



**Second Session — Thirty-Second Legislature**  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES**  
and  
**PROCEEDINGS**

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31-32 Elizabeth II

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*Published under the  
authority of  
The Honourable D. James Walding  
Speaker*



MG-8048

**VOL. XXXI No. 58B - 8:00 p.m. MONDAY, 2 MAY, 1983.**

**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Second Legislature**

**Members, Constituencies and Political Affiliation**

Name	Constituency	Party
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<b>ANSTETT, Andy</b>	Springfield	NDP
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BANMAN, Robert (Bob)</b>	La Verendrye	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
<b>BUCKLASCHUK, John M.</b>	Gimli	NDP
<b>CARROLL, Q.C., Henry N.</b>	Brandon West	IND
<b>CORRIN, Brian</b>	Ellice	NDP
<b>COWAN, Hon. Jay</b>	Churchill	NDP
<b>DESJARDINS, Hon. Laurent</b>	St. Boniface	NDP
<b>DODICK, Doreen</b>	Riel	NDP
<b>DOERN, Russell</b>	Elmwood	NDP
<b>DOLIN, Mary Beth</b>	Kildonan	NDP
<b>DOWNEY, James E.</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>ENNS, Harry</b>	Lakeside	PC
<b>EVANS, Hon. Leonard S.</b>	Brandon East	NDP
<b>EYLER, Phil</b>	River East	NDP
<b>FILMON, Gary</b>	Tuxedo	PC
<b>FOX, Peter</b>	Concordia	NDP
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<b>GRAHAM, Harry</b>	Virден	PC
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry M.</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HEMPHILL, Hon. Maureen</b>	Logan	NDP
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<b>JOHNSTON, J. Frank</b>	Sturgeon Creek	PC
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<b>KOVNATS, Abe</b>	Niakwa	PC
<b>LECUYER, Gérard</b>	Radisson	NDP
<b>LYON, Q.C., Hon. Sterling</b>	Charleswood	PC
<b>MACKLING, Q.C., Hon. Al</b>	St. James	NDP
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<b>NORDMAN, Rurik (Ric)</b>	Assiniboia	PC
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<b>ORCHARD, Donald</b>	Pembina	PC
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<b>WALDING, Hon. D. James</b>	St. Vital	NDP

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 2 May, 1983.

Time — 8:00 p.m.

## CONCURRENT COMMITTEES OF SUPPLY SUPPLY - NATURAL RESOURCES

**MR. DEPUTY CHAIRMAN, P. Fox:** Please come to order. We're on 4.(c)(1) - the Member for Arthur.

**MR. J. DOWNEY:** Thank you, Mr. Chairman. When the committee broke at supper time, I'd asked some questions of the Minister dealing with the management of the Souris River Basin, particularly dealing with the flows coming out of Lake Darling, but recently there'd been a proposal put forward by the Governor of the State of North Dakota and the Premier of Saskatchewan asking the Premier of Manitoba to be part of a joint committee on the management of the Souris River Basin, or like projects, and the Souris River was one which was referred to specifically. Can the Minister report at this particular time, is he or his government going to participate in that management committee?

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

**HON. A. MACKLING:** Mr. Chairman, it seems to me I saw something in the press about that. I haven't seen anything come across my desk and maybe Mr. Carter or someone has seen something of it. Certainly we'd be interested because any proposal for insuring a continuing good quality of the water that our communities use is certainly important to us.

I know that we've had problems with water quality on the Souris River, and the Honourable Member for Arthur has, in the House, asked about those problems. I can recall on at least one or more occasions. Certainly we are troubled by the fact that upstream there can be discharge into that river of substances that certainly take away, or can take away from the water quality for the people of Manitoba. Concerns of course exist in respect to the flooding which occurs on the Souris River and any operation of the reservoir in the United States, or the operation of that dam which could in any way reduce the perennial problem of the Souris River flooding, certainly would be of very great interest to this government and I'm sure we will participate in any study that is proposed, providing of course that we're not asked to pick up the tab.

**MR. J. DOWNEY:** Mr. Chairman, the Minister over-emphasizes the quality factor. Is the Minister aware that there are proposals being put forward which would increase the quantity of water, not only change the quality, but the quantity of water would increase? This could have long-term flooding effects on the Souris River, that could in fact, through the operation of particularly the Lake Darling dam and the future works in the United States, keep us in a flood condition for a longer period of time. And if he doesn't participate in a management team, not specifically dealing with

any one of those particular subjects, but the overall flows that come into the Souris River, that he could be putting the landowners, communities along the Souris, in a very serious situation.

Further to that, Mr. Chairman, the Minister made reference to the fact that he did not think he had a communication from the Premier. I would request that he double-check that particular statement that he made, and as well, check with the Premier because I wrote a letter to the Premier several months ago. I was made aware that either the Premier of Saskatchewan or the Governor of the State of North Dakota had contacted the Premier's office and had requested such an organization. If they haven't, then it's on record that I have, and I would like him to check into it because I think it would be helpful on the operations and the management of the water system.

A further question to the Minister, he made, again, special reference to the fact that as long as it didn't cost us any money, does he not feel that if such a management committee were to be put in place that there would be a responsibility for the Provincial Government of Manitoba to participate in some of the costs of operation of the committee and ongoing works to be done?

**HON. A. MACKLING:** Mr. Chairman, when I said that as long as we don't pick up the tab, I meant that so long as these proposals did not involve a very substantial amount of money and we'd be expected to put up a good deal of money in something for which we are not budgeted, because there's no line in this Estimate that I can refer to that would provide us monies from which to draw to fund a very substantial research in respect to any river where we haven't budgeted for.

Certainly I am interested in any study in any way that might indicate ways in which we can both ensure the continuance of water quality on the Souris and in any way reduce the flooding which is occasioned to land in Manitoba from the Souris River. I am not negative about studying those things at all; I would be certainly interested in it. I am sure that if there is a letter somewhere in the process, it will cross my desk and we'll certainly deal with it. I will make a note of the member's concerns, that apparently a letter was sent from someone in the United States in connection to Governor Olson, apparently.

Apparently there was a task force set up sometime previously. The U.S. Corps of Engineers had been authorized to raise the dam on Lake Darling on the Souris River, west of Minot, by four feet in order to improve its flood control capabilities. In 1979, the Burlington Dam Task Force reported to the International Souris-Red River Engineering Board on the impact that a similar project on the Souris River would have on Canada. Now that the proposal to construct the Burlington Dam has been deferred in favour of raising Lake Darling, the board has asked the task force to report on the impact on Canada of raising Lake Darling. Impacts could include changes in extent and timing of

flooding in Manitoba, possible changes in the winter flow regime, and it could also impact on the fishery resource.

I would assume then that the staff in our department have had communication with the U.S. Corps of Engineers and there is ongoing communication in respect to this.

**MR. J. DOWNEY:** Mr. Chairman, I'm pleased to hear the Minister is aware - he is telling me there is a member of his staff that is a participant on the task force that would have Manitoba's voice at the table to give us the kind of information and protection we need on the longer-term operations and flows that Manitoba are going to receive from Lake Darling if that additional structure was put in place. Is that task force still sitting and is it reporting to the Minister?

**HON. A. MACKLING:** Mr. Chairman, I've just been briefed by Mr. Weber that the task force — (Interjection)

**MR. J. DOWNEY:** Hasn't been struck yet.

**HON. A. MACKLING:** Well, now, if the honourable member would like an answer, I will give it to him. The task force has met and we have a member on the task force. They had one meeting and the terms of reference for the task force have been struck, and that's as far as it's proceeded thus far.

**MR. J. DOWNEY:** Mr. Chairman, I'd like to know who the member from the department is, and if he would be so kind as to allow us to be made aware of the terms of reference it would be appreciated. Would the Minister provide us with that information?

**HON. A. MACKLING:** Mr. Chairman, I'm advised it's Mr. Rick Bowering and he's head of the Hydrology section and he was on the first task force.

**MR. J. DOWNEY:** Will the Minister be prepared to provide us with the task force terms of reference as well, so that we can be knowledgeable whether the management of water will be controlled under this task force - will have some input onto the flow of water that comes into the Souris River?

**HON. A. MACKLING:** Mr. Chairman, we'll certainly be happy to provide them when they're available.

**MR. J. DOWNEY:** Well, Mr. Chairman, when will they be available?

**HON. A. MACKLING:** Mr. Chairman, I'm advised it should be available in a week or two. We'll make a note of your concern and make sure you get a copy.

**MR. J. DOWNEY:** Mr. Chairman, a further question, one of the concerns dealing with the flows on the Souris River. There's been a continual request by municipalities south of the Hartney Dam, between Hartney and the U.S. boundary, to have that restriction removed, not only the R.M. Councils but several towns in that area, as well as private individuals. Can the Minister inform

us of whether or not he thinks the Hartney Dam affects the flow of water through that area?

**HON. A. MACKLING:** Well, Mr. Chairman, I am not an engineer and I'm not qualified to give an opinion on it. I, as a layman, have some honest doubts about some of these things but I really don't know. I'm advised that the area that is flooded and Mr. Penno is someone whom I've had a good deal of conversation with. I know his land is subject to the flooding of the Souris pretty well every year. He tells me that in his father's lifetime, when his father farmed there, it did not flood and subsequent to the Hartney Dam being built it flooded. I really can't agree or disagree with Mr. Penno about his historical accounting of the Souris. All I can do is rely upon the best advice that I'm being given and that is that the structure, itself, does not occasion the flooding. I do have, as I say, some layman's scepticism about these things, but I'm in no position to agree or disagree with Mr. Penno.

**MR. J. DOWNEY:** Mr. Chairman, I want to make sure the record is clear. The Minister maybe didn't hear me correctly, but I said that it was, I think, all of the municipalities between Hartney and the U.S. boundary as well as the major towns along the Souris River have requested the removal of that dam. Is he saying, he's not taking what they're saying into consideration in his thoughts?

**HON. A. MACKLING:** Mr. Chairman, I'm trying to confirm what the honourable member suggests and that is . . .

**MR. J. DOWNEY:** Dynamite.

**HON. A. MACKLING:** Put your matches away, Jim. . . . that the majority, if not all of the communities along the Souris, have requested the removal of the dam and I haven't been able to ascertain that. There was certainly concern evidenced by some of them for flood improvement, that when we do something in connection with the repetitive flooding of the river, but that hasn't focused on specifically the removal of the Hartney Dam, as I understand it.

**MR. J. DOWNEY:** Well, this isn't a question, but I suggest that the Minister review the files and review the petitions that he's received on that particular situation. I think the answer would be there that there is a general strong feeling of support that something has to be done with that structure.

A final question to the Minister. Earlier this afternoon, I asked the Minister if, in fact, dealing with water management in the province, due to the fact that we have lost our credit rating, and are continually losing it under the NDP Government, the fact that we're short of funds, the fact that we haven't got money to put into physical structures, drainage, or reservoirs to help manage the water, that in times of extremely difficult financial expenditures or shortfall in revenues to spend money that there will be very little, if any, money spent to develop or to look after the water management in the Province of Manitoba and there will be nothing done that will alleviate either flooding or drought under the New Democratic Party's time in government.

