rural Development is quite correct. In the fall of 1987, I appointed the panel and the report was supposed to be approximately six and a half or seven months later. This government—

An Honourable Member: You were in the department for a year after that and you still—

Mr. Storle: No, I was not. That is not true at all. Not true. Pardon me, the minister is right. It was the fall of '86 and the report was supposed to be ready in the fall of 1987. This minister did receive the report in the spring of 1988 and nothing has been done four years later. So, Madam Chairperson, it is just typical of this government to want to deny responsibility for anything that is happening, including the problems that school divisions across the province are facing.

An Honourable Member: . . . revisionist history.

Mr. Storle: Well, Madam Chairperson, the Minister of Finance (Mr. Manness) may want to say it is revisionist history, and I may not have all the dates correct, but I do know that this government has had at least four years in which time it could have implemented change in the high school program if it wanted to. At the same time, it could have revised and provided new opportunities for our community colleges, new programs for our community colleges. Instead, we have seen the continuing demise of programs. We have seen students' waiting lists for courses increase, and we have not seen any answers from the government.

* (2210)

Certainly the universities are chronically underfunded, and the government of Manitoba, I think, only blames a share of that responsibility for that problem. It was interesting to listen to the Minister of Finance the other day, and I do not know whether the Minister of Education has taken a position on this matter, but listened to the Minister saying, well, yes, I recall when the federal government decided to cut back unilaterally on education and health financing to the provinces, but

he said, we are not complaining about it, we are going to live within our means. Madam Chairperson, I believe the Council of Ministers of Education has suggested that some \$11 billion has been reduced for transfers to the provinces for education as a result of those changes. It is another area where the Minister of Education can provide some leadership.

We are the only industrialized country that has no national responsibility for post-secondary education and training. Until we do, we are going to continue to flounder as individual provinces, attempting to cope with world-class demands in terms of training. It would be nice to think that the Minister of Education was taking the lead in terms of trying to convince some of her provincial colleagues, some of her federal colleagues that in fact we are going to continue to fall further behind in terms of our ability to train on a competitive basis with other countries, unless there is some sort of national responsibility and national strategy for post-secondary education and training.

Madam Chairperson, although we have not seen the final stages of the community college reform that the government announced a year and a half ago or a little more, but we do know that the stated intent of this proposed reform is, I think, admirable. The idea that community control should be offered to the colleges, I think, on the surface sounds like a good idea. The problem is going to be, of course, if the government proceeds to fund colleges on a block-funding model, that many of the programs that are currently supported by the government because of their, I guess, essential nature in terms of the functioning of our society, whether it is community health workers or mental health workers or licensed practical nurses or many other things. Those kinds of projects are not likely to be easily absorbed by outside funding to the community colleges.

Over time, the community colleges are going to find that they, out of necessity, are going to have to reduce, particularly, courses that are designed to meet social needs, the needs within our communities. So while we head toward that, I guess, we will not know what the final outcome is going to be until we see what kind of funding arrangements are made with the community colleges.

I would like to encourage the minister particularly with respect to the creation of some kind of northern college. I know that it is not on the minister's

agenda immediately, but I think that if the minister will take the time to sort of study the proposal that was created internally in the department some three and a half years ago or four and a half years ago, she will find that there in fact may be some merit to creating a northern polytechnic that encompasses and co-ordinates the offerings of our universities and our community colleges, other post-secondary and continuing education offerings, because the northerners, I think, are still very much alienated from the delivery of post-secondary education.

There is no university, no body, that addresses their specific concerns. While Keewatin Community College in the past has attempted to do that, there certainly is a feeling amongst northern communities and certainly now amongst aboriginal communities, First Nations, that it is time to have a post-secondary institution that is directed by and for northerners.

If you consider all of the funding that goes to training in northern Manitoba from the various levels of government, support from various institutions, the amount of money certainly at one time was considerably more than the amount of money that the province provides to Brandon University, for example, to operate a campus, and no one was recommending a campus. I think that I would encourage the minister to review the opportunity now of creating some sort of northern polytechnic university/college that would operate with a northern board of governors, reflect perhaps more directly the interests of northern people in that kind of institution.

Madam Chairperson, I do not think we are going to be asking for the Minister's Salary to be reduced this year when we come to item 1.(a), but the minister is put on notice that there is a long list of things that can be done and should be done in the Department of Education. The minister will only be granted a certain period of grace before she will have to assume responsibility for her action or lack of action. It will not be quite as easy to simply blame the previous minister or, if she wishes, the previous government. At some point, she will have to take responsibility for her own action or lack thereof.

We will be watching on this side and providing advice and sometimes perhaps even positive advice to the minister. Hopefully, we will see some rewards when we do offer that advice.

Mrs. Vodrey: I would like to thank the honourable member for his comments. I do have a long list of issues that I would like to respond to, but perhaps

they may become more evident over the time that I am answering questions in the House and that the initiatives of this government are put forward. The member then will be able to have a look at the initiatives and the commitment of this government to the issues of education in Manitoba.

