

Manitoba

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**FEDERAL-PROVINCIAL  
AGREEMENT**

(As amended October 12, 1972)

Covering a Development Plan  
for the Interlake Area

PREFACE

On May 16, 1967, the Federal Minister of Regional Development and the Premier of Manitoba entered into an Agreement covering the Interlake Area of the province. This Agreement, signed under the Food for Peace Act, provides for the undertaking of MANITOBA grant and projects designed to improve the level of living and standard of living of the people of the Interlake Area in the fields of education, health, research and development.

FEDERAL-PROVINCIAL AGREEMENT

(As amended: October 12, 1972)

Responsibility for the Agreement has since been assumed by the Federal Minister of Regional Economic Expansion, the Honourable Jean Marchand, and the Provincial Minister of Agriculture, the Honourable Joe Loeb.

The present Agreement covers a Development Plan for the Interlake for the period 1972-1975. It is a revision of the original Agreement of 1967. It was established to assess the progress of the plan, examine the relevance of the program to the needs of the area, and to ensure that the program better reflect the current and future needs of the area.

As a result of this review, Canada and Manitoba agreed to amend the Agreement in order to introduce new programs which were recommended. However, many of the original programs have been completed as expected, while others are still in progress.

This booklet contains an official consolidation of the Agreement signed on May 16, 1967 as amended on October 12, 1972.

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Ottawa,  
November, 1972

## PREFACE

On May 16, 1967 the Federal Minister of Forestry and Rural Development and the Premier of Manitoba entered into an Agreement covering the Interlake Area of the province. The Agreement, signed under the Fund for Rural Economic Development Act, provided for the undertaking of a development plan involving programs and projects designed to increase the level of income and standard of living of Interlake residents. Programs touched the field of education, manpower, development and structural adjustment, research and administration.

Responsibility for the FRED Agreement has since been assumed by the Federal Minister of Regional Economic Expansion, the Honourable Jean Marchand, and the Provincial Minister of Agriculture, the Honourable Sam Uskiw.

One provision of this Agreement was that, from time to time, the development plan should be reviewed in the light of its progress in relation to the Interlake situation, and altered if necessary. Accordingly, a Joint Federal-Provincial Review Committee was established to assess the first five years of the plan, examine the relevance of its programs and draw up amendments which, without altering the basic objectives of the plan, would better reflect the current and anticipated requirements of the Area.

As a result of this review, Canada and Manitoba agreed to amend the Agreement in order to introduce new programs which were recommended. However, many of the original programs have been completed as expected, while others are still in progress.

This booklet contains an office consolidation of the Agreement signed on May 16, 1967 as amended on October 12, 1972.



## TABLE OF CONTENTS

	<u>Page</u>
AGREEMENT	1
Part I - Education	6
Part II - Manpower	7
Part III - Development and Structural Adjustment	9
Part IV - Research	12
Part V - Administration	13
SCHEDULE A - Map	17
SCHEDULE B - Development Strategy	19
The Situation	19
The Strategy	20
The Action Program	22
Education	22
Manpower	24
General Counsellors	24
Canada Manpower Counsellors	24
Canada Manpower Training Program	25
Mobility Assistance	25
Interlake Manpower Corps	25
Community Affairs	26
Resource Management Assistance	26
Training-in-Industry	27
Summary of Costs	27
Agriculture	27
Land Acquisition	28
Land Development	28
Drainage	29
Veterinary Clinics	29
Farm Water Services	29
Farm Development	30
Summary of Costs	30
Fisheries	30
Fisheries Adjustment Study	31
Fishermen Development	31
Transportation	31
Recreation	32

	<u>Page</u>
Employment Opportunities	32
Industrial Park	33
Housing	34
General	34
Administration	34
Participation and Information	35
Evaluation	36
Financial Implementation	37
SCHEDULE C - SUMMARY OF COSTs	39
Part I - 1967-68 to 1976-77	39
Part II - 1967-68 to 1971-72	42

AGREEMENT COVERING  
A COMPREHENSIVE  
RURAL DEVELOPMENT PLAN  
FOR  
THE INTERLAKE AREA OF MANITOBA  
(as amended October 12, 1972)

MEMORANDUM OF AGREEMENT made this sixteenth day of May, 1967.

BETWEEN:

THE GOVERNMENT OF CANADA, (hereinafter referred to as "Canada") represented by the Honourable Maurice Sauvé, Minister of Forestry and Rural Development of Canada,

OF THE FIRST PART;

AND

THE GOVERNMENT OF THE PROVINCE OF MANITOBA, (hereinafter referred to as the "Province") represented by the Honourable Duff Roblin, Premier of the Province of Manitoba,

OF THE SECOND PART.

WHEREAS the Interlake rural area, hereinafter referred to as "the Area", has experienced widespread low income, has substantial adjustment problems and has significant development potential;

AND WHEREAS Canada and the Province have jointly agreed that it is desirable that the Area have a comprehensive and co-ordinated development plan designed to promote its economic development, to increase income and employment opportunities and to raise standards of living;

AND WHEREAS the Fund for Rural Economic Development Act, 14-15 Elizabeth II, c.41, hereinafter referred to as "the Act", provides for the implementation of a Comprehensive Rural Development Plan under such conditions;

AND WHEREAS Canada and the Province jointly agree that the Area, shown on the map attached hereto as Schedule "A", shall be designated a Special Rural Development Area as defined in s.5(b) of the Act;

AND WHEREAS Canada and the Province have jointly agreed on a Comprehensive Rural Development Strategy for the Area and on a plan for its implementation as described herein;

AND WHEREAS His Excellency, the Governor in Council by Order in Council P.C. 1967-898 of May 9, 1967 has authorized the Minister of Forestry and Rural Development to execute this Agreement on behalf of Canada;

AND WHEREAS His Excellency the Lieutenant-Governor in Council by Order in Council 600-67 has authorized the Premier to execute this Agreement on behalf of the Province;

NOW, THEREFORE IT IS AGREED BY AND BETWEEN THE PARTIES hereto as follows:

1. The area of Manitoba within Census Division 9 and 12, the Municipality of St. Andrews in Census Division 5, and that part of the Municipality of St. Clements lying west of Range 7 East, described on the map attached hereto as Schedule "A", shall be designated as the Special Rural Development Area under this Agreement and s.5(b) of the Act (for the purposes of fisheries and manpower programs those fishermen who work the major lakes adjoining the Area shall be deemed to be residents of the Area) and the strategy in respect of the Area and defined by s.5(a) of the Act, shall form the subject matter of this Agreement.
2. Definitions:
  - (a) Development Strategy - The means, as outlined in Schedule "B", by which the objectives of the Agreement will be promoted in the Special Rural Development Area.
  - (b) Plan - The over-all design for implementing the rural development strategy.
  - (c) Program - A definite course of intended proceedings for a major operation within the Plan.
  - (d) Project - An undertaking, with specific objectives, that forms a self-contained unit within a program.



3. The purposes of this Agreement are to carry out the objectives of the Act, as set out in the recitals hereof, and to give the residents of the Area the opportunity to participate fully in the economic life of the nation by means of:
  - (a) extensive public investment in education to provide a higher level of education for the population;
  - (b) increased training facilities which, together with training allowances and mobility grants, can be used to prepare the employable population in the Area for more rewarding opportunities in places of expanding employment;
  - (c) provision of information by way of counselling to make the residents of the Area more aware of the alternative opportunities available to them;
  - (d) development of the economic potential in the renewable resource sector, including agriculture and fisheries, and the encouragement of secondary industry; and
  - (e) development of some of the infrastructure of the Area, basically roads and parks, to encourage additional employment opportunities and raise the standard of living.
4. All programs and projects undertaken under the Plan shall be jointly approved by Canada and the Province and shall be consistent with the over-all objectives of the Plan as outlined in the Development Strategy, hereto attached as Schedule "B".
5. Notwithstanding anything in this Agreement, no program or project shall be approved or undertaken under this Agreement that is not consistent with the Development Strategy and that does not maintain a balance among each of the Parts of this Agreement whereby the objectives of the Development Strategy are to be attained.
6. These objectives shall be reached through co-operation between Canada and the Province, through co-ordination amongst the parties hereto and their agencies, and by applying all other related or applicable programs and projects to the Plan in the Area.