**HON. A. MACKLING:** Well, Mr. Chairman, I reject the . . .

**MR. J. DOWNEY:** Reject it if you like, it's the truth.

**HON. A. MACKLING:** I reject the thrust of the honourable member's argument. For example, while he indicates very severe criticism that this government and this Minister will not be prepared to address the critical water problems, he just previously had asked me questions about the removal of a dam and he knows that the Souris River has been flooding, not just for a few years, it's been flooding for decades . . .

**MR. H. ENNS:** It only happened 16 months ago.

**HON. A. MACKLING:** . . . and the honourable member knows his consternation and his concern . . .

**MR. J. DOWNEY:** But I'm talking about all over the province, not just the Souris River.

**HON. A. MACKLING:** . . . about the Souris River and yet, notwithstanding all of his influence as a Minister in the previous government, that flooding continued. So for him now — (Interjection) — to suggest in this sweeping generality that we're not going to do anything, that is not just fair comment, Mr. Chairman.

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

**MR. H. ENNS:** Mr. Chairman, whether the appropriation comes under this item, Water Management or perhaps the following item, (d) Water Investigations, but I would appreciate the Minister to briefly comment on three or four areas that have been of longstanding concern to the department and to the people of Manitoba that involved international water management decisions. I'm referring to the Roseau River, Buffalo Creek, Grand Marais, as well as, indeed, the Red River itself which we tend to forget about unless it's flooding. These are all matters that I am aware that the department has had discussions with our friends across the border. They seem to surface and subside depending on the emergencies of the time but has the Minister anything to report as far as problems are concerned with some of these areas that I mentioned?

**HON. A. MACKLING:** In respect to the Roseau River, I haven't become aware of any new initiatives on the part of the U.S. Bureau of Reclamation or the Corps of Engineers. I think the situation there is somewhat static now. I know that there were certainly problems in the past, the potential for problems continues to exist but I think we're at a stage now where there has been no reason for serious concern there.

It's understood, Mr. Chairman, that in the event they propose any further works to increase the capacity or raise the channel delivery of that body of water that there has to be environmental impact studies made in Canada so that's part of their undertaking.

In respect to the Aux Marais Drain and the South Buffalo Channels, the R.M. of Rhineland is concerned about that issue, we had a meeting with them, it's a

question of developing a reasonable program in concert with the kind of money that's involved. It is a drain that is right on the international boundary, as I recall, and it does pose some delicate problems for any development there. I don't know whether I can confirm anything further than that.

**MR. H. ENNS:** Well, Mr. Chairman, there has been no resolution to . . .

**HON. A. MACKLING:** No, there hasn't. Mr. Chairman, there was at one stage, or still is, some concern about the relationship of the Pembilier Dam and this development and certainly that hasn't been resolved either.

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

**MR. A. DRIEDGER:** Thank you, Mr. Chairman, I'd like to pursue the matter of the Roseau River proposed project a little further, if I could. Is the Minister aware of any continued drainage undertaken or drainage work that has been undertaken on the American side in terms of improving the drainage that leads into the Roseau on the American side?

**HON. A. MACKLING:** We're not aware, Mr. Chairman, of any major initiative of any kind by the American developers. We assume there is likely to be continuance of maintenance, in respect to the drainage system, but we don't know of any major initiative.

**MR. A. DRIEDGER:** Thank you. Well, it is the assumption, I suppose, to some degree by people in the southeast area that there is continued activity taking place across the line to some degree. I don't know whether major projects, but there is continued drainage activity taking place. As a result, we seem to be getting more water in the southeast area from the American side and this is filtering through the whole system into our area and the people are concerned. When we talk of water management, I hope that maybe this would be the proper area for me to discuss this, to maybe have a major drainage study undertaken. I'll cover that a little further under Item (h), as well.

The people in the southeast area have a real predicament, a real problem with the water that is coming from across the line; it's filtering through the various sloughs. We're not promoting the idea of draining these sloughs, but a water management undertaking could possibly be looked at it for the whole southeast area with the amount of land, when purchased under Crown lands, for example, the clearing that has taken place. Our water holding sheds have been deleted to some degree and we have the water coming down faster and, in many cases, where people bought land through the LGD Vested Crown Land Program, that there's a development clause in there and they find out, after they've cleared the land, that they cannot come up and honour the performance agreement, in terms of how much land they make arable.

A lot of this problem actually stems from the water, the lack of good planning, good management, and the fact that it seems as if more water's coming from the

across the line all the time. They do improve their drainage, to some degree, constantly on the other side and there seems to be just not a good handle on exactly what's happening. What invariably happens when farmers are faced with more water, that are living close to the border, as it filters into this system they automatically feel that the Americans are draining more water faster. But they're just supposing it; they can't really verify that, I suppose, but this is where I think it's very important that there be consultation taking place.

With the Roseau River, it is also this speculation, and it could possibly be just speculation by the people in the area, that the Roseau River Project is definitely not dead; they maybe have slowed it down to some degree, but that the Americans are not prepared to necessarily drop that project. That whole aspect of drainage and water management in the southeast is a major problem. I've raised it time and time again; I would hope that the Minister, you know the first statement he'll probably make is you can't have it both ways, but I think there is need for a major program to be undertaken for the general southeast, in terms of planning, at least, so that the LGDs and the municipalities know what kind of projects they can work on over long periods of time.

At the present time there's sort of an ad hoc situation where each municipality tries to work within very limited funds, for one thing, and without proper planning and, as a result, you solved one little problem and create three further downstream. Our Provincial Government is as guilty as anybody else in this kind of thing because with the program that has been taken, the road program on 209, Water Resources moved in, built the ditch and some of it channelled through Highway 59 - I'm just giving you an example of the lack of planning - and, as a result, it spread through the whole R.M. of Franklin creating many problems, where people undertook projects on their own on municipal land and it looks like there are going to be some court cases coming out that as well.

What I'm trying to say to the Minister is that water management planning in that area is extremely important because the problems are mounting and I think if there could be an arrangement made, as we have had with the Marsh River, for example, where federal, provincial and municipal participation took place in terms of at least the planning aspect of it.

**MR. H. ENNS:** Sounds pretty sensible, Albert.

**HON. A. MACKLING:** Mr. Chairman, I think that the honourable member is concerned about drainage, and it's true that we are involved in drainage where the drains become a third order drain and we decide that they should be accepted as part of the provincial waterway, but generally the municipalities are responsible for drainage. We do provide backup and assistance to them when they call upon us and that is the continuing role that we play.

In respect to the international water, of course, The Boundary Waters Treaty Act of 1909 does not come into play in respect to merely drainage water. However, I think the honourable member is concerned that we continue to be vigilant, and I think that was the Honourable Member for Lakeside's concern, that we

monitor the Roseau flows and what's happening to the south of us very carefully. I expect that the department is doing that, but we will make a particular point of checking with the Director of Water Resources there and make sure as to what is happening.

**MR. DEPUTY CHAIRMAN:** The Honourable Member for Rhineland.

**MR. A. BROWN:** Thank you, Mr. Chairman. I would like to pursue the Pemblier Dam a little bit. I wonder if the Minister can tell me whether there's been any further progress on the Pemblier Dam, or whether the situation is pretty well the same as what it was last year, or whether the situation has deteriorated as far as our negotiations are concerned on the Pemblier Dam and also the negotiations on the American side.

**HON. A. MACKLING:** Mr. Chairman, the U.S. Corps of Engineers had, by of a preliminary assessment of the Pemblier Dam, looked quite favourably upon it. Now that they are closer to final report stage, which will come this fall, it appears that their assessment has changed and the cost benefit ratios aren't nearly what they had figured, and it would appear that they are not now recommending the dam but are recommending a diversion floodway in place.

**MR. A. BROWN:** Mr. Chairman, the reason that they are not recommending the work going ahead on the dam is that they have changed the criteria for doing their study on the dam. It seems to me that they, first of all, were going into 1940 and that they were doing the rate of floods that had occurred since 1940 till the present time, and there was a very definite benefit over there. Now they've changed their way of determining the cost ratio benefit and they've gone back to the year 1900, at which time the situation wasn't nearly as severe as what it has been the last while.

I wonder if the Minister has sent any protest down to the American Corps of Engineers and saying that this is really not realistic, it's the problems that we are seeing on the Pembina River, are recent problems. They have problems that have been changed over there as a result of drainage, I suppose, of clearing land and so on, that the floods are occurring now. They didn't occur that often in the year 1900. So can the Minister tell me whether he has made any representation to the American Corps of Army Engineers to see whether they would again go back to the 1940 - which is a much more realistic study than the one that they're undertaking now?

**HON. A. MACKLING:** Mr. Chairman, I think that we have to be pretty diplomatic in whatever we do by way of recommendation or input or assistance to the U.S. Corps of Army Engineers. We certainly have provided them with information; we have assisted in every way when we were called upon to have an input, but we hesitate to say to them, you better do your study this way or you'd better do it that way because it's unfair of you to make your study in a certain way. To follow that course of action, I think, would be counter-productive because I think we'd get involved in the suggestion that we're interfering in the legitimate

concerns of people south of us. Since we had no input into that, when it comes to calling the shot - we're not paying the shot, it's their development - I don't think we have a right to disagree with their criteria.

**MR. A. BROWN:** Mr. Chairman, I don't agree with the Minister's statement when he says that we have no right to interfere. We've been working on this problem over there for the last 30 years; for the last 30 years, we've been told that something was going to be done. Finally, word from the South Buffalo, which has a similar problem, it's American waters coming into Canada on the Aux Marais, which already was mentioned, all these problems cannot be resolved it seems because we have to wait for the Pembilier Dam. Now, we're waited 30 years and we've had fairly good negotiations with them on this, and I think it's about time that we started acting. If we cannot get the Pembilier Dam built at the present time, then for heaven's sake, let's go ahead with the South Buffalo, let's go ahead with Aux Marais, and make certain that at least some work is done over there to alleviate some of this problem.

I wonder if the Minister could tell me what nature of work was done on the Aux Marais and whether they've been doing any drainage on the Aux Marais, and is more successful this spring.

**HON. A. MACKLING:** In respect to the dam question again, I'm advised to the extent that we would have direct benefits, we would share in costing. But the real decision, the overall development is very much an American one, and we don't feel that we can take an attitude to direct their terms of reference. Notwithstanding the honourable member may be right in his assessment that the yardstick that they're referring to prevents a more favourable cost benefit ratio, but we can't dictate their terms of reference.

In respect to the application of the Aux Marais, I'll just question Mr. Weber on that for a moment. Mr. Weber confirms to me, and I recall now that we did fund a clean-out of part of the Aux Marais last fall, and there is provision for continuing maintenance work of that drain. There didn't appear to be any serious problem this year, this spring.

**MR. A. BROWN:** Getting back to the Pembilier Dam, has the Minister made any attempt at all to discuss the Pembilier Dam with the American authorities during his term as Minister of Natural Resources?

**HON. A. MACKLING:** Mr. Chairman, in this area, I've relied upon Mr. Weber and others to keep a close monitoring of developments there, and I'm advised that, until a report has been filed by the corps, there really is no report on which we can make any observations, or that I could then talk to anyone about the implications of that study.