The member is correct, I am a new minister. This process of Estimates has been an extremely instructive one for me. It has been an extremely good process for me to have the opportunity to look in depth at my department. It has been seen by me as a very positive way, again, to become extremely familiar with the issues.

I think it is also very important for the member to know that during the process of Estimates or questions there has never been any blaming on my part for my colleagues in government. I think that we have tried very carefully as a department, and I as minister, to look at the issues raised and to comment on them in what I believe is a fair way.

However, I will also tell the member that my style is to have one of open discussion, and I have so far made many attempts to have open discussion with Manitobans, and with representative groups of Manitobans, as I come to know my department and as I come to know the issues of education more fully. My background and my work experience have been in the area of education, and it is an area of particular importance to me. Because of some of my background in education, people have taken the opportunity to come up and to tell me the issues that they think are important.

I have been happy with the fact that the people of Manitoba have felt that they can approach me on those issues to the point that when I am at public functions people have come up and begun to discuss the issues of importance. What I have been able to say to the people of Manitoba is that if they do not tell me, I will not know, and so I look forward to that open communication as I do start to make some very specific decisions.

In the short time that I have been minister, I believe we as a government, and I as minister, have been responsible for the movement forward of some of the particular initiatives. I look forward to announcing in the near future the Universities Review, which is an initiative which has been announced in this department before I became minister, and I look forward to also bringing that through to completion.

I also look forward to seeing the educational finance model, the new ed finance model, through its first year, with the recognition that it is a very dynamic model. I also look forward to seeing our new student support branch in action. Our new student support branch is designed to provide support for some of the—the member referenced inner city students; I would call them students at risk across the province.

* (2220)

I also look forward to college governance as another issue which was begun before I became minister, but which I look forward to seeing through the process. Then, as the member said, I also look forward to the formulation, along with my government colleagues, of other initiatives which I will bring forward and which I will be prepared to defend and discuss both with the members of the House and also with Manitobans. So I thank him for his comments and I tell him that I have learned a great deal in the process of these Estimates, and I look forward to learning more and to working with Manitobans.

Mr. Alcock: Madam Chairperson, I wonder if we might move on to the discussion of the capital available to the universities.

Madam Chairperson: Item 7.(a)(1) Red River Community College \$1,273,500—pass; (2) Assiniboine Community College \$607,900—pass; (3) Keewatin Community College \$503,800—pass.

7.(b) Capital Grants: (1) Universities.

Mr. Alcock: Madam Chairperson, rather than going at great length on the distribution of the funds available, I would simply like the minister to explain. The minister has been out to the campus. She has reviewed the situation, particularly at the University of Manitoba. She has walked the same hallways and looked at the same problems that I think have been pointed out to anyone who cares to take the time to go out to the campus. The university puts forward a case that suggests that the amount of funding for repairs and replacements as well as some of the capital upgrading that they require there—and we are not talking about in this particular case new buildings, but simply circumstances that need to be addressed to prevent buildings from falling down.

I am wondering, in light of such an apparent need, why the Universities Grants Commission has been unwilling to recommend increases in the Capital

Grants or unwilling to recommend to government that they address that particular problem because their current level of funding will not address the identified need or the need that the university has identified.

Mrs. Vodrey: Madam Chairperson, again I would like to refer to the Universities Review to say that the Universities Review will likely look at, among other matters, some of the long-term needs of the university and the most efficient methods to assist the universities to look at the capital needs. So I think this is an important area. For the member's information, the Universities Grants Commission was able to provide to universities approximately \$4 million for all universities.

Since 1988-89, approximately \$63 million in capital have flowed to the universities. If we include with that the UDF funding, then the capital provided does proceed to the range of \$70 million.

Mr. Alcock: Madam Chairperson, the university with the most acute capital needs or most apparent capital needs is the University of Manitoba which puts forward an analysis of its repair and replacement plus equipment replacement regimes that would total, on what seem to be fairly modest schedules, something in the order of, I believe it is some \$30 million a year.

I note that this goal has never been reached. This is not a problem that I would lay at the feet of this government, although this government has not done much to address it. It certainly is a problem that has existed at least for the last two decades. But I am curious as to why government has been unwilling to institute a policy of incorporating into the university budgets sufficient support for regular maintenance and replacement?

Mrs. Vodrey: Madam Chairperson, I am surprised that the honourable member refers to the \$70 million commitment since 1988-89 as nothing because certainly the taxpayers of Manitoba would consider it to be something.

Now, Madam Chairperson, in this year, the 1992-93 Estimates provide for capital grants in the range of \$12,419,000, and I believe that is a significant amount of funding. Again, we have to fund against the availability of Manitoba taxpayers to provide for additional funds.

I will remind the member that we have provided \$11.2 million for the replacement of the main service tunnel and \$1.8 million for the animal metabolism.

We are also providing \$500,000 cost shared for the upgrading of elevators for access to the university. So I think that we as a government are providing very significant contributions to the capital needs of the University of Manitoba.