*As Amended  
October 12, 1972*

*As Amended  
October 15, 1972*

7. The Province shall establish local advisory boards, called Area Development Boards, to provide for participation by the residents of the Area in the carrying out of the Plan as required by s.5(a) of the Act but, notwithstanding anything else in this Agreement, Canada shall not share in the cost of, nor participate in, any program hereunder until it is satisfied that such involvement exists.
8. Subject to all the terms and conditions of this Agreement and subject to the funds being made available by the Parliament of Canada in the annual appropriations of the Department of Regional Economic Expansion, and all other contributing departments, the aggregate sum which Canada shall finance under this Agreement shall not exceed \$49,562,000 from all sources. Of this sum, \$33,812,000 will be contributed to programs and projects which will require a provincial cost share. The components of the said \$49,562,000 and the sources thereof are set forth in the Parts of this Agreement and in the summary of estimated costs and expenditures which forms Schedule "C" of this Agreement.
9. Subject to the terms of this Agreement and subject to funds being appropriated by the Provincial Legislature of Manitoba, or being available for loan through on-going federal programs, the Province shall contribute in respect of the programs and projects hereunder the sum of \$35,523,000 as its share of the cost of programs and projects described hereunder. Of this sum, \$11,823,000 will be spent on programs or projects requiring a federal cost share. The Province shall be responsible for all other costs, including operating costs and other costs not specifically provided for in this Agreement or not a part of on-going federal programs, both during and subsequent to the life of this Agreement.
10. Canada and the Province, from time to time during the life of this Agreement, may jointly approve programs or projects which are practical, suitable and consistent with the objectives and proposals outlined in the Development Strategy found in Schedule "B", and in no circumstances shall funds be contributed in respect of any program or project without said joint approval.
11. Canada and the Province agree to provide to each other, upon request, any information about the Comprehensive Rural Development Plan or any program, project or part thereof.

12. Deleted
13. Canada shall pay to the province \$1,800,000, in five equal annual instalments of \$360,000 each, commencing on the first anniversary of the date of the signing of this Agreement, to assist in the general implementation of the Plan, but notwithstanding this, Canada shall not be liable to make contribution or payment hereunder unless in its own discretion Canada is satisfied that the Plan is being carried out in conformity with Sections 4 and 5 thereof.
14. This Agreement may be amended from time to time by the mutual agreement of the Ministers expressed in writing and following a recommendation of the Joint Federal-Provincial Advisory Board, except that any amendments to the financial limitations expressed in Sections 8 and 9 of this Agreement or to any ratio of the cost-sharing by Canada and the Province or any amendment to Schedule "A", shall be made only with the approval of the Governor in Council and the Lieutenant-Governor in Council. *As Amended  
October 12, 1972*
15. Each development program or project jointly agreed to by Canada and the Province shall specify the objectives of the program or project and outline the details as to how the program or project is to be carried out, the time schedule involved, the priority of the program or project in terms of the over-all Plan, the cost, the share of the cost to be borne by each party, the share of any revenue from the program or project that will accrue to Canada and the Province and the expected benefits that will accrue from the program or project.
16. Deleted
17. The following conditions with respect to employment and the award of contracts under this Agreement shall apply to all programs or projects carried out under this Agreement, and in the case of paragraph (b) hereof shall be made a condition to all contracts entered into as a result of this Agreement.
- (a) Where practicable, the recruiting of labour shall be conducted through the Canada Manpower Division of the Department of Manpower and Immigration.
- (b) In the employment of persons on a project there shall be no discrimination by reason of race, sex national origin, colour, religion or political affiliation. *As Amended  
October 12, 1972*

18. Except for acts of God, the Province shall save harmless and indemnify Canada for and against any and all liability, loss, damages or expenses, which may be suffered or created as a result of implementing the programs or projects hereunder, and for the implementation of which Canada is not directly responsible hereunder.

*As Amended*  
*October 12, 1972*

19.(1) This Agreement shall commence on, and take effect from, the date on which it becomes signed by both Canada and the Province, and no costs incurred before April 1, 1967 shall be eligible or considered for payment under this Agreement. This Agreement shall terminate on April 1, 1977 and no program or project shall be approved after this date and no claim for a contribution made in respect of any program or project under this Agreement, or part of the Plan under this Agreement, shall be paid unless it is received by Canada within one year following the expiry date.

*As Amended*  
*October 12, 1972*

(2) Notwithstanding subsection (1) where it is expressed in any Part or in Schedule "B" of this Agreement that a program or project is to terminate on a specified date, no program or project of that type or description shall be approved after that date, and no claim for a contribution made in respect of such a program or project, shall be paid unless it is received by Canada within one year of that termination date.

20. (a) No Senator, member of the House of Commons or member of the Legislature of the Province shall hold, enjoy or be admitted to any share or part of any contract, agreement, commission or benefit arising out of any project under this Agreement.
- (b) Canada and the Province agree that in carrying out the Plan, or any program or project under this Agreement, the parties hereto shall observe and abide by the conditions respecting fair wages and hours of work under the Fair Wages and Hours of Labour Act, R.S.C., 1952, c.108, as amended.

## PART I

### EDUCATION

21. The purpose and intent of this Part is to improve the educational facilities and opportunities in the Area.

22. The Province shall undertake as a program under this Agreement to expand and modernize school facilities in the Area through:
- (a) the consolidation of existing school boards into one board for each of the five school divisions;
  - (b) the investment during the five years immediately following the signing of this Agreement of an estimated \$4,700,000 in school facilities in the Area;
  - (c) the construction of a regional secondary school for a minimum of 500 students in the Area at an estimated cost of \$3,000,000; and
  - (d) the provision of approximately \$19,000,000 during the life of this Agreement to meet the increase in the cost of operation and maintenance of the school program.
23. The Province shall provide the funds for this program, except that the provision of technical-vocational training facilities will be carried out in co-operation with the Canada Department of Manpower and Immigration which, subject to mutual agreement between Canada and the Province, shall provide financial assistance under the terms of the Canada Manpower Training Program.

*As Amended*  
*October 12, 1972*

*As Amended*  
*October 12, 1972*

## PART II

### MANPOWER

24. The purpose and intent of this Part is to provide increased opportunities for the people of the Area to better their standard of living by providing counselling, training, financial assistance during occupational training, and job placement where necessary.
25. To provide occupational training for an expected 4,500 people over the life of this Agreement, the Province shall provide:
- (a) technical vocation training facilities at a regional secondary school at a major growth point; and
  - (b) portable training units for other training centres in the area.

*As Amended*  
*October 12, 1972*

*As Amended*  
*October 12, 1972*

26. To ensure that residents of the Area receive sufficient information and advice to enable them to select from the alternatives available to them, Canada and the Province shall jointly undertake to provide general counsellors and supporting administrative staff.
27. To ensure that all residents are aware of opportunities for training, job placement and financial assistance, Canada shall undertake to provide a staff of manpower counsellors at Canada Manpower Centres in the Area.
28. Canada and the Province shall jointly agree to an Interlake manpower corps program to provide employment experience for residents and group orientation towards training and occupational mobility.
29. Canada and the Province shall jointly agree to undertake a program designed to offer the people of the Area adult education, guidance in community development, leadership training, and public affairs education.
30. Canada and the Province shall jointly agree to undertake a program to provide management education in agriculture, fisheries and recreation, and other projects designed to increase the knowledge and efficiency of those residents of the Area who will continue to depend on the physical resources for their livelihood. This program terminates on March 31, 1972.
31. Canada and the Province shall jointly agree to undertake or assist in suitable projects designed to provide training in industry especially for the Indian and Metis people of the Area.
32. Deleted
33. Canada shall contribute to jointly approved projects, under Section 25 (a) and (b) hereof, 75 per cent of the total cost of \$1,275,000 under the terms of the Canada Manpower Training Program.
34. Deleted
35. Canada shall contribute to jointly approved projects, under Section 26 hereof, 90 per cent of the total cost thereof, or \$2,106,000 whichever is the lesser.
36. Canada shall contribute to jointly approved projects, under Section 28 hereof, 90 per cent of the total cost thereof, or \$4,552,000 whichever is the lesser.

*As Amended*  
*October 12, 1972*

*As Amended*  
*October 12, 1972*

*As Amended*  
*October 12, 1972*

*As Amended*  
*October 12, 1972*

37. Canada shall contribute to a jointly approved program, under Section 29 hereof, 75 per cent of the total cost thereof, of \$602,000 whichever is the lesser. As Amended  
October 12, 1972
38. Canada shall contribute to jointly approved projects, under Section 30 hereof, 75 per cent of the total cost thereof, or \$964,000 whichever is the lesser. As Amended  
October 12, 1972
39. Canada, through the Canada Department of Manpower and Immigration, undertakes to pay training allowances and mobility grants to those eligible under the Manpower program at an expected cost of \$15,750,000.
40. Canada shall contribute to jointly approved projects, under Section 31 hereof, 75 per cent of the agreed cost up to a maximum of \$375,000.