**MR. A. BROWN:** Mr. Chairman, I remember a time when Ministers used to go down there and they would discuss this issue with the American authorities and, I must say, that several times we were very close to reaching agreement as to what needed to be done and which direction we should take. So, I hope that the Minister is going to make himself familiar with the

situation over there and go and make the kind of presentation which is required.

My other question would be, the Municipality of Montcalm is very concerned about the Plum River, the stretch just before it enters the Red River, has anything been done in order to alleviate their concerns?

**HON. A. MACKLING:** Mr. Chairman, there's no resolution of that at this time.

**MR. CHAIRMAN, C. Santos:** The Member for Rhineland.

**MR. A. BROWN:** What does the Minister mean, there is no resolution, there is no resolution from the Municipality, because I received a call?

**HON. A. MACKLING:** No, Mr. Chairman, we're aware of the fact that the municipality would like the province to provide financial assistance there, we haven't agreed to that. I know that's been an outstanding issue for many years and no resolution was made in the past by government. We have looked at it and we haven't made a decision in respect to it yet.

**MR. A. BROWN:** Well, I wonder if the Minister could tell us whether he can give us a preliminary rundown of what is happening with the Holland Dam? As you very well know, the water which was supposed to be diverted into southern Manitoba is rather important to us, and this was one of the other reasons why your particular department was stalling on the Pembilier Dam. What is the situation as far as the Holland Dam is concerned?

**HON. A. MACKLING:** Mr. Chairman, we had a number of questions, primarily from the Honourable Member for Gladstone, in respect to that, and I indicated that, in respect to the whole question of the Assiniboine South Hespeler and an the associated dam on the Assiniboine River, we're at a preliminary feasibility stage where there is an assessment being made as to the feasibility of it, and all of that study is being undertaken under the auspices of the PFRA. There's no immediate expectation of any commencement of dam or associated projects in the very near future. The pre-feasibility study has to be completed and then an analysis made before any further decision would be made.

**MR. A. BROWN:** Can the Minister tell me when he expects that pre-feasibility study to be completed? When can we expect to receive a report from that group of people who are doing this study?

**HON. A. MACKLING:** The study is expected to be completed in the fall of 1984, the fall of next year, and the study is being commissioned by the PFRA; the PFRA Engineers are doing it themselves.

**MR. CHAIRMAN:** The Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Chairman, two or three years ago there was significant amount of effort directed towards the development of a Water Management Act,

which would have worked in co-operation with local authorities to establish a new framework for the management of Water Resources. What is the status of that proposed Act at this point?

**HON. A. MACKLING:** Mr. Chairman, staff have not pressed the proposals for a Water Management Act before me. What I have been doing is looking most closely at the vital role of conservation districts in the preservation of, not only water resources but soil and other resources. The focus, as I see it, ought to be through the development of effective programming through conservation districts.

**MR. B. RANSOM:** How many new conservation districts have been formed within the last year?

**HON. A. MACKLING:** None, Mr. Speaker, but one district, in which the Honourable Member - no, maybe it's not the Honourable Member for Turtle Mountain resides - but the Honourable Member for Pembina resides. I toured the Tobacco Creek Watershed earlier on, last fall, and received representation in respect to the potential for that watershed being a conservation district. I believe that it will be their desire to become a conservation district and I'll certainly want to look at that when that is formally proposed.

**MR. B. RANSOM:** Is the Minister considering implementing a volumetric water tax for ground water?

**HON. A. MACKLING:** Mr. Chairman, that hasn't been urged upon me and I haven't considered it, therefore.

**MR. B. RANSOM:** There has been a problem - and this is having to do with my constituency - in the area of Cartwright with the Hidden Valley Creek, an international water problem there; has the Minister or his staff been involved in trying to resolve that problem within the last year?

**HON. A. MACKLING:** I'm sorry, Mr. Chairman, I was hearing further information from Mr. Weber and well, I would just like to indicate that I said I was not aware of a volumetric water tax, certainly no proposal has been made. I understand the department has looked at that, but I haven't seen it.

Now, the other question was in respect to the . . .

**MR. CHAIRMAN:** Would the Member for Turtle Mountain please repeat the question?

**MR. B. RANSOM:** Yes. The Hidden Valley Creek crosses the international border near Cartwright, it's been causing some problems there for the last period of time, the last few years, has the Minister or his staff done anything in the past year, anything further to try and resolve that international problem?

**HON. A. MACKLING:** I'm advised that the department has been in contact with the State Water Commissioner, he did so late last winter and it was agreed that should there be no initiatives taken that there would be a further meeting later on this year, that is later this spring, so there will be a follow-up in connection with that.

**MR. B. RANSOM:** To confirm that the staff met this past winter, the winter of 1983?

**HON. A. MACKLING:** Mr. Chairman, I understand the meeting was last spring, that would be May of 1982 and then there was correspondence and telephone conversations with him.

**MR. B. RANSOM:** What would have been the approximate dates of the most recent correspondence or telephone conversations?

**HON. A. MACKLING:** We'd have to check on the specifics of that, Mr. Chairman, we can give you that later.

**MR. B. RANSOM:** Well, is there really anything happening there, Mr. Chairman, or is it just being let lie until the problem comes up again when there's a period of high water?

**HON. A. MACKLING:** Well, Mr. Chairman, this is the first that I am becoming aware that this problem existed but, of course, there's so many individual cases that the department handles.

In this instance apparently there was an act of an American farmer that did cause a change in water flow. We have pressed for the American jurisdiction to take the appropriate action to rectify this. There's some indication on their part that they're reluctant to do that; they would like us to bring proceedings and that is a rather awkward situation for us to bring proceedings in the United States for rectification of something. So it has remained unresolved to this date because it's not an easy one to correct. I indicate that we will be following up on it to see what is the best course of action to follow.

**MR. B. RANSOM:** I thank the Minister for that answer, Mr. Chairman. The first answer that he gave indicated that it was being dealt with and that there was activity. The second answer he has given has indicated that really it's very difficult for anyone to take action.

I would just want to tell the Minister for the municipalities and the people involved there it is an important problem and it's one that can only be dealt with through the Provincial Government; it isn't one they can deal with on their own. I would urge the Minister then to either take an interest in it himself or have his staff follow it up and give the local people there in the municipality a definitive position on the part of the government as to whether they can help them or whether they can't.

**HON. A. MACKLING:** Yes, Mr. Chairman, I think that regardless of the size of the problem, if there is a problem there we have to deal with, we will deal with it. I have every confidence that we will follow up this spring, as we indicated we would. If there's no resolution through that then we're going to have to consider what course of action we can take.

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

**MR. H. ENNS:** Mr. Chairman, in passing this item on the Estimates of the Minister's Department it should



become obvious to the Minister the concern that is being expressed by members opposite and that is that there are a number of issues that require the Minister's attention, that require the active intervention on the part of the Government of Manitoba in dealing with neighbouring American States and what we have solicited in the last hour is that regrettably the Minister is ill-informed of the matters but more importantly shows little interest in the matters, whether that's in answer to questions by the Honourable Member for Rhineland or the Honourable Member for Emerson, just latterly the Honourable Member for Turtle Mountain.

A concern that I've had for the past little while and particularly with the event of this government is that while the issue of Garrison remains and will continue to remain a major matter for our governments to have before us, what you're hearing, Mr. Minister, are that there are a number of very specific problems associated with our relations with the American jurisdictions just to the south of us. I'm not suggesting for a moment these are of yesterday's making; they've been before us for some time.

In some instances negotiations had proceeded to a stage where there was some optimism of resolution to the problems. I'm not prepared to dwell on them much longer but simply to state that while these may be strange sounding names to some of the members opposite, Aux Marais, Buffalo Creek, Pembilier Dam, etc., these are issues that affect the livelihoods of many of our constituents in the bordering area of the United States and we don't seem to have either the commitment or the willingness to commit the active intervention and attention on the part of this Minister or this government in resolving them.

**HON. A. MACKLING:** Mr. Chairman, I just wanted to make a comment. I'm here to certainly take constructive criticism and I'll accept that. However, I would like to indicate that with the exception of the Hidden Valley Creek flooding, which I wasn't aware of and has received involvement by the department, albeit, we haven't satisfied that yet but that's the only new one on the books. The Pembilier Dam, the Roseau River, the Aux Marais, the Buffalo Creeks, they've been around for decades and it's not that we're not interested, it's not that we're on top of them, but they're old difficult problems. They don't lend themselves to a quick fix solution. The department has continued to make the contacts, continued to have the input. They haven't been able to place before me a proposal to rectify these things in a short time and I wish we could - I know that the previous Minister wishes he could have - but these aren't easy of resolution particularly when they involve another government.

**MR. CHAIRMAN:** The Member for Roblin-Russell.

**MR. W. MCKENZIE:** I've just one question, Mr. Chairman. The concerns that are raised by the R.M.s of Shellmouth and Russell regarding the Province of Saskatchewan's drains flooding, has that been resolved at the Prairie Provinces' Water Board?

**HON. A. MACKLING:** I'm advised that there was a reference of these problems of drainage from

Saskatchewan to the Prairie Provinces' Water Board and there has been a study made. There has been some delay in Saskatchewan in getting the study completed and released. We're not in a position to comment upon the study until it happens.

I know that earlier on we had a question about the release of water in Pipestone Creek. Again that involves a release of water from Saskatchewan. It was Neil Hardy, the Minister that I wrote to in connection with that. We do follow up very closely on those things, but we're waiting the results of that reference.

**MR. W. MCKENZIE:** Will that be public information when you get it?

**HON. A. MACKLING:** I see no reason why it shouldn't be, sure. We'll make a note of that, that you get a copy.

**MR. CHAIRMAN:** 4.(c)(1)—pass; 4.(c)(2)—pass; 4.(d)(1)—pass - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, on 4.(d)(1) what specific investigations are currently involved in this expropriation of some \$1,056,000, — (Interjection) — under Water Investigations, or is that the general appropriation? Can the Minister indicate some of the major investigations under way?

**HON. A. MACKLING:** Yes, Mr. Chairman, I could indicate the activities, ongoing work that's involved. I don't think any major investigation, there's surface water and ground water inventories, ground water regulation, surface water and ground water supply investigations, services to conservation districts, ground water management and development, flood reduction studies, flood forecasting, issuance of well drilling licences, water quality testing - that's the chemical testing - and water treatment investigations.

**MR. CHAIRMAN:** 4.(d)(1)—pass; 4.(d)(2)—pass; 4.(e)(1)—pass; 4.(e)(2)—pass; 4.(f)(1) - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, on Conservation District Authority, it is not any new suggestion that this program while initially in its conception was hoped to provide the kind of overall conservation management not strictly related to water, but in the broader term of conservation, but as the Minister indicated just a few moments ago in response to a question from the Member for Turtle Mountain, the program has for whatever reasons not been able to expand to additional sections of the province.

Can the Minister firstly indicate to me, is it five or six districts that are currently operating and are they all operating more or less in good health?

**HON. A. MACKLING:** Yes, Mr. Chairman, we have five conservation districts. We have the one area referred to, the Tobacco Creek watershed and the one north of Turtle Mountain, there's some interest there in a development of a district.

Yes, the conservation districts are operating reasonably well. One of the concerns we have is development of schemes in the water conservation

districts. The Act has required schemes. Schemes haven't been developed. We are looking at ways to facilitate and ensure that these schemes will be developed and that the efforts of the conservation districts can be not only continued, but accelerated to do the kind of work that I think we all expect can be done.

