

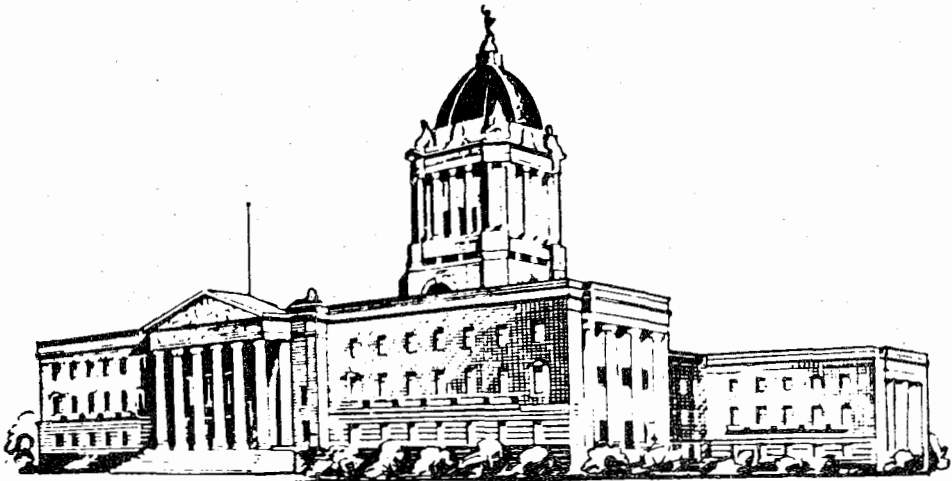


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XVIII No. 96 2:30 p.m., Wednesday, June 30th, 1971. Third Session, 29th Legislature.

ELECTORAL DIVISION	NAME	ADDRESS
ARTHUR	J. Douglas Watt	Reston, Manitoba
ASSINIBOIA	Steve Patrick	10 Red Robin Place, Winnipeg 12
BIRTLE-RUSSELL	Harry E. Graham	Binscarth, Manitoba
BRANDON EAST	Hon. Leonard S. Evans	Legislative Bldg., Winnipeg 1
BRANDON WEST	Edward McGill	2228 Princess Ave., Brandon, Man.
BURROWS	Hon. Ben Hanuschak	Legislative Building, Winnipeg 1
CHARLESWOOD	Arthur Moug	29 Willow Ridge Rd., Winnipeg 20
CHURCHILL	Gordon Wilbert Beard	148 Riverside Drive, Thompson, Man.
CRESCENTWOOD	Cy Gonick	115 Kingsway, Winnipeg 9
DAUPHIN	Hon. Peter Burtniak	Legislative Bldg., Winnipeg 1
ELMWOOD	Hon. Russell J. Doern	Legislative Building, Winnipeg 1
EMERSON	Gabriel Girard	25 Lomond Blvd., St. Boniface 6
FLIN FLON	Thomas Barrow	Cranberry Portage, Manitoba
FORT GARRY	L. R. (Bud) Sherman	86 Niagara St., Winnipeg 9
FORT ROUGE	Mrs. Inez Trueman	179 Oxford St., Winnipeg 9
GIMLI	John C. Gottfried	44 3rd Ave., Gimli, Man.
GLADSTONE	James Robert Ferguson	Gladstone, Manitoba
INKSTER	Hon. Sidney Green, Q.C.	Legislative Bldg., Winnipeg 1
KILDONAN	Hon. Peter Fox	627 Prince Rupert Ave., Winnipeg 15
LAC DU BONNET	Hon. Sam Uskiw	Legislative Bldg., Winnipeg 1
LAKESIDE	Harry J. Enns	Woodlands, Manitoba
LA VERENDRYE	Leonard A. Barkman	Box 130, Steinbach, Man.
LOGAN	William Jenkins	1287 Alexander Ave., Winnipeg 3
MINNEDOSA	Walter Weir	Room 250, Legislative Bldg., Winnipeg 1
MORRIS	Warner H. Jorgenson	Box 185, Morris, Man.
OSBORNE	Ian Turnbull	284 Wildwood Park, Winnipeg 19
PEMBINA	George Henderson	Manitou, Manitoba
POINT DOUGLAS	Donald Malinowski	361 Burrows Ave., Winnipeg 4
PORTAGE LA PRAIRIE	Gordon E. Johnston	Room 248, Legislative Bldg., Winnipeg 1
RADISSON	Harry Shafransky	4 Maplehurst Rd., St. Boniface 6
RHINELAND	Jacob M. Froese	Box 40, Winkler, Manitoba
RIEL	Donald W. Craik	2 River Lane, Winnipeg 8
RIVER HEIGHTS	Sidney Spivak, Q.C.	1516 Mathers Bay, West, Winnipeg 9
ROBLIN	J. Wally McKenzie	Inglis, Manitoba
ROCK LAKE	Henry J. Einarson	Glenboro, Manitoba
ROSSMERE	Hon. Ed. Schreyer	Legislative Bldg., Winnipeg 1
RUPERTSLAND	Jean Allard	602 - 245 Provencher Ave., St. Boniface 6
ST. BONIFACE	Laurent L. Desjardins	357 Des Meurons St., St. Boniface 6
ST. GEORGE	William Uruski	Box 580, Arborg, Manitoba
ST. JAMES	Hon. A. H. Mackling, Q.C.	Legislative Bldg., Winnipeg 1
ST. JOHNS	Hon. Saul Cherniack, Q.C.	Legislative Bldg., Winnipeg 1
ST. MATTHEWS	Wally Johansson	23 - 500 Burnell St., Winnipeg 10
ST. VITAL	D. J. Walding	31 Lochinvar Ave., Winnipeg 6
STE. ROSE	A. R. (Pete) Adam	Ste. Rose du Lac, Manitoba
SELKIRK	Hon. Howard Pawley	Legislative Bldg., Winnipeg 1
SEVEN OAKS	Hon. Saul A. Miller	Legislative Bldg., Winnipeg 1
SOURIS-KILLARNEY	Earl McKellar	Nesbitt, Manitoba
SPRINGFIELD	Hon. Rene E. Toupin	Legislative Bldg., Winnipeg 1
STURGEON CREEK	Frank Johnston	310 Overdale St., Winnipeg 12
SWAN RIVER	James H. Bilton	Swan River, Manitoba
THE PAS	Ron McBryde	Box 1295, The Pas, Manitoba
THOMPSON	Hon. Joseph P. Borowski	Legislative Bldg., Winnipeg 1
TRANSCONA	Hon. Russell Paulley	Legislative Bldg., Winnipeg 1
VIRDEN	Morris McGregor	Kenton, Manitoba
WELLINGTON	Philip M. Petursson	681 Banning St., Winnipeg 10
WINNIPEG CENTRE	J. R. (Bud) Boyce	777 Winnipeg Ave., Winnipeg 3
WOLSELEY	Leonard H. Claydon	116½ Sherbrook St., Winnipeg 1