### PART III

#### DEVELOPMENT AND STRUCTURAL ADJUSTMENT

41. The purpose of this Part is to provide for programs that will adjust the operation of agriculture and fisheries in the Area, to assist those who choose to leave these sectors, and to assist those who remain by encouraging investment in farm improvement and fishermen development. This Part will also provide for investments in roads, parks and an industrial park to increase employment, income and communications in the area. As Amended  
October 12, 1972
42. Canada and the Province shall jointly approve a program for the acquisition of lands which have a low capability for agriculture, and which are voluntarily offered for sale, for conversion to an alternative form of land use.
43. Canada and the Province shall jointly approve a program to encourage land development in the Area through the use of existing credit sources and an incentive project of \$4.00 an acre for clearing and piling on land with high agricultural productivity potential. This program terminates on March 31, 1973. As Amended  
October 12, 1972
44. Canada and the Province shall jointly approve a program providing for the drainage of high-capability land in the Area.

As Amended  
October 12, 1972

45. Canada and the Province shall jointly approve programs designed to provide for an improved income for fishermen, as follows:
- (a) a study to determine recommendations for a fisheries adjustment program; and
  - (b) a program to increase net income for Interlake fishermen by developing their technical and management skills.

As Amended  
October 12, 1972

46. Canada and the Province shall jointly approve programs designed to provide:
- (a) improved animal health services by construction of veterinary clinics;
  - (b) improved water services for Interlake farmers primarily to increase livestock productivity; and
  - (c) an increase in net income to Interlake farmers through improved farm management practices and improved livestock productivity.
47. Canada and the Province shall jointly approve a program providing for the construction of the following roads before the fifth anniversary of the signing of this Agreement:
- (a) Provincial Trunk Highway No. 6 (Lundar to Gypsumville);
  - (b) Provincial Trunk Highway No. 68 (Hnausa to Erikdale); and
  - (c) Provincial Roads, in Census Division 12 and that part of Census Division 9 north of the boundary of Township 14, with priority shown for those affecting the success of school consolidation.
48. Canada and the Province shall jointly approve programs for a major recreational area, and for the development and improvement of other property of high capability for recreation, along the west shore of Lake Winnipeg.
49. Canada and the Province shall jointly approve a project to provide financial assistance up to 75 per cent of the total cost for an industrial park in the vicinity of the Town of Selkirk.
50. The Province agrees to undertake, in concert with the Central Mortgage and Housing Corporation, a housing study to:



- (a) establish and assess the adequacy of the current housing inventory;
  - (b) assess future housing requirements in the light of the Plan;
  - (c) conduct an investigation leading to recommendations for the preparation of community plans where required; and
  - (d) make recommendations for the improvement of the housing situation within the framework of Federal and Provincial legislation.
51. Canada shall contribute to a jointly approved program, *As Amended*  
*October 12, 1972* under Section 42 hereof, 75 per cent of the total cost, or \$2,996,000 whichever is the lesser.
52. Canada shall contribute to a jointly approved program *As Amended*  
*October 12, 1972* providing for incentives to land development and for the administration of the program, under Section 43 hereof, 75 per cent of the total cost, or \$639,000 whichever is the lesser.
53. Canada shall contribute to a jointly approved program under Section 44 hereof, 60 per cent of the total cost, or \$4,200,000 whichever is the lesser.
54. Canada shall contribute to jointly approved programs: *As Amended*  
*October 12, 1972*
- (a) under paragraph (a) of Section 45 hereof, 75 per cent of the total cost or \$60,000, whichever is the lesser; and
  - (b) under paragraph (b) of Section 45 hereof, 75 per cent of the total cost or \$524,000, whichever is the lesser.
- 55.(1) Canada shall contribute to a jointly approved program: *As Amended*  
*October 12, 1972*
- (a) under paragraph (a) of Section 46 hereof, 60 per cent of the total cost or \$90,000, whichever is the lesser;
  - (b) under paragraph (b) of Section 46 hereof, 60 per cent of the total cost or \$252,000, whichever is the lesser; and
  - (c) under paragraph (c) of Section 46 hereof, 75 per cent of the total cost or \$2,228,000, whichever is the lesser.

(2) An expenditure in respect of a program under paragraphs (a) or (b) of Section 46 hereof made on or after April 1, 1971, but prior to being approved, will be shareable if the expenditure is approved in writing by the Federal Minister.

56. Canada shall contribute to a jointly approved program, under Section 47 hereof, 60 per cent of the total cost, or \$5,310,000, whichever is the lesser.

*As Amended*  
*October 12, 1972*

57. Canada shall contribute to jointly approved programs, under Section 48 hereof, 60 per cent of the total cost, or \$2,376,000, whichever is the lesser.

58. Canada shall contribute to a jointly approved project, under Section 49 hereof, 50 per cent of the total cost to the Province, or \$200,000, whichever is the lesser.

#### PART IV

#### RESEARCH

59. The purpose of the Part is to provide for continuing physical, social and economic research required to keep the Plan current and dynamic, as well as to measure the impact of the Plan on the Area.

60. Canada and the Province shall jointly approve programs to establish systems that will produce data needed to evaluate the objectives, progress and effect of the Plan.

61. Canada and the Province shall jointly approve a project designed to provide an assessment, by an independent agent, of the economic impact of the Plan on the Area.

62. Canada and the Province shall jointly approve projects for social research required to meet the objectives of the Plan.

*As Amended*  
*October 12, 1972*

63. Canada shall contribute to a jointly approved project, under Section 61 hereof, 66.67 per cent of the total cost, or \$167,000, whichever is the lesser.

*As Amended*  
*October 12, 1972*

64. Canada shall contribute to jointly approved programs and projects, under Sections 60 and 62 hereof, 100 per cent of the total cost, such costs to be chargeable to the appropriations of the Canada Department of Regional Economic Expansion.

PART V

ADMINISTRATION

65. The purpose of this Part is to establish the management process by which the Development Strategy described in this Agreement can be adequately implemented, to provide a framework for effective co-operation and co-ordination among Canada, the Province and their respective agencies herein affected, and to ensure that there is comprehensive and well-integrated execution of the total Plan, as well as continued joint planning and participation.
66. The Province shall be responsible for implementing, operating and maintaining the Plan provided for in this Agreement, except for those parts specifically assigned to Canada or identified as joint-action programs, and shall, to undertake this task, appoint a Provincial Program Administrator who shall report to the Minister of Agriculture and who shall co-ordinate the activities of the provincial departments and agencies assigned specific functions under the Plan, maintain a central financial authority over the provincial aspects of the Plan, and work directly with agencies of Canada involved in programs specifically identified in this Agreement.
67. (a) There shall be established a Joint Federal-Provincial Advisory Board consisting of at least six senior public servants of both governments, with both Canada and the Province having equal numerical representation. The Board shall meet annually and shall report to the Minister of Regional Economic Expansion for Canada and to the Minister of Agriculture for the Province on the management of the Plan.
- (b) Canada and the Province shall participate in a process of joint planning and operational co-operation. To facilitate this process Canada shall appoint a Federal Program Co-ordinator who shall work directly with the Provincial Program Administrator, and all development programs or projects shall be reviewed and recommended jointly by the Provincial Program Administrator and the Federal Program Co-ordinator. The Federal Program Co-ordinator shall be responsible for securing the co-operation and for co-ordinating the programs of the agencies of Canada administering programs affecting the Plan.

*As Amended  
October 12, 1972*

*As Amended*  
*October 12, 1972*

68. Canada and the Province in a mutually agreed form shall jointly approve annually, on the recommendation of the Joint Federal-Provincial Advisory Board, estimates of the cost of the programs and projects hereunder to Canada and to the Province for the fiscal year beginning the first of April next following.

69. Canada and the Province shall keep adequate records of all expenditures made pursuant to this Agreement and shall support such expenditures with the proper documents. Canada and the Province upon request shall each make these records and documents available to auditors appointed by the other.