I had the privilege of touring the White Mud conservation district last summer and was very impressed with the nature of the work that they have carried out there. If we can emulate that right across the province, I think that we'll be doing a significant thing in support of conservation in this province.

**MR. CHAIRMAN:** 4.(f)(1) - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, there are no additional conservation districts that are imminently under organization, no additions to the ones that we presently have.

**HON. A. MACKLING:** No, there's no change in the staffing. I should add that the Turtle River conservation district had been operating without a manager, a manager has now been hired, so we're making progress there too.

**MR. H. ENNS:** What level of increase have the individual districts or what measure has been applied to them in terms of meeting their current year's budget in percentage terms? Have they just received the same as the previous year? I appreciate that some of the districts vary with respect to the projects that they have on board and there's some effort made by the department to balancing these requests out as between the different districts, but on balance, are they looking forward to a 7, 8, 10 percent, 9 percent general increase?

**HON. A. MACKLING:** A 9.5 percent increase.

**MR. CHAIRMAN:** 4.(f)(1) - the Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Chairman, there are a number of boards of course that govern these conservations districts. The Minister appoints a person to each of these boards. Have there been any changes in the government appointees in the past year?

**HON. A. MACKLING:** I'm advised that there has been no appointments since the last Estimate review.

**MR. CHAIRMAN:** 4.(f)(1)—pass; 4.(f)(2)—pass; 4.(g)(1) - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, the Canada-Manitoba Flood Damage Reduction Agreements, this is the item that involves the flood reduction work on the ring dike systems in the Red River Valley?

**HON. A. MACKLING:** No, Mr. Chairman.

**MR. H. ENNS:** Can the Minister direct me to the ... ?

**HON. A. MACKLING:** Yes. What this item involves is risk mapping. I guess most of the provinces in Canada, if not all and the Federal Government entered into a Flood Risk Reduction Program where they map areas that are flood-prone and come to agreements to make sure that we're not financing structures within those areas that will then be cause for damage claims later. This is an ongoing program and I think we're about halfway through or better, three-quarters of the way through the mapping and identifying of the various flood plain areas throughout the province.

**MR. CHAIRMAN:** 4.(g)(1)—pass; 4.(g)(2)—pass; 4.(h)(1) - the Member for Emerson.

**MR. A. DRIEDGER:** Thank you, Mr. Chairman, would this be the area - to the Minister - where we're dealing with the Marsh River Project, the Value-Added Crop Agreement that has been established?

**HON. A. MACKLING:** No, Mr. Chairman, that will be under the Capital item.

**A MEMBER:** Which is?

**HON. A. MACKLING:** Expenditures Related to Capital Assets. It's the very last item. After that is the Minister's Salary in there.

**MR. CHAIRMAN:** The last item before the Minister's Salary.

**MR. A. DRIEDGER:** I understand, Mr. Chairman, and I'm not wondering necessarily about the physical undertaking that is projected which would come under that area. I'm just wondering whether the Minister could indicate where it's at right now with the municipalities, in terms of the agreement that has been arranged - I believe the agreement is in place - and where it's at right now in terms of the physical undertaking that is I think projected.

**HON. A. MACKLING:** Mr. Chairman, it's a little difficult on staff to have all of this material on hand right now, they didn't expect they'd be getting into the Capital items, and we'll be able to deal with it in full then.

**MR. L. SHERMAN:** Don't blame it on the staff, Al.

**HON. A. MACKLING:** All right, I haven't got the information. I didn't anticipate these questions.

**MR. A. DRIEDGER:** Mr. Chairman, I'm prepared to wait until we get to that area then, and I just want to indicate to the Minister that I'll be looking forward to raising that question again at that time.

**HON. A. MACKLING:** Okay.

**MR. A. DRIEDGER:** I have a further question at this time. The project itself is under this item and, as I raised it before under Water Management, the possibility of entering into an agreement with the Federal Government possibly for this kind of an arrangement for the drainage study and stuff that's undertaken for

the southeast; I raised this with the Minister of Agriculture during his Estimates, and he seemed receptive to the idea and it would be, of course, in conjunction with the Minister of Natural Resources, as well. I'm wondering if the Minister would consider, if the municipalities and councils involved came to the Minister requesting the possibility that the Minister could raise this with the Federal Government, in terms of trying to work out something similar along these lines, whether the Minister would be receptive to that idea.

**HON. A. MACKLING:** Mr. Chairman, staff wanted to talk to me about this. I did want to indicate that I don't want to agree on broad principle to include something without knowing what the parameters of it are. Certainly anyone that wants to make representation, whether it be a municipality or an individual, about a program that he thinks ought to be included in any works that we do, or in co-operation with the Federal Government or on our own, we'd certainly be happy to hear what their views are, but I wouldn't want to indicate, yes, we'd definitely be interested in that because it's in line with what we're doing; I don't know.

**MR. A. DRIEDGER:** Thank you. Well, I raise that question because we have an Agro-Man Agreement in a group called SPADA, which is the Stuartburn-Piney Agricultural Development Association, that has been running a very very efficient program and it's been working very well. This group is looking at enlarging their undertaking in terms of the drainages, that No. 1 requirement out there, and they are hoping that possibly, together with council and themselves, meet with the Minister of Natural Resources, as well as the Minister of Agriculture, in terms of pursuing the possibility of entering into dialogue to really develop a program along these lines for a drainage study undertaking for that area.

**HON. A. MACKLING:** Well, Mr. Chairman, as I indicate, I have undertaken in the past, and I continue to undertake, if anyone has a project of some interest certainly we will be happy to hear what they have in mind. I don't want to indicate in any way, shape or form that, yes, we could consider those things favourably because we don't know what they would involve.

**MR. A. DRIEDGER:** Just one further question, then, is the Federal Government still receptive to these type of projects being forwarded by the Provincial Governments?

**HON. A. MACKLING:** Well, Mr. Chairman, I can't speak for the Federal Government in its position or attitude about future developments, but under the present Canada-Manitoba Value Added Crops Production Agreement there is no further funds available, as we understand it, under that agreement. We are, of necessity, because of the staging of our spending, seeking an extension of time in which to utilize the money that has been allocated to us under that agreement.

**MR. A. DRIEDGER:** I'm sorry, that led to another question. Is the Minister indicating that the monies that

were designated under this program have not all necessarily been expended? This was the impression that I had, Mr. Chairman, that, as the Minister indicated, they were asking for time extension because, in order to utilize the money that was designated to some degree, meaning that there is still some money that possibly could, with the agreement of the Federal Government, of course, but that there's still some money that could be possibly designated for projects?

**HON. A. MACKLING:** Mr. Chairman, I'm given to understand that there's no money that's uncommitted. It's a question of getting agreement for an extension of time in which to complete the works that have been committed.

**MR. CHAIRMAN:** 4.(h)(1) - the Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Chairman, I'd just like to ask the Minister where we can get some information about a project that the department had been undertaking that had to do with what you might loosely call a model drainage area ranging from . . .

**HON. A. MACKLING:** You mean the Domain Demonstration Project?

**MR. B. RANSOM:** Either Domain or on the Manness Drain. Where can we talk about the details of that?

**HON. A. MACKLING:** Well, I guess we could talk about it right now. On the Domain Drain, the Domain Demonstration Project, the province completed its portion of the work. The municipality hasn't completed its section of the work, there is representation that we agreed to a formula for spending which would see a completion of that. The on-site drainage which the agreement provided for, we indicated to the Federal Government, we indicated to the people involved in the municipalities, that we wouldn't cost-share in it.

**MR. B. RANSOM:** My recollection is, Mr. Chairman, that when that project was being set up the concept was that, at least, the Provincial Government would be sharing in the cost of providing those on-farm drains, in order to provide a demonstration of how a total system of drainage would function. Now, is the Minister changing the concept, the approach to this project?

**HON. A. MACKLING:** Yes, Mr. Chairman, when the project was reviewed with me I indicated that I would have great difficulty in trying to rationalize government spending on drainage projects elsewhere in the province, on any level comparable to what we were doing there; albeit it was a demonstrative project. I did not feel that the taxpayers of Manitoba should be saddled with the expense of paying on-site drainage for these, I think it was 32 square miles of farm land.

**MR. B. RANSOM:** Mr. Chairman, how much has the government spent then on its portion of the project to date?

**HON. A. MACKLING:** \$683,000.00.

**MR. B. RANSOM:** Mr. Chairman, what we have here is that the province, and perhaps in co-operation with the Federal Government, have spent \$682,000 on a demonstration project, the concept of which was to provide total drainage from the first order on up to whatever was required, and that was the understanding of the municipalities and of the landowners when that project was set up. What we now have then is a Minister who personally doesn't like the concept that was being put into place and doesn't see it being applied elsewhere in the province and so we now have \$682,000 of money tied up in a project that isn't going to function unless the first and second order drainage is put in place. How does the Minister expect to get any value for the taxpayers of Manitoba out of the expenditure of that \$682,000.00?

**HON. A. MACKLING:** Mr. Chairman, when I reviewed this project where I saw that the taxpayers of Manitoba and the taxpayers of Canada were going to be funding \$150,000 of on-site drains on 32 square miles of farm land to prove that drainage can improve crop value of the land, I rebelled, quite frankly. I really do not understand how that kind of an agreement can be justified. Surely, the municipality and the area farmers realizing the additional value of having their land drained to ensure that any heavy summer rainfall could be drained away within the time allotment of whether it's 48, 36 or 72 hrs - I don't recall the exact details - to me it was amazing that we would enter an agreement where we would fund on-site drainage; we haven't done it anywhere. Surely, we could have arranged an agreement that did not provide such a very significant benefit to such a limited number of farmers and at my request, the staff did talk to the Federal Government about renegotiating those sections.

**MR. B. RANSOM:** Mr. Chairman, this was not something that was set up strictly for the benefit of a limited number of farmers. This was something that was set up to show what a proper system of drainage could produce by way of increased economic activity and value-added crops in that area.

We now have this Minister who piously stands in the House as he did last year and has again this year and talks about Water Management and Conservation and then turns around and reneges on an agreement that was on a project that was being put in place by the two levels of government in co-operation with the local government and local people, and for the sake of \$150,000 of additional work which needed to be done to make the system functional, we now then basically have a waste of \$682,000 on the basis of this Minister's personal whim.

**HON. A. MACKLING:** Mr. Chairman, I reject that kind of attack. You know, I resent the kind of suggestion that if we try to provide equitable distribution of government spending in areas that then we're criticized for sabotaging something. Nowhere in this province has there been any indication that farmers are not prepared to develop drains where they can have somewhere to take that water off. They plead with us to install bigger drains to take the water off their farm land and throughout the history of this province, we,

as taxpayers, have funded major drainage, but we have never gone on the farmers' land and subsidized the cost of on-farm drainage and individual farmers throughout this province have spent thousands of dollars of investments in on-farm drainage.

It doesn't have to be demonstrated to them that on-farm drainage pays off to get heavy rainfall off of their land and to suggest that we had to do that, we had to fund on-farm drainage - and I flew over, Mr. Chairman, areas of southwest Manitoba and looked at the extensive drainage facilities — (Interjection) — well, Mr. Chairman, I was no higher than the honourable gentleman is from time to time without being in the air.