* (2230)

Mr. Alcock: I assumed that we were about to bring this to a close. I did say when I asked this question to the minister that I was not holding her or this particular government accountable for it, but she seems to want to debate for a while, and I guess we might as well enter into it.

What I had asked her, I did not make any comment contrary to the statements of the minister about the \$70 million, or whatever the figure she may wish to puff it up to, that this government has contributed. But I made very specific reference to the proposal, the suggestion.

The University of Manitoba alone, one of the four sites, albeit the largest, if they were to offer a 2 percent annual renovation budget on their physical plant, a 2.5 percent services—that includes their tunnels, roads, sidewalks et cetera, utility distribution system—a 2.5 percent repair and maintenance depreciation allowance, and on equipment a 10 percent as opposed to a 20 percent, which is quite standard in organizations; their annual requirement would be \$30 million, 10 times what their annual budget is.

Now, when you see a difference of that scale, you assume that within the two sides of that argument, there is some flexibility or some over- or understatement of something. However, the gap between \$30 million and \$3 million is considerable, and the allowances that the university has made are well within private sector repair and replacement allowances. In fact, they are modest, to say the least.

Now, I note that, in 1976-77 the annual budget was \$2.8 million. This is well before the term of this government. In fact, that would go back to the previous Schreyer government—was proffering an amount of money that was not that different.

I am simply curious. I am not wanting to hold this minister personally accountable or to pin this government down on this particular point. I am just curious as to how the Universities Grants Commission explains this difference between the apparently rational assessment of a \$30 million annual need for renovation and an offering by

government or a support from government that is considerably less than that.

Mrs. Vodrey: Madam Chairperson, first let me start by acknowledging for the member our understanding that the capital and repairs and replacement of buildings at the university is a very significant issue. As the member notes, I certainly have visited the university, and I have seen specifically some concrete evidence of what the university is concerned about in terms of their capital and their repair and their replacement. The money available has been rationalized. The money made available has been rationalized by the money available to provide for the capital and the repairs and the replacement.

The UGC then does review the requests, but we certainly recognize that what may be needed is a thoughtful assessment plan, a method to provide consideration perhaps by a more objective scale. As I have said to the member, we are looking to the Universities Review to perhaps look at this as one of its major areas of consideration.

Madam Chairperson: Item 7.(b) Capital Grants (1) Universities \$12,419,500—pass; (2) School Division \$23,347,100—pass.

Resolution 32: RESOLVED that there be granted to Her Majesty a sum not exceeding \$38,151,800 for Education and Training, Expenditures Related to Capital, for the fiscal year ending the 31st day of March, 1993—pass.

At this point I would request that the minister's staff please leave the Chamber to give consideration to item 1.(a) Minister's Salary.

Madam Chairperson: Item 1.(a).

Mr. Alcock: I shall be brief. I would like to really just make three points. The first is I would like to thank the Minister of Education (Mrs. Vodrey) for the time she has taken in these Estimates. I think we started on a relatively rocky basis and then settled down and got a lot of work done. I am pleased frankly with the kind, quantity and quality of the information that has been presented here.

I have absolutely no intention of making any motion relative to the Minister's Salary, for I think she earns every penny of it, as do most ministers in this House, despite what I might think of their particular policy or ideological positions.

I am disappointed by the government in their approach to education when they play the kind of games that they play, particularly with student aid.

I think the nonsense that goes on about what is a new program and what is not a new program and what is support and what is not support is unfortunate, and I think it detracts from the public discussion of education.

I do, as an individual, feel very strongly about this. I do believe that education is a key element in the economic health and well-being of this province. I fear that, because of a rather narrow analysis on the part of this government and not on the part of this minister however, but on the part of this government, we have missed some very important opportunities.

I wish the minister well in the coming year. I think she is doing a credible job. I think once she settles in and gets her hands on the department and understands it—I suspect the minister has things to say that she feels constrained from saying at the present time, given both her newness and the stated position of her government. I hope that she will have some of the influence on this government that she could have, given her background and willingness to listen to people throughout the community on issues of education, for I think that, in a small province in an economy that is increasingly global, if we do not address the quality issues in training, we simply are going to shrink further.

With that I would like to pass the appropriation.

Mrs. Vodrey: I thank the honourable member for his comments. As I have said, I found the process of Estimates to be extremely instructive in my learning and becoming very familiar with my department. I look forward to continuing to work very hard on behalf of Manitobans in the area of education.

* (2240)

Madam Chairperson: Item 1.(a) Minister's Salary \$20,600—pass.

Resolution 26: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,478,400 for Education and Training, Administration and Finance, for the fiscal year ending the 31st day of March, 1993.

This concludes the review of the Estimates for the Department of Education and Training.

Committee rise. Call in the Speaker.

IN SESSION

Madam Deputy Speaker: Order, please. The hour being past 10 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

Legislative Assembly of Manitoba

Monday, June 1, 1992

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