*As Amended*  
*October 12, 1972*

70. Subject to this Agreement, Canada shall reimburse the Province for expenditures made by the Province on Development programs and projects under this Agreement from annual appropriations of the Department of Regional Economic Expansion, in such proportions as are prescribed by this Agreement upon the submission of a claim in a mutually agreed manner and form by the Province, certified by a senior official of the Province and bearing a Provincial audit certificate. Notwithstanding this requirement, Canada may make annual advance payments upon request by the Province, based on an estimated cost to the Province for the year on one or more programs or projects, or Canada may make interim progress payments at regular intervals based on claims by the Province estimating work done to date. The Province in both cases must submit to Canada an annual expenditure statement approved by a senior official of the Province and bearing a Provincial audit certificate.

71. The Province shall administer this Plan, and Canada and the Province shall jointly approve a program or project designed to provide for:

- (a) the cost of administration staff;
- (b) the cost of an information service staff;
- (c) costs of administration including supplies and equipment; and
- (d) costs incurred in providing for local involvement and any other legitimate administration costs, save for costs attributable to programs or projects which are the sole responsibility of Canada or are specifically assigned to Canada by this Agreement.

72. Canada and the Province shall jointly agree upon a program or project designed to ensure that the people of the Area receive complete information on the Plan, its objectives and its opportunities.
73. The Province agrees to create a Program Advisory Board consisting of Interlake residents, including representatives of the Area Development Boards outlined in Section 7 hereof, and to consult with this Board on programs and projects under the Plan.
74. Except where otherwise provided in this Agreement, in respect of the costs directly related to the administration of this Plan, including staff costs and information and extension services not specifically related to any one program or project under this Agreement, Canada shall contribute to jointly approved programs under Sections 71, 72 and 73, 66.67 per cent of the total costs, or \$1,166,000 whichever is the lesser.

*As Amended  
October 13, 1977*

IN WITNESS HEREOF the Honourable Maurice Sauvé,  
Minister of Forestry and Rural Development of Canada, has here-  
unto set his hand on behalf of Canada, and the Honourable  
Duff Roblin, Premier of the Province of Manitoba, has hereunto  
set his hand on behalf of the Province, the day and year first  
above written.

In the Presence of

Signed on behalf of Canada

\_\_\_\_\_

\_\_\_\_\_

In the Presence of

Signed on behalf of the Province

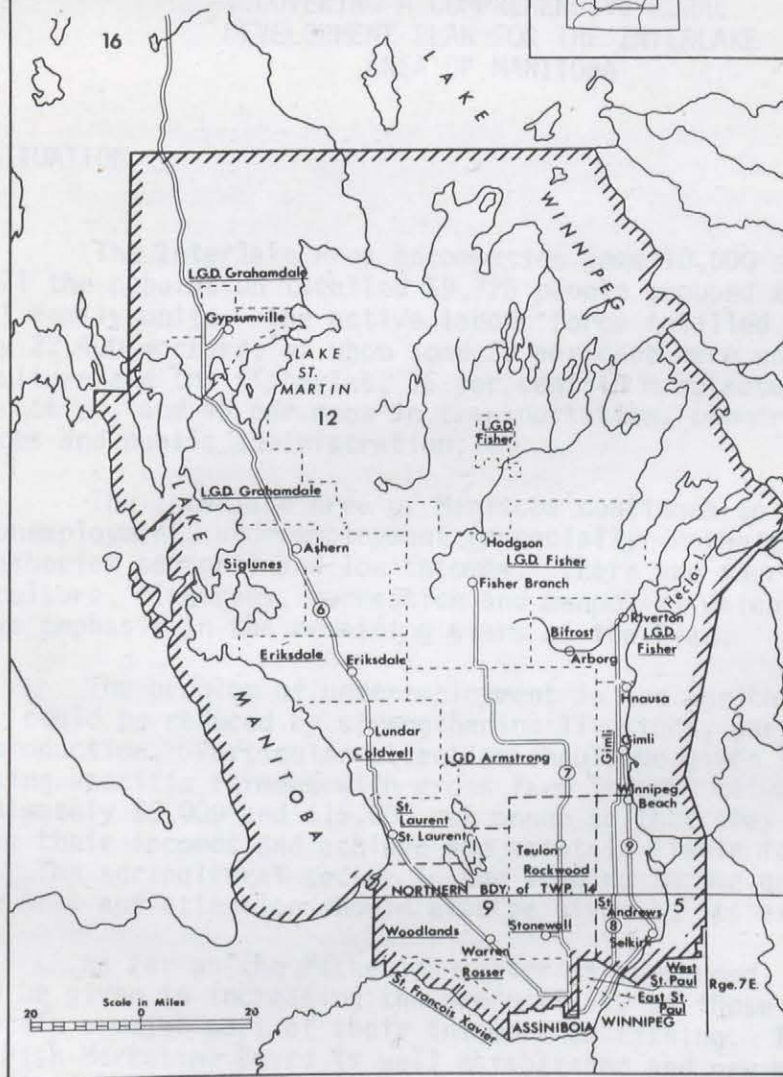
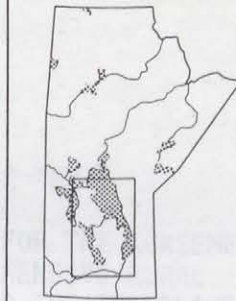
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SCHEDULE "A"

Map Showing the Location  
Affected By the Agreement  
Covering a Comprehensive  
Rural Development Plan For  
The Interlake Area of Manitoba

Mun. Bdies and Names ----- St. Laurent  
Census Div. and Nos. ----- 12







SCHEDULE "B"  
DEVELOPMENT STRATEGY FOR THE AGREEMENT  
COVERING A COMPREHENSIVE RURAL  
DEVELOPMENT PLAN FOR THE INTERLAKE  
AREA OF MANITOBA

THE SITUATION

The Interlake Area encompasses some 10,000 square miles. In 1971 the population totalled 59,725 people grouped into some 33,931 family units. The active labour force totalled approximately 22,400 workers, of whom some 39 per cent were engaged in agriculture and the fisheries, 16 per cent in manufacturing and construction, and 45 per cent in transportation, commerce, services and public administration.

The Interlake Area of Manitoba continues to suffer from unemployment, underemployment (especially in the agriculture and fisheries sectors) and low incomes. There are four sectors, (agriculture, fisheries, recreation and manpower) which should receive emphasis in the remaining years of the Plan.

The problem of underemployment in the agricultural sector could be reduced by strengthening livestock, particularly beef production. Particular attention should be given to assisting specific farmers with gross farm incomes between approximately \$5,000 and \$15,000 per annum so that they can improve their incomes and achieve and maintain viable farm units. The agricultural sector is the leading income generator in the Area and attention should also be given to its expansion.

As far as the fisheries sector is concerned, attention should be given to increasing the productivity of those fishermen who obtain a major part of their income from fishing. The Freshwater Fish Marketing Board is well established and new markets are being developed. On the basis of a fishery adjustment study, financed under FRED, significant possibilities exist for improving

managerial and technical skills of the fishermen on Lakes Manitoba, Winnipegosis, St. Martin and Waterhen. Mercury pollution in Lake Winnipeg once prohibited any fishing at all. The situation has improved to the point where selective fishing is possible in certain areas and of certain species. Although mercury pollution appears to be a long range problem, with experience, the present limitations on the fishing of the lake may be relaxed. In any case, a smaller number of fishermen work the lake. It is therefore necessary to help many fishermen find other employment.

Underemployment and unemployment is prevalent in the Interlake and many of these people are fishermen or farmers with marginal economic units, young adults who have discontinued their formal education or people of native ancestry. For these people a work and training experience is the only way to gain entrance to the labour market.

The recreation sector offers some opportunity for job creation in the Interlake region. Developments in this sector should be continued to attract new tourist expenditures into the area. These will, in turn, generate seasonal and some permanent service jobs while providing training and work experience for high risk employables.

The problems of low income, underemployment and unemployment in the Interlake are compounded by: the disadvantaged position of the native population; partial closure of Lake Winnipeg to commercial fishing; closure of the Canadian forces base at Gimli; and difficulties faced by the agricultural sector. It is also difficult to attract industry to the northern regions of the Interlake where unemployment is most serious.

#### THE STRATEGY

The basic objective of the Comprehensive Rural Development Plan is to increase the level of income and the standard of living of the people presently residing in the Area. In the light of limitations of natural resource development in 1966, it appeared that a substantial release of people from primary-resource-based jobs would be necessary to bring about the required resource/people balance. The present rates of growth in secondary and tertiary industries in the Area will provide jobs for a certain number of people who leave primary industries such as agriculture and the fisheries. However, a complementary program to increase employment opportunities in secondary and tertiary industries is needed within the Area.