**MR. D. ORCHARD:** Mr. Chairman, on a point of order.

**MR. CHAIRMAN:** There is a point of order. Would the member please state the point of order?

**MR. D. ORCHARD:** Mr. Chairman, I believe the Minister made references to me which were personal references and I would like him to withdraw them.

**HON. A. MACKLING:** Mr. Chairman, I was talking about him being high and mighty and he's had that kind of attitude, not only before this committee but in the House and I think the characterization is very fair.

**MR. CHAIRMAN:** Differences of opinion, as to how high either member is, is not a point of order.

The Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Chairman, here we have another situation where the Minister of Natural Resources is making what amounts to a personal value judgment based on some of the information that he gained by flying over southwestern Manitoba. Similarly, he flew over North Dakota and was able to pronounce upon the amount of summer fallow and the poor farming practices that he thought were going on down there. Surely this requires a little more sensitivity and knowledge on the part of the Minister before he makes decisions of this nature.

This project was one that was worked out in co-operation with the provincial staff and the federal staff in determining that this project would be a valuable way to expend funds to show what could be done with a proper system of drainage and despite what the Minister says, if he goes out, either on foot or in the air, he will find that there are not very many areas in the province where there is a proper system of drainage.

So, I just would like the Minister to confirm, then, that this decision was made strictly on his decision and I'm reminded by the presence of the Minister of Agriculture now that he must have had some interest in this project as well. Did the Minister of Natural Resources discuss this project with the Minister of Agriculture before he cancelled it and if so, what was the Minister of Agriculture's position with respect to this project?

**HON. A. MACKLING:** Mr. Chairman, in respect to consultation, the Minister of Agriculture and I share responsibility together on several committees. We have

close communication. I don't recall whether I had communication with the Minister of Agriculture before or after reviewing this project but I know that he shares with me the concern that the taxpayers of Manitoba should be spending \$150,000 to assist. I think, it was 32 farmers to provide on-site drainage.

Mr. Chairman, the honourable member indicates some concern about my evaluation of land in North Dakota and I admit that I used the term summer fallow in error, but let me just read from the record, let me read about some of the commentary of people in the United States in respect to my visit down there.

This is a letter to my Special Assistant who had confirmed arrangements for my attendance at the Unity Seminar that was held in Crookston. "I want to express my appreciation to you and Al Mackling for the planning and participation in the Red River Valley Unity Seminar. I believe that the seminar was a success. We certainly got some people thinking and that was the idea of the seminar. Contrary to what the Winnipeg Free Press thought, I believe the tone of this seminar was entirely positive. I hope the planning for a comprehensive water survey and basin-wide plan continues. Al Mackling's comments on soil erosion were meaningful and several of the participants commented on the timeliness of these remarks. As you can see by the enclosed clippings, the American press was much more satisfied with the seminar." And he goes on with personal regards. There are attached clippings from the American press which reflect positively on the concerns that were manifest about soil erosion and the need for conservation in the whole of the Red River Valley.

**MR. D. ORCHARD:** Maybe you'll move down there now, Al. Leave us in peace.

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

**MR. H. ENNS:** Well, Mr. Chairman, it's really an amazing situation that's developed here in this last little issue. Let me just simply remind the honourable Minister that he chooses to wilfully distort what this program was all about. This was a pilot demonstration of the value of this kind of comprehensive approach to drainage, and the added economic benefits that could be accrued as a result from that kind of a program, to all farmers of Manitoba.

Mr. Chairman, I appreciate that governments change and governments don't always have the same attitude towards a program that was entered into or agreed to by a different government. But let me remind the Honourable Minister, for instance, when we inherited government in 1977 we inherited a program called the Income Security or Mincome Program in a community called Dauphin, I believe; it had another year or so to run; it was not one of our favourite programs but we realized, having talked to the Federal Government, the taxpayers of Canada, the taxpayers of Manitoba into funding, in this case, several millions of dollars, I believe, into a program, that it would be a tremendous waste of that money if it were not allowed to run to its conclusion. That program was concluded under our administration; furthermore, we provided an additional \$60,000 or \$70,000 so that an appropriate body, I believe in this case the Social School at the University

of Manitoba, could have the information for ongoing research and, in fact, allow that program to be successfully concluded so that public administrators could draw some conclusions, as to its value, from it.

This is precisely the same kind of situation that we have here. The program was entered into it with very specific goals in mind. This Minister chose to abort it because, as the Member for Turtle Mountain has indicated, his own inability to allow himself to see the value of that particular program. I can't help, Mr. Chairman, but bring that to your attention and indicate the difference between responsible approach to a program, when under way - and in this case nine-tenths concluded - why a change in government should then be allowed to, in effect, waste the investment that was in place, that has been put in place.

**MR. CHAIRMAN:** The Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Chairman, these projects are set up on a joint basis between the Federal Government and the Provincial Government. There were mechanisms for planning, approval and funding, etc. This was, of course, something that was approved by the Federal Government, as well. Now, there are federal dollars as part of the \$682,000.00. What is going to happen to the federal contribution here, now that the Minister has made a personal change in the project? Has the Federal Government indicated that they approve of the Minister's decision, or has the Federal Government indicated that they might expect the province to refund the money that the Federal Government has already put into this project which the Minister has unilaterally cancelled on his own personal whim?

**HON. A. MACKLING:** Mr. Chairman, if you call the expenditure of \$150,000 of taxpayers' money to prove that 32 farmers, or thereabouts, that it's important to drain their land, to do that for those 32 farmers and not be able to do it for the rest of the farmers in this province, I don't think that's a whim.

We are negotiating with the Federal Government the cost-sharing of the municipal portion of the drainage, which amounts to \$450,000.00.

**MR. B. RANSOM:** How much of the \$682,000, then, has been funded by the Federal Government?

**HON. A. MACKLING:** They've paid their share, their 60 percent share.

**MR. B. RANSOM:** And has the Federal Government made any approach to the Minister of Natural Resources to recover the federal portion of the \$682,000.00?

**HON. A. MACKLING:** No, Mr. Chairman, because we are negotiating the completion of the municipal portion of this drainage, as well. This, of course, Mr. Chairman, as you can see, was a most favourable development for very high value agricultural land in southern Manitoba where the two senior government would be paying a total of something like \$1,150,000 to prove that drainage works.

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

**MR. J. DOWNEY:** Mr. Chairman, there's a couple of points to be made here. No. 1, that this Minister of Natural Resources, and I would think supported by the Minister of Agriculture, have taken some \$150,000 that he's saying would have gone to on-farm drainage, or roughly less than \$5,000 per farmer, feeling that was of no benefit to the future development of crop production, diversified crops that would be grown in that region with improved drainage; that, in fact, he is now saying to us that he is philosophically opposed to that kind of an approach, and all the taxpayers have to pay for the Minister's own personal feeling toward that particular thing. But a few minutes ago I heard the Minister say that he's continuing on with a brush clearing program, both he and the Minister of Agriculture, where there's on-farm brush clearing which will improve the productive capability of the southeast region of the province; in fact, he's extended it for another year, where the development of agriculture and the diversification of crops falls within the guideline of the Agro-Man Agreement. If we look at the Town of Roblin, under the Agro-Man Agreement, that whole Town of Roblin is enjoying a sewage disposal system at the taxpayers' expense under Agro-Man Agreement and there are a few farmers benefiting, but the whole Town of Roblin is benefiting, another objective that came within the guidelines of this.

If this Minister has the audacity, or the gall to stand up and say to this committee tonight that 35 farmers are going to benefit because of on-farm drainage, is going to show some of their neighbours or other people in that region that the diversification of crops can be grown if drainage is improved, and he's using the taxpayers' money strictly to satisfy his philosophical approach to the operation of programs that had guidelines in place, supported by the Federal Government, supported by the drainage group in that particular community, not unlike what is happening in Cooks Creek.

And this takes us to that particular project. Is the Minister cancelling the Cooks Creek drainage program that was in place when he came into office? Is he doing the same kind of stripping of funds from that program because farmers are going to be supported; and where was the Minister of Agriculture? Is he sitting by allowing him to take funds from 35 farmers because they're going to get \$5,000, where he'll put \$7,200 into a Marxist-Leninist conference in the province, and strips the funds from the farm community, Mr. Chairman? He laughs, Mr. Chairman; it's not a laughing matter, it's darn serious. — (Interjection) — The Minister says I'm a laughing stock; that's not the case. He didn't defend the farm community when it came to taking funds from some 35 farmers, not just for those specific farmers, Mr. Chairman, but to diversify the crop production base if drainage was improved in that community; that was the objective it, not just to help those few farmers, but to set an example, not unlike the creek clearing program. Mr. Chairman, is the Minister taking funds from the Cooks Creek Program? Is he cancelling all the projects under Agro-Man?

**HON. A. MACKLING:** Mr. Chairman, the answer to that last one is, no, certainly not. In the Cooks Creek drain, the Municipal Governments there, because they want

to be able to get surface water that collects from heavy rain off the land so that their valuable crops will not be destroyed, is putting up, I think, 15 percent of the cost of that development. All the farmers in the area are going to be putting - in other words, the municipality is putting up a considerable share of the cost of that drainage - and the farmers are all going to be paying their own on-farm drains because they don't have to have it demonstrated to them that drainage on-farm works.

Now in respect to the area involved, to say that it was necessary to prove that you had to have on-farm drainage to establish that the land therefore would be capable of sustaining more valuable crops, we know that sunflowers and corn have been grown as value-added crops in many areas of southern Manitoba and it didn't take the spending of \$150,000 surely to demonstrate to 32 farmers that on-farm drainage is worthwhile. I did not say that it was no value to the farm community, but I believe that like all other parts of the province where farmers are required to foot their own on-farm drainage, that these farmers should have been treated in the same manner.

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

**MR. J. DOWNEY:** Well, Mr. Chairman, the Minister is digging himself in even deeper.

**HON. A. MACKLING:** Oh no, I'm not.

**MR. J. DOWNEY:** He's trying to back out of it and say that there is some benefits to the farm community with the drainage that could be developed. He's admitting that there is good reason to be able to go in and prove that drainage could in fact increase the capability.

I know it's not the time or the place, Mr. Chairman, the next item is, but we just passed it, Mr. Chairman. But using the kind of philosophy that the Minister has, why then did he carry on with the Flood Prevention Program where you put ring dikes around individual farms, if that's not protecting the investment of farmers and helping them. He has no consistency to his policies or the whole operation of his department.

If it's not fair to help one with drainage, why is it fair to help one with ring diking to save his farm operation? I have no reason to support this particular expenditure, Mr. Chairman, on the Agro-Man Agreement if he can't get his policy in line with the way the program was set out.

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

**MR. C. MANNES:** Thank you, Mr. Chairman. I suppose I arrived at an opportune time seeing that this particular Agro-Man project happened to be not only within my constituency, but very close to home.

I would ask the Minister if he received any correspondence whatsoever from the Federal Government requesting that indeed this particular project be reincorporated into the plan. Has he received any correspondence specific to this Agro-Man project?

**HON. A. MACKLING:** Mr. Chairman, I have not seen any correspondence from the Federal Government

requesting it. I want for the honourable member's benefit to indicate that I did not characterize this as the Manness drain, despite the fact that I believe it goes through land that you own.