In order to attain the basic objective of the over-all strategy, the highest priority has been placed on the development of human resources. Programs have been initiated to provide for adequate primary and secondary school systems, a technical vocation high school, counselling, manpower training, job placement and mobility assistance, as well as community development, adult extension and an Interlake manpower corps.

The problems of underemployed, or surplus human resources, and of achieving optimum use of the physical resources will continue to be attacked simultaneously.

Opportunities provided by the manpower mobility program have made it possible for farmers with low incomes to take advantage of higher-income employment nearby or elsewhere, releasing their land to the benefit of commercial farmers in the Area.

Where land has a low capability for agriculture, the lack of private buyers has been offset by an offer to purchase by the Crown, and the land has been directed to other uses.

In addition, programs were made available to encourage the application of more advanced techniques through farm management training, and the improvement of existing farmland.

Following a fisheries adjustment study carried out in the first half of the Plan, efforts are to be made to increase net fishing income to Interlake fishermen through the application of improved management and technical skills.

Investments have also been made to develop the recreation potential of the Area. In addition to the income and employment benefits which these projects bring, much of the initial construction and development work is done by workers participating in the training programs. Further activities are to be undertaken in the recreation sector over the next five years.

School consolidation, manpower training, agricultural development and successful exploitation of the recreation potential all depend upon satisfactory roads. Accordingly, expenditures have been made to bring the main road system of the Area, particularly in Census Division 12, up to the level required for efficient access to these services and development opportunities. This work on roads will be finished in 1972.

Greater productivity and efficiency in the primary sector, even with full exploitation of the development potential, will release substantial labour resources for productive employment in other sectors of the economy. Some growth in secondary

and tertiary employment is expected to occur in the southern portion of the Area. The absence of some special efforts to speed up and encourage further growth in these sectors, however, would undoubtedly slow the adjustment program, since the rate of emigration would have to rise to more than double the already high rate presently projected. Moreover, since many of the potential migrants from the resource sectors are Indians and Metis, for whom social as well as economic barriers to mobility are formidable, failure to attempt to encourage some alternatives within the Area would seriously reduce the rate of adjustment in the fisheries, and would reduce the opportunities for a large part of the low-income population of the Area.

The program made financial assistance available to the community of Selkirk for the construction of an industrial park, completed in 1970.

From a practical standpoint, it must be recognized that the individuals who reside in the Area cannot solve, by themselves, the income problems that have their roots in the general economy and outside the Area. Employment opportunities so widely needed by the people in the Area depend upon the entire economy, or upon broad segments of it. At the same time, families in the Area have resources at their command which, if used more efficiently, could contribute much towards the alleviation of some problems. The degree of development will depend directly upon, and will be in proportion to, the extent of the attack on the problem by individuals and by organized means, both within the Area and from without, in terms of private effort - municipal, town, community, and regional development groups - and explicit provincial and national policies and programs.

In summary, the program basically is directed to providing opportunities for the population of this Area to increase their participation in the general economic environment. To achieve this, extensive public investments have been made to education, training and mobility. Complementing this activity, but justifiable in their own right, are investments made to rationalize and assist the development of the economic potential of agriculture, fisheries, recreation and industry in the Area.

## THE ACTION PROGRAM

### Education

The Comprehensive Rural Development Plan made provision for the fact that the young people make up a very large proportion of the total population. Special consideration for this part of the population is required, so that problems of low

productivity and incomes will not continue to be transmitted through the youth into the future. Good educational opportunities are a major part of this emphasis.

The Province has a major program for the expansion and modernization of school facilities. The program is Province-wide, and in its essentials provides for extensive consolidation of school districts, and for the assumption by the Province of an increased responsibility for financing schools. This expanded program of capital and operating expenditures forms an important portion of Manitoba's contribution to the Plan.

At the outset of the planning leading up to the preparation of the Comprehensive Rural Development Plan for the Area, the Province and the Interlake Area Development Boards recognized that a vast improvement in the size and quality of primary and secondary school facilities was essential to the success of the Plan. In order to ensure that significant improvements would run parallel to the rest of the development programs, the Province exempted the five multi-district school divisions from the referendum, and empowered the Minister of Education to create five single-district school divisions and to locate consolidated secondary schools based on recommendations of the Local Government Boundaries Commission. Under this policy, the then 165 elementary school districts have been consolidated into five divisions, and new schools with a minimum of eight classes are being constructed wherever possible and practical.

Beginning in 1967, the multi-district school divisions were organized into single-district school divisions. During the next five years, about 330 new primary and secondary classrooms became operational. As an incentive to district reorganization and to relieve the municipalities, the Province is bearing most of the estimated cost, or approximately \$4,700,000.

To meet the vocational training needs of the youth and adults in the Area, a regional secondary school and training centre has been established at Selkirk. The total capital cost of \$3,654,000 was shared between Manpower and Immigration and the Province. The remaining \$346,000 of the \$4,000,000 set aside for this purpose has gone towards other training centres serving Interlake residents.

Including the regional secondary school and training centre, the development and reorganization of the school divisions will involve the Province in an estimated \$19,000,000 of extra operating expenditures by 1977.

## Manpower

The Interlake Comprehensive Rural Development Plan is directed to providing opportunities for the population of the Area to increase their participation in the general economy. To this end, extensive public investments are being made in counselling, training and mobility assistance. A variety of programs are being offered, including general counselling, Canada Manpower counsellors, occupational training (including training allowances), job placement, mobility assistance, an Interlake manpower corps, training in industry for Indian and Metis people and community affairs.

### General Counsellors

A very important aspect of the program for the Area is the provision of a staff of general counsellors. The counsellors are responsible for actively seeking out residents to inform, orient and counsel them on the full range of programs available under the Plan, including occupational training and training allowances, employment opportunities and mobility assistance, an Interlake manpower corps, community affairs and agricultural and fishermen development opportunities. In addition, these counsellors are responsible for following the progress of residents who participate in the program, in order to ensure that the transition from their old to their new way of life is a relatively smooth one and to reduce the number of those who may drop out of their new environment and return to their old.

The counsellors are generalists, rather than specialists. Their role is to refer residents to the specialists, such as the agricultural representatives or the officers of the Canada Manpower Division, and not to take over the functions of these specialists.

To accomplish these objectives, the program provides for general counsellors and supporting administrative staff at a total cost of approximately \$2,340,000 during the period of this Agreement.

### Canada Manpower Counsellors

In order to facilitate the participation of the people in programs of occupational training, job placement and mobility assistance, the Canada Department of Manpower and Immigration provides a staff of manpower counsellors. The services provided at the Canada Manpower Centres in the Area include training and manpower counselling, mobility assistance, and information on such subjects as educational and recreational facilities, housing, etc., at the new place of employment.

## Canada Manpower Training Program

The principal objectives of the Canada Manpower Division are to help people develop their maximum potential in terms of their individual contribution to the economy, and to obtain jobs which match their skills, capabilities and needs. The essential activity required to achieve the objectives is counselling, and the Canada Manpower Training Program is one of the means available to counsellors in assisting individuals to identify a realistic occupational goal and to develop a plan for achieving it.

The objective is to provide occupational training in the Area for about 450 adults a year, or a total of about 4,500 over a 10-year period. Training activities are aimed at the particular needs of low-income farmers, fishermen and other rural adults. To help individuals, whether employed, underemployed or unemployed, the Canada Manpower Division purchases occupational training services for adults referred for training by the Canada Manpower Centres. To make it possible for adults to take advantage of training opportunities replacement income in the form of training allowances is paid to trainees with adult economic status. In the case of the latter, it is expected that about 3,500 adults may be referred for training, amounting to a cost of approximately \$12,250,000 during the 10-year period of the Agreement.

On the basis of the distribution within the Area of low-income workers who are expected to qualify for occupational training, provision was made for portable training units at a total cost of approximately \$275,000. These units are in addition to the regional secondary school and adult training facility at Selkirk (see Education). Owing to the nature and needs of the program, flexibility was maintained in the make-up of the program elements.

### Mobility Assistance

Mobility assistance is available to those who are relocating for occupational training or employment. Approximately \$3,500,000 has been set aside by Canada Manpower for this purpose during the term of this Agreement.

### Interlake Manpower Corps

A manpower corps has been established in the Area, which enrolls persons in a program divided about equally between training and work on community and resource improvements and recreation projects. Indian and Metis people account for about 75 per cent of the total enrolment. Following a period in the

corps (a year or less) trainees usually enter regular occupational training programs offered in the Area or find regular employment. While in the corps, trainees receive allowances at least equivalent to those paid under the Training Allowances Act. It is estimated that the Interlake manpower corps including allowances, staff and facilities will cost about \$5,058,000 during the life of this Agreement.