**MR. C. MANNESS:** Well, that's not quite accurate.

**HON. A. MACKLING:** It's been referred to as a Manness drain. I didn't do that.

**MR. C. MANNESS:** There is a Manness drain that was supposed to be part of this whole project. Does the Minister care to listen?

**MR. CHAIRMAN:** The Member for Morris has the floor.

**MR. C. MANNESS:** Well, that doesn't help, Mr. Chairman, when the Minister is not listening.

**HON. A. MACKLING:** Okay.

**MR. C. MANNESS:** Thank you. I would like the Minister to know that indeed the so-called Manness drain was a different drainage ditch altogether, but was part of the whole demonstration project. It was one for comparison's sake to see exactly what drainage would do through a whole entire area.

I would ask the Minister if the Federal Government has taken any unilateral action in changing any of their support to the Agro-Man projects at all. Have they cancelled out or backed out unilaterally on any other Agro-Man project?

**HON. A. MACKLING:** Not that Mr. Weber's aware of. No, not that I'm aware of.

**MR. C. MANNESS:** Well then, Mr. Chairman, I would ask the Minister again, was the Minister of Agriculture aware at all or did he have any say in the decision that was reached by this Minister regarding the cancelling of this project?

**HON. A. MACKLING:** Well, Mr. Chairman, before the honourable member arrived I think I indicated that I don't recall. I know that the Honourable Minister of Agriculture shares with me concerns in respect to a number of developments affecting agriculture - I can't recall whether it was before or after - but certainly he was aware of this decision and did not disagree with it.

**MR. C. MANNESS:** I'm sorry, did the Minister say that the Minister of Agriculture was or was not aware?

**HON. A. MACKLING:** He was aware and so far as I know did not disagree with the decision.

**MR. C. MANNESS:** Mr. Chairman, did the Minister say that the Minister of Agriculture was in support of that decision?

**HON. A. MACKLING:** Yes, Mr. Chairman, I think I indicated that the Honourable Minister of Agriculture was, either before or after, at least apprised of it and did not disagree with the decision.

**MR. C. MANNESS:** Well, one more specifically. Did the Minister of Natural Resources discuss this with the Minister of Agriculture previous to the decision being made?

**MR. CHAIRMAN:** Mr. Chairman, I don't recall all of the conversations I had with my colleagues. I know that we share a common responsibility and I share the burdens of some of the tough decisions with him. I didn't find this a tough decision however.

**MR. CHAIRMAN:** 4.(h)(1)—pass; 4.(h)(2)—pass; 4.(j)(1) - the Member for Lakeside.

**MR. H. ENNS:** Can the Minister indicate what exactly is taking place under this agreement? Is this a continuation of the joint studies that are under way with PFRA in various parts of the province?

**HON. A. MACKLING:** Yes, that's right, Mr. Chairman. We already had really gone into this to some extent. It's those projects that PFRA have been involved in. I can just read some of the activities so that you'll have a better appreciation for what's involved.

It involves a formulation of economic development scenarios, drought sensitivity analysis, development of long-term water development strategy, water resources development - that's referring to ground water - analysis of Assiniboine-South Hespeler Area Projects, water demand and supply analysis, site investigations of available water supply options, an evaluation of water supply alternatives.

I've already touched upon the Assiniboine-South Hespeler which is in a very preliminary stage.

**MR. CHAIRMAN:** 4.(j)(1)—pass; 4.(j)(2)—pass - the Member for Lakeside.

**MR. H. ENNS:** Well, Mr. Chairman, just before we pass this item I would be remiss if I didn't put on the record and remind this Minister that in this department along with the other departments, particularly the one that we have dealt with just prior to dealing with this department, namely the Transportation Department, this government is again showing in a way that needs no embellishment from politicians like myself or members opposite.

When you take the standpat Estimates that we're dealing with and couple that with the major item that we'll be spending a considerable amount of time with the expenditures related to Capital Assets - Acquisition/Construction of Physical Assets - in this department that are down, last year showed some \$17 or \$18 million are reduced to \$11 million in this department. You couple that with the \$20 million reduction in the Department of Transportation, this has all taken place by a government whose overall expenditures levels are rising by 17, 18, to 20 percent.

The point that I made in the Department of Highways and Transportation Estimates is that rural people and farm people are among the first to understand the need for restraint if the dollars aren't there. This government is taxing people, imposing new taxation on farmers, payroll taxes, sales taxes, fuel taxes, and they are showing no restraint in the overall expenditures programs.

Other departments of government are rolling along with 18, 20 percent increases in their expenditures and yet in the vital departments that affect rural Manitoba, Transportation, Agriculture, Natural Resources you are telling the people of Manitoba, you're reading them a message that, Mr. Minister, the people of rural Manitoba will have no difficulty in understanding. Absolutely none.

Mr. Chairman, added to that the kind of arrogant distortion of programs that were entered into, such as the Value-Added Program, that we just discussed a little while ago. I really have difficulty in understanding a somewhat seasoned and veteran member of administration to allow himself to fall into this kind of trap. I said this to the Honourable Minister of Transportation, I don't accuse him of being a part of a conspiracy to make sure of the imminent demise of the present administration but you couldn't be doing it better.

The Honourable Minister should be aware of it, I repeat, in the departments that touch on rural Manitoba in every possible way, in this particular case it's a matter of developing a better economic base, a better infrastructure to allow the No. 1 industry in Manitoba to flourish. In the previous department it was to make sure that our road system didn't deteriorate so that we could get them to market particularly at a time when hauling distances are increasing, rail line abandonment is carrying on and we have the Minister of Transportation admitting to us that he will not be able to maintain the road system in Manitoba, accepting a \$20 million reduction in highway construction in this year's Estimates alone.

Mr. Chairman, in addition to that this government spends a great deal of time in talking about the necessity for job creation. Mr. Chairman, these are the kind of things that even if I had socialist tendencies, could support, you want to invest in the future economic health of the province, you build those kind of projects that have a return coming to them, you build better roads, yes you do, you improve the agricultural productivity of the land because it means more dollars. It means that we can build the necessary personal care homes, it means that we can tax the farmers to support the school and education programs that our people want.

Mr. Minister, we're not seeing this and you haven't been doing your job around that Cabinet table with your colleague, the Minister of Transportation. It's just as simple as that. By the time we put together the Estimates of the departments that affect rural Manitoba - I shouldn't make that distinction, it affects all Manitobans because as the health of rural Manitoba goes so goes the health of all Manitoba. So, when we add the reduction, I know, Mr. Chairman, we're not up to that point, but we'll be dealing with it and we'll be dealing with it at some length where we have a reduction from some \$18 million in Capital assets to \$11 million and that was before we got the news this afternoon that our credit rating is down and we don't know for sure just how much of the \$11 million is going to be spent.

Mr. Chairman, I won't belabour the point but I put on the public record those of us who will be opposing this administration come the next election couldn't be fed with better election fodder.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. A. MACKLING:** Mr. Chairman, it's always a pleasure for me to hear the Honourable Member for Lakeside give his remarks because you can expect that they will be clear, they will be reasonably concise and they will certainly be evocative.

I don't disagree with the honourable member that, comparatively speaking, the spending Estimates in this department, particularly in the Capital area, do not reflect the kind of priority that some people would think might be given to the development of Water and Conservation Development Projects. But one, in government has to accept that where a decision is made to spend as much as possible albeit creating jobs that are relatively short term, if they are meaningful employment for people who are unemployed, and by virtue of that they will have dignity, they will have an opportunity to continue to be able to fund the kind of livelihood they have become accustomed to, then it behooves government to take a look at what can be done with its fiscal ability in order to reflect that need and we have been constrained to do that.

In some instances, I admit that my priorities may have been that I would have liked to have spent more money in certain areas but I have to reflect on what is the need of the people of Manitoba at this time and the people of Manitoba, I think, clearly indicate to us that we have to have the utmost initiative in respect to job creation. To the extent that has been necessary, yes, we have still continued to deficit finance and honourable members may say we're forecasting too big a deficit, we should have postponed more spending. Well, we didn't do that.

We are providing for a substantial deficit but we are continuing a spending level that will ensure a continuance of job action and we have earmarked over \$100 million of new job funding initiative and withheld cutting \$100 million of government activity that was discretionary that could have been cut, so that we have placed an emphasis on job creation to the extent that some departments, like Highways and Natural Resources have had, to reduce its level of activity in certain areas in order to ensure job creation that has been necessary and I, for one, support that, Mr. Chairman.

It is not an attitude of an arrogant, unthinking, insensitive Minister. I have, Mr. Chairman, travelled to constituencies throughout this province, the Honourable Member for Pembina will tell you that I toured in his area — (Interjection) — the way Donny drives, I don't know. No, he wasn't driving that time, that's right.

I am prepared to go anywhere to see the problems and endeavour to work out solutions regardless of what area of the province it is. So, Mr. Chairman, to suggest that we're arrogant, unthinking, insensitive, and the Honourable Member for Lakeside knows how a group of his constituents were ushered into my office and presented to me and then the Honourable Member for Lakeside made telling argument with me and then left the delegation in my presence.

**MR. H. ENNS:** You wouldn't let me smoke in the office.

**HON. A. MACKLING:** I've been out to his constituency looking at that same problem and there will be more at one time that I'll say about that. I reject that eloquent



argument of arrogance and insensitivity, that is not the case, Mr. Chairman.

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

**MR. D. ORCHARD:** Mr. Chairman, it's a joy sitting here listening to the Minister of Natural Resources reaffirm just what a failure he is in this Cabinet of this government.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. D. ORCHARD:** The Minister of Natural Resources talked very piously, and I have to use that word, because it best describes the way he discussed jobs. I believe he used the words, the responsibility of government was to create meaningful jobs and to make sure that government investment meant meaningful jobs, like mowing boulevard grass for \$400 a week as a meaningful job to this Minister, to this NDP Government, while at the same time they can go to the heavy construction industry in Manitoba and they will find people who have worked in that industry each and every summer for probably most of their working life that are going to be laid off this summer because this Minister has failed his responsibility to his department and to the taxpayers of Manitoba by having about a 60-percent cut in his capital budget.

Just last week, we found that another Minister and his government, as my colleagues have pointed out, failed the people of Manitoba by taking a 20-percent reduction in capital construction funds. Those jobs, Mr. Chairman, are real and meaningful jobs to the people in the heavy construction industry, but the Minister doesn't believe they are because he won't fund them.

So it's interesting to be able to have those people, when they're unemployed this summer, with nothing else and nothing better to do, read Hansard and find that this Minister doesn't consider their jobs to be meaningful enough to be worthy of government support, because that's what he said. It's going to be interesting for those unemployed people to read in the paper where the government is going to support a \$400-a-week grass-cutting program. Well, that is meaningful to this government, but meaningful to nobody else in the Province of Manitoba who is unemployed.

The government has attempted, Mr. Chairman, to hold the hands of practically everybody in Manitoba and tell them what a wonderful job they're doing. Whilst they had been holding Manitobans' hands, and the Premier has been the best handholder and hand wringer that has ever been given the job of Premier in the Province of Manitoba, he set up his three major thrusts of this government: you know, infrastructure, maintain the infrastructure of the Manitoba economy; maintain the present job level; and then create new jobs.