#### Community Affairs

In order that the people of the Area are fully informed about the programs and are able to actively participate in them, expanded activities of adult education and guidance in community development, leadership training, public affairs and family living are offered. These programs are oriented to meet the needs of each of the various sectors of the population residing in the Area. The objective is to foster full public understanding of the programs by working with the local Area Development Boards, and to encourage active participation of the local people in carrying out the development strategy in the Area. Staff are provided to accomplish these objectives. The total cost of the community affairs program, including staff, is estimated at \$803,000 during the period of this Agreement.

#### Resource Management Assistance

Expanded programs of adult education have been initiated for those people who continue to depend upon the physical resources of the Area for their livelihood. It is essential that resource management education in agriculture, fisheries and recreation be provided on an expanded scale to families in the Area, so that these families can be assisted in achieving increased incomes through optimum development of the Area's resources.

Guidance in the land use and improvement, animal husbandry and farm management has been emphasized. The managerial ability of many farmers in the Area has been upgraded to include a knowledge of the most recent techniques, so that the Area's agriculture can provide improved levels of income. Some fishermen have been assisted to re-organize their operations and to adopt new gear and techniques. Staff were provided to accomplish these program objectives. In 1972, the Joint Advisory Board recommended the termination of this program and the division of its activities into agricultural and fisheries programs, mentioned later. The total cost of the original resource management program, including staff, is estimated at \$1,285,000.



### Training-in-Industry

A sum of \$500,000 was set aside in the Comprehensive Rural Development Plan to provide for assistance for training-in-industry projects for Indian and Metis people in the Area. Suitable projects have been undertaken in Peguis, Hnaua, and Selkirk and these should be completed in 1972.

### Summary of Costs

The expected costs of counselling, training and mobility assistance programs will amount to approximately \$27,011,000 as shown below.

<u>Type of Expenditure</u>	<u>Estimated Cost</u>
General Counsellors	\$ 2,340,000
Training Allowances	12,250,000
Adult Education and Manpower Training Centre	1,000,000
Portable Training Units	275,000
Mobility Assistance	3,500,000
Interlake Manpower Corps	5,058,000
Community Affairs	803,000
Resource Management Assistance	1,285,000
Training-in-Industry Projects	500,000
	<hr/>
Total	<u>\$27,011,000</u>

### Agriculture

In 1961 there were some 6,300 farms in the Area. Of these, fewer than 1,200 were viable commercial enterprises which returned an adequate level of living to their operators, and approximately 1,300 were non-commercial farms which provided a residence and a fairly satisfactory standard of living for their owners. The remaining 3,800 commercial and non-commercial farms provided returns below a satisfactory level.

There is a strong and growing demand in North America for red meat, particularly beef. Proximity of the Interlake to markets and processing, its resource base and the experience already gained by farmers in livestock production means that the region can take advantage of the growing demand. It is therefore possible to improve the income of many Interlake farmers and to reduce underemployment by encouraging livestock production and decreasing the reliance on grain sales.

Agriculture remains the most important sector in the Interlake region, employing 37 per cent of the labour force and producing 31 per cent of the total output in 1968. However, the number of farms in the region has been declining and by 1968 there were 5,917 farms. This number will probably continue to decrease through retirement, deaths, or by farmers choosing another occupation, so that by 1978 of those that remain only about 3,400 farmers will rely directly on agriculture for their income.

If present trends continue, about 1,000 to 1,600 of these farmers will be of commercial status - earning over \$15,000 gross sales per year. At the other end of the scale, those who have an inadequate resource base, who are ineffective managers, or who earn very low incomes from agriculture will benefit little from agricultural programs.

Farm operators who should be helped to reach commercial status (over \$15,000 per annum) through economic development policies within agriculture are those currently earning between \$5,000 and \$15,000 in gross farm income who will not retire before 1978. There were 830 such units in the region in 1968. There are 350 farmers currently earning less than \$5,000 of whom a certain percentage will not retire by 1978. Of these, 150 may with encouragement increase their incomes to well over \$5,000 per annum. Programs will accordingly be designed to help these two groups, primarily those between \$5,000 and \$15,000.

#### Land Acquisition

Funds were provided to enable the Province to purchase lands which had a low capability for agriculture and for which there was little opportunity for sale to private buyers, if the farmers chose to sell. In many cases, these lands are in areas where the costs of services, improvements or protection are greater than the benefits accruing from this expenditure. The cost of the land use adjustment program is estimated to be \$3,995,000.

#### Land Development

Prior to 1967, an analysis was made of the soil capability of the Area, the farm structure and the kinds of agricultural products grown. The study indicated that assistance enabling farmers to expand their cultivated acreage would make a major contribution to increased agricultural incomes in the Area. Accordingly, intensive efforts were made to help farmers utilize to the fullest advantage existing credit programs and to provide cash incentives to those anxious to undertake land development.

Farm credit is obtained from approved lending institutions including banks and credit unions. The Manitoba Agricultural Credit Corporation supplies funds for use in the Area. These efforts support the major role played by the Farm Credit Corporation.

Considerable land development took place under this program in the first five years of the Agreement. It has now been decided that funds will be directed to other programs. The cost of the land development program is expected to be approximately \$851,000 and will terminate in 1973.

#### Drainage

To encourage the optimum development of good agricultural land, assistance has been provided for a number of drainage projects in the Area. Major drainage requirements are associated with the provision of adequate surface run-off on high-capability lands as indicated by the Interlake Land Use Map. The projects undertaken include the Long Lake, Sturgeon, Upper Grassmere and Boundary Drains; the Upper Icelandic and Fisher Rivers; and the Birch Creek Extension Drain.

In addition to the benefits to agriculture, improvement in the drainage of the Upper Icelandic River was necessary to permit the improvement of Highway 68, the east-west road across the Area. The program will cost approximately \$7,000,000.

#### Veterinary Clinics

In order to strengthen the livestock economy in the Interlake region, improved animal health services and their accessibility to producers is vital. The construction of five clinics will improve veterinary services and will promote better management practices, decrease the incidence of animal mortality, lower disease risks and offer special outreach services to Indian reserves where livestock herds are being expanded.

Clinics have been built in Selkirk, Lundar, Ashern, and Arborg. The fifth site has not yet been decided. Manitoba and the municipalities concerned will equip and staff the clinics and share operating costs in excess of user fees. This construction program will cost approximately \$150,000.

#### Farm Water Services

Present and potential livestock farmers will be assisted through a farm water services program to encourage livestock production in the region. An adequate water supply will help farmers to expand their herds and increase labour

productivity. A secondary benefit will be an increase in the general standard of living in the Area. The program was introduced on April 1, 1971 and will cost approximately \$420,000.

#### Farm Development

Livestock production has the greatest opportunity for Interlake farmers to increase their income. There are 830 units in the Interlake with gross sales between \$5,000 and \$15,000 per annum. There are also some farmers in the \$2,500 to \$5,000 income group who would benefit from agricultural development programs. Approximately 15 per cent or 150 farmers in this group would benefit from such assistance. The total group then numbers 980.

An intensive farm development program will be aimed at this group to help them substantially improve their incomes. Of the 980, approximately 700 will become the target of the farm development program. This program will cost approximately \$2,970,000.

#### Summary of Costs

The total cost of the agricultural development program, excluding credit is shown below:

<u>Type of Expenditure</u>	<u>Estimated Cost</u>
Land Acquisition	\$ 3,995,000
Land Development	851,000
Drainage	7,000,000
Veterinary Clinics	150,000
Farm Water Services	420,000
Farm Development	2,970,000
	<hr/>
Total	<u>\$15,386,000</u>

#### Fisheries

While fishing provided less than one per cent of the region's total output in 1969, some five per cent of the labour force or 1,000 fishermen depended on Interlake fisheries for part of their income. Fishing is particularly important to Indian and Metis people in the region who account for nearly 50 per cent of the fishermen.

The establishment of the Freshwater Fish Marketing Corporation has helped to improve the fishing industry in the Interlake region by co-ordinating marketing, seeking new market opportunities and improving returns to fishermen by establishing a modern processing plant.

Severe underemployment exists on Lakes Manitoba, Winnipegosis, Waterhen and St. Martin. Most fishermen rely on other jobs (e.g., construction, trapping, services and farming) to supplement their incomes.

In 1969, 60 per cent of the total catch and 60 per cent of the licensed fishermen - 630 men - were associated with the Lake Winnipeg fishery. In 1970, the lake was closed due to mercury pollution. In 1971, the lake was opened for a whitefish season, and a limited pickerel and sauger season. As noted earlier, with experience, the present partial use of the lake may expand.

To improve the income earning position of men working the lakes, two programs have been included under the Plan.

#### Fisheries Adjustment Study

A study was commissioned to determine recommendations for a fisheries adjustment program. This study cost approximately \$80,000 and was completed in 1972.

#### Fishermen Development

Underemployment on the lakes in the region can be reduced and incomes in the fisheries sector increased by improving management and fishing techniques on the part of the fishermen employed in the industry. A program will be provided to a select group of 300 fishermen to help improve their net incomes from fishing by about 25 per cent. This program will cost approximately \$698,000.

#### Transportation

Implementation of the school consolidation program made necessary a substantial expenditure for road improvements to ensure access. In 1967, main provincial trunk highways and connecting provincial roads were well below an acceptable standard, particularly in Census Division 12, where the school consolidation program was to have most effect.

Accordingly, during the first five years of this Agreement, priority was given to the improvement of the following highways. The cost will be approximately \$8,850,000 as shown below.

<u>Type of Expenditure</u>	<u>Approximate Mileage</u>	<u>Estimated Cost</u>
Provincial Trunk Highway #6 (Lundar to Gypsumville)	78	\$ 2,790,000
Provincial Trunk Highway #68 (Hnaua to Eriksdale)	50	1,870,000
Provincial Roads in Census Division 12 and that part of Census Division 9 north of the boundary of Township 14	-	4,190,000
Total		<u>\$ 8,850,000</u>

### Recreation

The Province has supported the development of three recreational areas within 100 miles of Winnipeg along the west shore of Lake Winnipeg: Winnipeg Beach, Gimli and Hecla Island. These areas will serve an existing and rapidly increasing recreational demand for day trips, sightseeing, camping and cottage facilities.

Recreational developments are tied closely to the manpower training program, and in particular to the Interlake manpower corps. Administrative arrangements ensure the closest co-operation in planning between the two programs and ensure that the phasing of the recreation development provides optimum benefits for the training program.

The programs provided for under this Agreement include the development of a major recreational area at Hecla Island at a capital cost of approximately \$3,000,000 and the improvement and development of property with a high capability for recreational development, at Winnipeg Beach, at a capital cost of approximately \$960,000. The latter site opened in 1971. The total costs of recreational developments under this Agreement are expected to be approximately \$3,960,000.

### Employment Opportunities

Severe unemployment and underemployment exists in the Interlake Area. Based on 1968 data, approximately 2,200 people were underemployed. Another estimate, during the winter of 1970-71 gives 10 per cent or 1,500 of the labour force unemployed. This does not include Indians on reserves. Of the total reserve population of 5,478 in 1969, it is probable that some 900 to 1,000 were under- or unemployed. These figures are not necessarily additive but provide evidence that the underemployment and unemployment in the Area continues to be severe.

Through the efforts of industrial incentive programs some 800 jobs have been or are expected to be created in secondary manufacturing in the Interlake region. Under-employment has been reduced to some extent through improvements in the agricultural sector. However, many members of the expanding labour force have few skills and lack mobility. These problems, combined with a weak labour market generally, closure of the Canadian forces base at Gimli, the partial closure of the Lake Winnipeg fishery, and relocation of fish processing have meant that the job situation has not improved as much as originally hoped.

While recognizing the difficulty of projecting the state of the labour market in the period ahead, the number of jobs in the national economy should increase by 1977. Some of this anticipated increase would occur in the Prairie region including Manitoba and the Interlake. Expected industrial activities in Selkirk and Gimli, recreation developments at Hecla Island, Gimli and Grindstone Point, and expansions within the construction industry should absorb some of the unemployed residents in the Area.

On the other hand, the number of people entering the labour force from the Interlake will increase. This is caused by the large number of young people in the Area, and the lack of jobs in agriculture, fishing and on reserves, and because the population will be increasingly aware of their own potential. The labour force will be better prepared, for education investments over the last decade have widened and deepened the educational experience of school children. Retention levels have also been improved. Beyond the school system, investments in counselling, manpower corps and Canada Manpower programs have upgraded skill levels of Interlake people.

Much remains to be done. Canada Manpower training, skill development and mobility programs will continue to be pursued with special vigor in the Interlake. The Area is designated under the Regional Development Incentives program and financial incentives offered by the program, in conjunction with assistance for the industrial park at Selkirk, will induce increased industrial activities in the Area.

#### Industrial Park

Financial assistance of \$400,000 was made to the community of Selkirk for the development of an industrial park. The town took the initiative in the planning, construction and operation of the park. This program was completed in 1971.

## Housing

In order to define housing needs in the light of the economic prospects envisaged by the Plan, the Province undertook a housing study with financial assistance from Central Mortgage and Housing Corporation.

In addition, the Province has requested the Manitoba Housing and Renewal Corporation (MHRC) to undertake surveys which will outline the need for rent-to-income housing for families and senior citizens.

Housing developments, beyond those already made in Selkirk, St. Laurent, Arborg, Ashern and Eriksdale, are expected in other Interlake communities. Construction will take place as needs for development are identified and MHRC regulations are met.

## General

The success of the Comprehensive Rural Development Plan, once the initial planning has been completed, still depends upon the ability of Canada and the Province to carry out the conditions of this Agreement. The management of the Plan presents problems because of the complexity of the elements. The acceptance of the program by the people of the Area must be sought continually, and the involvement of agencies and departments at both levels of government with operational responsibilities in the Area must be assured.

## Administration

The programs envisaged affect the activities of a large number of departments at both levels of government which normally have jurisdiction in these fields. Successful implementation of the Plan, therefore, requires the full involvement of all of these departments and an integration of their activities. This cannot be accomplished solely by cabinet sanction, nor solely by a financial control agency. Co-ordination and integration is primarily a management responsibility that must be carried out at an operational level, and preferably by a management group which has continual contact with the program in terms of the over-all and sectoral objectives, capacities and day-to-day progress. On the other hand, many of the program elements fall within the responsibilities of specific departments at both levels of government and, therefore, can best be understood and carried out by those expert in the subject matter.

The Comprehensive Rural Development Plan for the Area is a joint Federal-Provincial undertaking. Successful implementation necessitates a permanent vehicle for Federal-Provincial



consultation. A Joint Federal-Provincial Advisory Board consisting of at least six senior officials, with equal representation from each government, has been established for these purposes. This Board meets at least once a year to examine the management of the Plan. The Board also reviews the annual budget and financial forecasts, examines the timing and success of programs and projects and, where required, recommends modifications designed to improve the over-all implementation of the Plan.

To achieve the required co-ordination and integration of all program elements, the Province's Minister of Agriculture has been given the over-all responsibility for administration of the Plan. The day-to-day management of the Plan is undertaken by a Provincial Program Administrator, with management staff, reporting to the Minister. The Program Administrator works with and co-ordinates the programs and projects of other agencies which contribute to the implementation of the Plan. In addition, the Province maintains a central budgetary control to bring together the estimates and expenditures of all provincial participating agencies. The Province implements the provincial elements of the Plan by assigning responsibility for carrying out the various program elements to the department or agency most closely concerned.

The Federal government carries out its responsibilities through existing agencies and departments, as required. The over-all responsibility for administration and implementation at the federal level rests with the Minister of Regional Economic Expansion. To ensure close co-operation with the Provincial Program Administrator, the Minister of Regional Economic Expansion has appointed a Federal Program Co-ordinator. The Federal Program Co-ordinator works with federal agencies to secure their co-ordination in the implementation of the Plan, and works with the Provincial Program Administrator in preparing the details of programs and projects.

The costs of the Provincial Program Administration are expected to be \$1,750,000 over the 10-year period, and these costs are shared under this Agreement.

#### Participation and Information

The Plan has been designed with and for the people of the Area. To be fully effective, it must have their continuing co-operation and support. To ensure this, the people must understand the Plan and be able to participate in its implementation.

Under the Comprehensive Rural Development Plan, the Province's Minister of Agriculture supports the operation of the Area Development Boards throughout the Area. Further, to provide

for effective participation of local people, the Minister has established an Interlake Program Advisory Board made up of delegates from the Area Development Boards and residents of the Area. The Program Advisory Board meets to assess the effects of the programs, to ensure that the programs under the Plan are consistent with needs and values of the communities and to make recommendations to the Minister on all aspects of the Plan.