Now, we just finished the Highways Department last week. It failed in all three categories, and by the time we finish this Minister's Estimates we're going to find that he, likewise, is a failure to carry out his First Minister's priorities for the Manitoba economy.

People in Manitoba are saying we've got a \$600 million deficit. They're now, today, going to say that our credit rating is going down, and they are saying more and more, what do we have to show for this deficit?

There is no new construction for drainage for making farm lands more productive to help with the recovery of the province. There's no emphasis on road construction by this government, so that you've got a meaningful asset at the end of your deficit.

You know, the Minister gets terribly frustrated with some of our comments, and you know we should be careful of providing this Minister advice. This Minister doesn't take advice well and we're sort of thankful for that because as my colleague, the MLA for Lakeside, pointed out earlier on tonight, he's contributing quicker and more completely to the defeat of this incompetent government than anyone else except the Minister of Highways and Transportation. Why should we criticize them for doing that? Because the quicker he gets his incompetent job done, the quicker we can pick up the pieces in this province and start rebuilding it as we were during the late '70s. But this time around there is going to be a real mess to inherit, and we've got a Minister who will cancel midstream on a personal whim, with no other justification than a personal whim, to cut a jointly funded drainage demonstration project because he doesn't happen to like the constituency it's in and that's as blunt as it is.

**HON. A. MACKLING:** Oh, that's not so.

**MR. D. ORCHARD:** He carries on with that drainage project in the MLA for Springfield's constituency, in the Cooks Creek Project, but he drops the one in the constituency of Morris because he doesn't believe that those farmers, who might have voted Tory, should get any funding. That's the way this Minister is petty with his politics.

You know, Manitobans in southern Manitoba, south of the No. 1 Hwy. and west of the Red River, have gotten used to being left out when this ND Party gets into government, but they always remember and they have long long memories. The spin-off of their cutbacks, their reductions and their total disregard of the southern Manitoba economy comes back to haunt them. Only this time, it's going to come back to haunt them much much quicker because of the arrogance of this Minister and his total lack of knowledge of what his department is supposed to do and what he's supposed to do as Minister. That kind of ignorance and lack of understanding by this Minister will haunt this government.

**MR. CHAIRMAN:** Now that the Member for Pembina had his say, I'll have my say.

Resolution 119 has been passed. Resolve that there be granted to Her Majesty a sum not exceeding \$6,222,100 for Natural Resources for the fiscal year ending the 31st day of March, 1984—pass.

Committee rise.

## SUPPLY - EDUCATION

**MR. CHAIRMAN, P. EYLER:** Committee, come to order. We are considering the Estimates of the Department of Education, Item 5.(f)(1) Personnel Branch: Salaries - the Member for Tuxedo.

**MR. G. FILMON:** Mr. Chairman, under this item, I wonder if the Minister could just indicate whether it's

a comparison in staff complement this year versus last year; there appears to be a 30-odd percent increase in salaries. I'm wondering if there has been an increase in staff.

**MR. CHAIRMAN:** The Minister of Education.

**HON. M. HEMPHILL:** The staff complement is the same, Mr. Chairman.

**MR. G. FILMON:** The complement is the same, did the Minister say, yes? Does the Minister agree that there is a 30 percent increase in salaries then?

**HON. M. HEMPHILL:** 29.7.

**MR. G. FILMON:** Is that agreement? What are the functions of the Personnel Branch of her department, Mr. Chairman?

**HON. M. HEMPHILL:** Staffing, classifications, salaries, benefits and staff relations.

**MR. G. FILMON:** Have staff relations been good this year, Mr. Chairman?

**HON. M. HEMPHILL:** Excellent.

**MR. G. FILMON:** Despite a 30 percent increase in salaries, Mr. Chairman, I don't believe that.

**MR. CHAIRMAN:** 5.(f)(1)—pass; 5.(f)(2)—pass. 5.(g)(1) Student Aid: Salaries - the Member for Tuxedo.

**MR. G. FILMON:** Mr. Chairman, for weeks now the Minister has been promising to explain to me the whole area of student aid financing. The Minister has, on a number of occasions, indicated that I don't understand what is going on, so I'm all ears, Mr. Chairman.

**HON. M. HEMPHILL:** Mr. Chairman, I don't think I ever suggested that the Member for Tuxedo did not know what was going on in Student Aid or in any other area. I think I did suggest that there were some things that had happened that affected the Student Aid Program, the requirements for funding for student aid this year that would become clear in Estimates and that would be a little difficult to explain in a shorter period like question period when you weren't able to get into detailed financial discussions.

I am guessing that his big question, which wasn't really put, was: how come, do you have enough money in the Student Aid Program to cover the program this year? Since that was his major question that he put before, and my answer was that it was; is that the major question?

**MR. G. FILMON:** Mr. Chairman, I wouldn't ask that question because I know the Minister would tell me that she does have enough money. So, my question, therefore is explain to me how, with less money than last year, you're going to do more?

**HON. M. HEMPHILL:** The money that is there we are able to use in a different way this year than we have

had to use in the past, and the reason is the changes in the Federal Government Student Loans Program, and I think we made reference to those before. The Federal Government has been withdrawing from supporting the Student Aid Program over a number of years and I think their increase, or their support, for it has decreased from about a 67 percent to about a 25 percent in a decade; which means there has been a very significant withdrawal of federal activity in this area, and it goes without saying that when that decrease in activity is there it puts an increase on the burden of the provincial programs. In other words, the less they do the more, I suppose, that we have to do or pick up.

There were major changes made in the Federal Loan Program this year. They amounted to, I think, about \$12.5 million, and the major element of it was that they increased the Canada Student Loan limit from \$56 a week to \$100 a week; they almost doubled it. This was a major change in the money that they were making available to students. They also brought in a Part-Time Student Aid Program, and I think the other part of it was that they offset the interest rates. They paid the interest rate of graduating students who were in default, so that where students were in trouble they gave some help to help cover the interest rate and to prevent defaults. So they brought in a three-part program. Now, what that did was to decrease both the reliance and the need in our program, to put money up front that we had to provide when their money wasn't there and, now that their money is there, it decreases the amount of money that we have to put up front for students, and makes more of the money, inside the program, available to cover our own program needs.

**MR. G. FILMON:** Mr. Chairman, we'll get at the specific figures in just a moment, but I have a couple of questions that arise from what the Minister has said. The Minister has indicated that the Federal Government was systematically withdrawing or reducing their portion of student aid in the province. The Minister can correct me if I'm wrong, but my impression was that some of the reduced federal involvement was by provincial choice, in that a student didn't necessarily have to take any portion of his or her aid as a loan, whereas originally, when the program came out, I believe there was some compulsion on a person to take a loan and bursary combination. I believe that it is at the point where if a person demonstrates need, then they can get all of their assistance in the form of bursaries which are non-repayable, as opposed to loans which are repayable. Is that the case?

**HON. M. HEMPHILL:** Mr. Chairman, the full loan is available to Manitobans the same as all other provinces and we have always had the combination of loan/bursary.

**MR. G. FILMON:** So that, in order to get bursary assistance, the student must take a loan, as well?

**HON. M. HEMPHILL:** Yes, Mr. Chairman, the first \$1,000.00.

**MR. G. FILMON:** Then the differential arose as provincial limits were increased, while federal limits were

not. I believe the federal stood at \$1,800 for a considerable length of time, whereas the provincial kept increasing over years. Then we got the grant as well as the bursary added onto the loan and so on, so that the provincial portion kept increasing over a successive series of moves both by our government and now your government.

The part about offsetting interest rates for students who are in default, I'm interested in this. I wonder if the Minister could explain just a little further. The program as it stood previously was that students did not have to pay interest on their loan for six months following the completion of their training program. Is the Minister saying that has now changed and that there's a longer period of time that it's interest free after completion, or is it that special circumstances, such as not having a job, dictate special conditions, or how does that work?

**HON. M. HEMPHILL:** Mr. Chairman, that program can now be extended an additional 18 months, so that it's a total of 24 months for any student who is unemployed.

**MR. G. FILMON:** If they're employed, it's still six months?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. G. FILMON:** Mr. Chairman, I have some figures of the former levels of assistance that were provided by the province and the Federal Government. They show back in '77-78 it was \$4,076,000 provincial assistance versus \$9,084,000 federal; which by the time we had reached '80-81, it was projected to be \$5.5 million provincial and it was down to \$7.1 million federal. It appeared as though there were more funds allocated for student loans. In other words, it wasn't the limitation of funds that they had allocated for loans in Manitoba, but rather the uptake was much less than they allocated. I suppose that was because of the combination circumstances that were applied in the student aid process where they were getting more of it out of bursaries and grants and less of it out of loans. It was never a case that the feds weren't allocating enough money to Manitoba; it was a case of the uptake.

Now the circumstances, as I understand it from the Minister, are changing, so that the relative proportion of uptake in Manitoba from the federal funds will be increased?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. G. FILMON:** Okay, can the Minister tell me what the relative levels are projected to be for this coming year then of provincial assistance and federal uptake?

**HON. M. HEMPHILL:** An increase of 12.5 in the loan program, Mr. Chairman.

**MR. G. FILMON:** I'm sorry, Mr. Chairman, perhaps I didn't express myself correctly. I'd like the Minister to tell me what the figures were for last year and this year, of provincial assistance and federal student loan uptake, not the allocation for Manitoba, but how much in the way of federal student loans were taken up in

Manitoba last year and are expected to be this year, and the same thing for the provincial assistance last year and this year?

**HON. M. HEMPHILL:** The provincial in 1982-83 was 8.1 and this year is 6.4; the federal is 15.5 in 1982-83 and 28 this year.

**MR. G. FILMON:** So the provincial assistance went from about the level of 6 million the 1981-82 year to 8.1 million in 1982-83, and will reduce to 6.4 million in 1983-84; that's, I think, what the Minister is telling me. The Federal went from 7.5 million, approximately, in 1981-82 to 15.5 last year and now to 28 million this year; that's what it's projected to be. Well, those are masses increases on the part of the federal funding and, obviously, welcome.

What are the circumstances, or the conditions, or criteria for the part-time student aid qualification?

**HON. M. HEMPHILL:** Anybody taking a part-time course of 12 weeks or longer.

**MR. G. FILMON:** Does that mean a person could be taking, like, two credits at a university for anything over 12 weeks or 12 weeks or over?

**HON. M. HEMPHILL:** Yes, Mr. Chairman.

**MR. G. FILMON:** Is the new information printed with all this?

**HON. M. HEMPHILL:** Mr. Chairman, it's my understanding that the details of it are in the final stages of development by the Federal Government. They've been announced but they're preparing, I think, the written material and they have to bring in amendments to The Canada Student Loan Act now.

**MR. G. FILMON:** So once again we have a situation in which the province has been able to take advantage of a massive increase in federal funding in this area to allow it to get by with less funding than it has in the previous year in order to achieve all of its goals and objectives in this area.

**MR. CHAIRMAN:** 5.(g) - Madam Minister.

**HON. M. HEMPHILL:** Mr. Chairman, while we want to give the Federal Government full marks for the moves that they have made this year, particularly since we've been waiting for them so long and they are important, I think it's important also to remember that all of their programs, disappointingly I might say, are in the loan area and that we really had hoped that this year they would move into a combination of loan bursaries. Every program that they have brought in is loan and while our money is less, we're the ones that have the loan rebate and we're the ones that have the non-repayable money for the high need students.