The success of the Plan depends heavily upon a knowledge of the programs, alternatives and opportunities available to residents of the Area. Canada and the Province co-operate to ensure that an effective information program is provided. The cost of the information program is covered by some part of the funds earmarked for general administration, as well as specific sectoral programs. The co-ordination and implementation of the information program is the responsibility of the Provincial Program Administrator.

### Evaluation

There are three specific aspects to be considered in reviewing the progress of this Plan. Each of the following aspects requires the acquisition and analysis of a considerable amount of information before it can be effective.

- (a) The management of the Plan in terms of its costs, accomplishments and schedules can and must be measured through a variety of different methods. Objective performance indicators can be designed to gauge the relative success of the operation. The cost of information required for this assessment will be funded under the administration budget and much of the analysis will be carried out by management itself.
- (b) The economic impact on the Area must be measured to determine whether the broad objectives originally outlined in the Plan are being attained. This may require a substantial information gathering, storage and retrieval system. Continuity in the system is an important requirement and, to this end, a long-term research program is underway to provide the Federal and Provincial governments with an assessment of the effects of the Plan. The cost of this evaluation is expected to be \$250,000 over the 10-year period.
- (c) The operation of the Plan will inevitably have social effects that cannot be measured in economic or management terms. Here, too, information is to be collected and analyzed systematically over a long period of time.

## Financial Implementation

This Comprehensive Rural Development Plan is designed to improve substantially the levels of living of people of the Area in terms of employment and income opportunities. To have greatest impact, it is essential that the nucleus of education, manpower and resource development programs be implemented concurrently.

In view of the high initial capital cost of implementing this package of programs, Canada has provided a grant of \$1,800,000 in five equal annual instalments, the first of which was paid on the first anniversary of the Agreement, to assist in the general implementation of the Plan. The Province can also take advantage of capital loan provisions offered through the Canada Manpower Training Program of the Canada Department of Manpower and Immigration.



SCHEDULE C

Part I - Summary of Costs Under the  
Comprehensive Rural Development Agreement  
for the Interlake Area of Manitoba  
1967-68 to 1976-77

TABLE I - Shared Cost in Thousands

<i>Type of Expenditure</i>	<i>Total Cost</i>	<i>Provincial Cost</i>	<i>Federal Cost</i>		
			<i>DREE</i>	<i>Manpower</i>	<i>Percentage</i>
<b>EDUCATION</b>					
Regional Secondary School and Adult Training Centre	\$ 4,000	\$ 1,000		\$ 3,000	75
Total Education	4,000	1,000		3,000	
<b>MANPOWER</b>					
General Counsellors	\$ 2,340	\$ 234	\$ 2,106	\$	90
Portable Training Units	200	50		150	75
Portable Teacherages	75	19		56	75
Interlake Manpower Corps	5,058	506	4,552		90
Community Affairs	803	201	602		75
Resource Management	1,285	321	964		75
Training-in-Industry	500	125	375		75
Total Manpower	10,261	1,456	8,599	206	
<b>DEVELOPMENT AND STRUCTURAL ADJUSTMENT</b>					
<b>Agriculture</b>					
Land Acquisition	\$ 3,995	\$ 999	\$ 2,996		75
Land Development	851	212	639		75
Drainage	7,000	2,800	4,200		60
Veterinary Clinics	150	60	90		60
Farm Water Services	420	168	252		60
Farm Development	2,970	742	2,228		75
<b>Fisheries</b>					
Fisheries Adjustment Study	80	20	60		75
Fishermen Development	698	174	524		75

<i>Type of Expenditure</i>	<i>Total Cost</i>	<i>Provincial Cost</i>	<i>Federal Cost</i>		<i>Percentage</i>
			<i>DREE</i>	<i>Manpower</i>	
Roads	\$ 8,850	\$ 3,540	\$ 5,310		60
Recreation	3,960	1,584	2,376		60
Industrial Park	400	200	200		50
Total Development and Structural Adjustment	29,374	10,499	18,875		
GENERAL					
Research	\$ 250	\$ 84	\$ 166		66.67
Administration (including Public Information)	1,750	584	1,166		66.67
Total General	2,000	668	1,332		
TOTAL COST	\$45,635	\$13,623	\$28,806	\$ 3,206	
Implementation Grant	-	- 1,800	+ 1,800	-	
TOTAL TABLE I	\$45,635	\$11,823	\$30,606	\$ 3,206	

TABLE II - Other Costs in Thousands

<i>Type of Expenditure</i>	<i>Total Cost</i>	<i>Provincial Cost</i>	<i>Federal Cost Manpower</i>
EDUCATION			
Schools (Capital)	\$ 4,700 <sup>1</sup>	\$ 4,700	
Schools (Operating)	19,000	19,000	
MANPOWER			
Occupational Training Allowances	12,250		\$12,250
Mobility Costs	3,500		3,500
TOTAL TABLE II	\$39,450	\$23,700	\$15,750

TABLE III - Total Costs in Thousands

<i>Total</i>	<i>Total Provincial</i>	<i>Federal Manpower</i>
\$85,085	\$35,523	\$49,562

<sup>1</sup> This cost represents the increase in operating costs expected by the Province as a result of the capital investment called for by this plan.

SCHEDULE C

Part II - Summary of Costs Under the  
Comprehensive Rural Development Agreement  
for the Interlake Area of Manitoba  
1967-68 to 1971-72

TABLE I - Estimated Shared Cost in Thousands

<i>Type of Expenditure</i>	<i>Total Cost</i>	<i>Provincial Cost</i>	<i>Federal Cost</i>		
			<i>DREE</i>	<i>Manpower</i>	<i>Percentage</i>
<b>EDUCATION</b>					
Regional Secondary School and Adult Training Centre	\$ 4,000	\$ 1,000		\$ 3,000	75
Total Education	4,000	1,000		3,000	
<b>MANPOWER</b>					
General Counsellors	\$ 978	\$ 98	\$ 880	\$	90
Portable Training Units <sup>1</sup>	72	18		54	75
Portable Teacherages <sup>1</sup>	-	-		-	75
Interlake Manpower Corps	2,063	206	1,857		90
Community Affairs	365	91	274		75
Resource Management	1,241	310	931		75
Training-in-Industry	400	100	300		75
Total Manpower	5,119	823	4,242	54	
<b>DEVELOPMENT AND STRUCTURAL ADJUSTMENT</b>					
<b>Agriculture</b>					
Land Acquisition	\$ 2,109	\$ 527	\$ 1,582		75
Land Development	657	164	493		75
Drainage	6,053	2,421	3,632		60
Veterinary Clinics <sup>2</sup>	-	-	-		60
Farm Water Services <sup>2</sup>	-	-	-		60
Farm Development <sup>2</sup>	-	-	-		75
<b>Fisheries</b>					
Fisheries Adjustment Study	79	20	59		75
Fishermen Development <sup>2</sup>	-	-	-		75



<i>Type of Expenditure</i>	<i>Total Cost</i>	<i>Provincial Cost</i>	<i>Federal Cost</i>	
			<i>DREE</i>	<i>Manpower Percentage</i>
Roads	\$ 7,932	\$ 3,173	\$ 4,759	60
Recreation	2,962	1,185	1,777	60
Industrial Park	400	200	200	50
Total Development and Structural Adjustment	20,192	7,690	12,502	
GENERAL				
Research	\$ 93	\$ 31	\$ 62	66.67
Administration (including Public Information)	739	246	493	66.67
Total General	832	277	555	
TOTAL COST	\$30,143	\$ 9,790	\$17,299	\$ 3,054
Implementation Grant		-1,440	+1,440	
TOTAL TABLE I	\$30,143	\$ 8,350	\$18,739	\$ 3,054

TABLE II - OTHER COSTS IN THOUSANDS

<i>Type of Expenditure</i>	<i>Total Cost</i>	<i>Provincial Cost</i>	<i>Federal Cost Manpower</i>
EDUCATION			
Schools (Capital)	\$ 4,292	\$ 4,292	
Schools (Operating)	12,820	12,820	
MANPOWER			
Occupational Training Allowances	5,970		\$ 5,970
Mobility Costs	121		121
TOTAL TABLE II	\$23,203	\$17,112	\$ 6,091

TABLE III - Total Estimated Costs in Thousands

<i>Total</i>	<i>Total Provincial</i>	<i>Total Federal</i>
\$53,346	\$25,462	\$27,884

<sup>1</sup> The original allocation for Portable Training Units was split to include Portable Teacherages. All expenditures to date have been incurred on the former.

<sup>2</sup> New Programs starting in 1972-73.