**MR. G. FILMON:** Mr. Chairman, I recognize that because that's the way it's always been in the past. I don't think anything with respect to that point that the Minister's making, has changed either during this past

year or in previous years since our administration was in government. So unless the Minister is quarrelling with the point that I make, then I guess it stands.

I wonder if the Minister can tell me, there is about a 25 percent increase in salaries for the Student Aid Branch. Is there any increase in staff complement as a result of that?

**HON. M. HEMPHILL:** Mr. Chairman, that's normal increases plus two staff.

**MR. G. FILMON:** Mr. Chairman, this would be to deal with increasing volume of application?

**HON. M. HEMPHILL:** Yes, Mr. Chairman. We've committed ourselves to what is a reasonable turnaround time for students - I believe it's between six to eight weeks - and recognize that it's important for them to have information for them to make decisions about continuing. The increase in the workload has just been phenomenal.

**MR. G. FILMON:** Mr. Chairman, I'm operating a bit from memory, but what were the number of applications last year, and what are they projected to be this year?

**HON. M. HEMPHILL:** All programs, post-secondary, secondary, 17,200 in '82-83; and 18,950 in '83-84.

**MR. G. FILMON:** So the big jump was basically between '81-82 when it was under 10,000, and last year when it was up to 17,000; this year it's sort of levelling off.

**HON. M. HEMPHILL:** Yes.

**MR. CHAIRMAN:** 5.(g)(1)—pass; 5.(g)(2)—pass; 5.(g)(3)—pass; 5.(h)(1) - Student Aid Appeal Board: Salaries - the Member for Tuxedo.

**MR. G. FILMON:** Mr. Chairman, I wonder if the Minister could indicate what has been the numbers of appeals during the past year, or two years.

**HON. M. HEMPHILL:** Mr. Chairman, there were about 375 last year, the previous year, and 700 appeals this year; out of 17,000.

**MR. G. FILMON:** What proportion of the appeals were granted in each of those two years?

**HON. M. HEMPHILL:** 50 percent, Mr. Chairman.

**MR. G. FILMON:** Is the branch still carrying out audits and on what basis?

**HON. M. HEMPHILL:** Mr. Chairman, we are still carrying out audits, but their focus has changed to some degree. I think, previously, the audits were done on a random basis, sort of after the fact, and now what we're doing is concentrating on preliminary investigations, I think we might describe it, where we're spending more time verifying what the students have in the way of bank accounts and resources and jobs, and that we get enough information out of that preliminary information that is now required that we can identify the areas

where the students might be put in what might be a high risk area; and we do a specific audit only if we find problems.

In other words, the system now gathers much more information on the front end about what students have and, on the basis of the information we get, we audit only if there are problems. If their reporting isn't accurate on the amount of money they have in the bank, or some of the other checks that are made, then we do an audit. So it isn't done on a random sample basis, it's done on the specific high-risk identified students.

**MR. G. FILMON:** So, like the Revenue Canada auditors, you've determined what are the areas that are high-risk types of applications by the kinds of information that come back to you, initially, and those are the ones that you zero-in on. Is this year the waiters?

**HON. M. HEMPHILL:** I beg your pardon?

**MR. G. FILMON:** That was a somewhat facetious question, Mr. Chairman. I was asking if it was the . . .

**HON. M. HEMPHILL:** I missed the cleverness of it.

**MR. G. FILMON:** Perhaps there wasn't any there. I asked if this year it was the waiters who were being hit, or the bartenders, or the bellhops?

Has there been any change in staffing on the Student Aid Appeal Board, Mr. Chairman?

**HON. M. HEMPHILL:** No, Mr. Chairman.

**MR. CHAIRMAN:** Item 5.(h)(1)—pass; 5.(h)(2)—pass; 5.(j)(1) - Northern Development Agreement - Canada-Manitoba Post-Secondary Career Development: (1) Salaries - the Member for Tuxedo.

**MR. G. FILMON:** I wonder if the Minister can give me an indication of comparative staff years, last year versus this year.

**HON. M. HEMPHILL:** Just wait one moment while we have a change. Mr. Chairman, we're up 6.26.

**MR. G. FILMON:** Staff years?

**HON. M. HEMPHILL:** Staff years.

**MR. G. FILMON:** What are the new initiatives and programs, then, being carried out by the department, Mr. Chairman?

**HON. M. HEMPHILL:** Mr. Chairman, one of the major expansions that we're undertaking this year is to expand the programs that we're delivering in the North, and that we have the Northern Nursing Education Program, the Northern Management and Administrative Program and Northern Social Work Program. And we're opening two new BUNTEP centres, one in Berens River and one whose location is yet to be determined. The Inner City Nursing Program has it taking in an additional 15 students.

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

**MR. S. ASHTON:** Thank you, Mr. Chairman. These new programs are of particular interest to my constituents and I'd like to make a few remarks and then address a question to the Minister.

It's of interest, first of all, to people within Thompson itself, but also in the entire region. I had the pleasure to attend the regional meeting of the MMF which was held in Thompson this past weekend and one of the areas I received the most questions about was the area of education in general, and the specific area that people were interested in was in terms of the Nursing Program which is in operation at the present time and the Social Work Program, Administrative Studies Program which is going to be implemented in the upcoming year.

I was wondering if the Minister could give the committee some information as to the manner in which the Social Work Administrative Studies Programs will be implemented and out of where they will be located.

**HON. M. HEMPHILL:** Mr. Chairman, we're expecting both of those programs to start in September with an intake of 15 students in each of the programs. We are presently negotiating arrangements for space and facilities for the programs and they will be delivered in Thompson.

**MR. S. ASHTON:** I wanted to have that placed on the record because I know there was some concern at the MMF meeting that those programs might not be located in Thompson. They even, in fact, passed a resolution indicating their support for the location in Thompson because it gives their membership, which covers the entire Northern region of the province, the best access to those facilities. Of course I don't have to tell the committee my own views on that. I personally favour the location of those programs in Thompson, not just for the ability that it will give those programs to service the surrounding areas, but also to serve the Community of Thompson itself.

I would note in this regard that the BUNTEP Program which is fully under way at the present time in Thompson and the NORD Nursing Program, which has only recently started, have a mixture of students from outlying areas and from Thompson itself. One item that comes up continuously when I talk to my constituents is that they like to see programs such as this expanded because, while we do have access to certain kinds of educational facilities, we have to leave the community for access to programs such as these at the present time, and when they're implemented it will greatly expand that access.

For a lot of people it means the difference between being able to take the program or not. Specifically in regard to the programs I've mentioned, the new program - the Social Work Administrative Studies Program - because it will be keyed to Special Needs students - I'd like to thank the Minister's department and the Minister for locating that in Thompson where I'm sure it will be greatly appreciated.

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

**MR. G. FILMON:** Mr. Chairman, the Minister indicated that one of programs that was contained in that

development agreement was the Inner City Nursing Program. Is this because the clientele is primarily Native? I'm curious as to why it would be in that program as opposed to the Core Area.

**HON. M. HEMPHILL:** It's a different appropriation. It's under 16.(5)(n), Continuing Education. Even with my glasses, I can't see too well. We'll be coming to that shortly.

**MR. G. FILMON:** So it isn't under there? It's not. Is the BUNTEP Program under this appropriation (j)? Is the BUNTEP Program funding continuing to the same level or greater level than it has in the past?

**HON. M. HEMPHILL:** Mr. Chairman, yes, we're supporting it at a higher level than last year; 12 percent increase.

**MR. G. FILMON:** Mr. Chairman, if most of the component is salaries, or any significant component as we've already been through previously, that isn't likely to give it any additional programming capability. However, I am pleased that the BUNTEP Program is continuing at close to the same level, if it is, or a greater level because I, not too long ago, received a copy of the news release from Brandon University which told of their having achieved or received an award in Texas - I think it may have been in Houston - at an International Conference of University Educators in which this particular program received the award for the best program of its type. The remarkable thing about it, as I understand it, is that they were competing with all of the major North American universities in achieving that award, and for a university of the size of Brandon I think it's truly remarkable.

I took the liberty of sending that release to the former Minister of Education, Mr. Cosens, because I know how committed he was to that program, how much he had to do with its furtherance and how proud he was of it in various discussions we had had during our term of office in government and I know that it serves a very very useful purpose.

It has achieved a great deal in terms of training Native students for professional endeavours particularly in the area of teaching. I believe that those who have gone back into their communities to serve, have served as a role model which many young Native children can look up to and which I believe is probably the most effective kind of spending we can do in the area of training of our Native students and I commend it highly. I commend the Minister for carrying on the program, as I commended my former colleague, the former Minister of Education, Mr. Cosens, for his involvement with the program.

One final question, it's all totally Recoverable from the Federal Government, this particular item, is it? Item (j) is totally Recoverable from the Federal Government?

**HON. M. HEMPHILL:** 60-40, Mr. Chairman.

**MR. CHAIRMAN:** Item 5.(j)(1)—pass; 5.(j)(2) - the Member for Tuxedo.

**MR. G. FILMON:** Other Expenditures appear to have more than doubled. Can the Minister hit the highlights of that doubling?

**HON. M. HEMPHILL:** Mr. Chairman, we have two staff there and that's because of the increase in students, almost a doubling.

**MR. G. FILMON:** Students supplies, then?

**MR. CHAIRMAN:** Item 5.(j)(2)—pass; 5.(j)(3)—pass; 5.(j)(4)—pass. 5.(k)(1) - Canada-Manitoba Winnipeg Core Area Agreement - Employment and Affirmative Action: (1) Training and Employment Agency - the Member for Tuxedo.

**MR. G. FILMON:** Mr. Chairman, that area of Expenditures has doubled this year to last year, I wonder if the Minister could indicate the staff complement, and indicate just what is the role of the Employment Agency and how many people are involved in it. Talk a little bit about the job creation component of this Core Area Agreement and tell us a bit about how successful it has been in that part of the endeavour.

**HON. M. HEMPHILL:** Yes, Mr. Chairman, there is a significant change in this area because the Inner-Core Training and Employment Agency actually was, what we might say, a little late in getting going, but its activity depends to a large amount upon the number of projects and contracts that it is able to sign for training opportunities between different levels of government,

and between industry, and between the private sector, and a lot of the developmental work that goes in that is required when you're starting something like this from Square One, which does require agreements and contracts to be signed between governments, industry and other institutions, takes awhile. So that we have an increase in staff years; I think we now have 10 on staff and we have an increase of 25 additional staff that are available to respond to new initiatives. In other words, although we have got staff years available, we do not fill them until we actually have projects or proposals or programs for the co-ordinators to undertake.

So they first identify areas of potential training; get agreements on a specific program signed between whoever the participating groups are, and only when the proposal receives final approval, do we hire the people that will carry through that particular program.

**MR. G. FILMON:** Mr. Chairman, but all of those programs are expected to take effect this year and the hiring will take place in this year?

**HON. M. HEMPHILL:** Mr. Chairman, could we break - we have somebody that's ill.

**MR. CHAIRMAN:** Committee rise.