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Wednesday, June 30, 1971

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements; Tabling of Reports; Notices of Motion.

INTRODUCTION OF BILLS

MR. SPEAKER: The Honourable Attorney-General.

HON. A.H. MACKLING, Q.C. (Attorney-General) (St. James) (in the absence of the Honourable Minister of Transportation) introduced Bill No. 99, an Act to amend The Highway Traffic Act (2).

MR. WALLY JOHANNSON (St. Matthews) introduced Bill No. 100, an Act to amend The White Cane Act; and Bill No. 101, an Act to amend The Teachers' Society Act.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the First Minister. Will the First Minister be tabling the report from the Receiver for CFI, the report from Mr. Hallgrimson?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Well, Mr. Speaker, if the honourable member is referring to the report that the Receiver would make in the normal course through the court then I would expect there should be no difficulty in tabling that document. It is after all a matter of public record at that point in any case. If he's referring to some other document, I would have to reserve answering at this time.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Industry and Commerce. Can the Minister of Industry and Commerce confirm that the Minister of Highways has been placed in receivership, and if so does the government plan to take it . . .

MR. SPEAKER: Order, please. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, a supplementary to the First Minister. I understand there was supposed to be a report to the government from the Receiver.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, there's some confusion here. The Receiver is the person appointed by the court and he is answerable to the court and I presume has to make periodic reports to the court; and in that sense, therefore, I'm not sure that I know what the honourable member is referring to when he talks about the Receiver preparing or submitting formal reports to the government.

MR. PATRICK: Maybe I can rephrase my question. Did the Receiver submit a report to the government?

MR. SCHREYER: Mr. Speaker, no formal report has been submitted to the government if that's what the honourable member means.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question of the Minister of Agriculture. I wonder when we could expect the Order for Return that was submitted by the Honourable Member for Arthur on April 7th re crop insurance.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): I don't recall the Order in question, Mr. Speaker, but I'm sure as soon as it's ready it will be presented to the members.

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I wonder if you would call the resolution standing in the name of the Honourable Member for Rhineland on Page 4 of the Order Paper.

ORDERS OF THE DAY - GOVERNMENT RESOLUTIONS

MR. SPEAKER: On the proposed motion of the Honourable Minister of Mines and

(MR. SPEAKER cont'd.) Natural Resources. The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, the resolution before us is the one dealing with the speed-up, more or less called the speed-up motion, and I certainly will bring forth an amendment later on at the conclusion of my remarks to the effect that I intend to amend the motion to put in effect the 10 o'clock time limit as far as night sittings. I'm sure that the government should give this consideration because in effect even with the amendment you still have the speed-up taking place. You have the fact that each sitting will be a separate session; that means that we will have three sessions a day, so the speed-up will go in effect in that regard. Then, too, the speed-up is there because we will then have sittings every day of the week, including Saturdays which gives us a six-day week. Surely enough with a six-day week, three sessions a day, morning, noon and night I think the government should be satisfied to have an adjournment time of 10 o'clock. This is actually all that the amendment will propose, that night sessions be limited to 10 o'clock adjournment. This will give us an hour or two at night to do some of the preparatory work for the following day. We need a little extra time to do work because we have a large number of bills on the Order Paper to be dealt with, and surely in order to make intelligent assessment, to make intelligent comments on proposed legislation, requires that we do some homework and that we do some research and check - many of the acts are also amending acts, so that we have to check the statutes in order to know what is intended; because when the Ministers introduce these bills, they won't comment on every section, what every particular section will do; they may comment on some of the points that are important to them but leave out others which they might consider less important; or as sometimes happens, that they may wish to avoid a very important matter by not referring to it when speaking or introducing it on second reading. This has happened on previous occasions and it's liable to happen in the future.

This is why I feel that the government should definitely give consideration to the amendment that I will be placing before them; because, Mr. Speaker, when they sat on this side of the House this was an annual request on their part; they requested it from time to time and the Minister of Labour was one of the chief proponents. I should have dug up some of the amendments that he was proposing to speed-up motions in past Legislatures. He wore a nightcap on one occasion and surely enough when I think back of the session - was it last year? - when the Agricultural Committee started its meeting at 12:00 p.m., and sat until 2:00 a.m., had to do its work during those hours -- well, anyone knows that that is not the best time to consider legislation and especially major legislation of that kind. I feel that we have to have more time to consider these various bills and other legislation that will come before us.

If the government, the members of the government who sat on this side at that time and proposed amendments of this type were sincere then they can't be sincere in what they've been expressing like the Minister of Labour did yesterday. On the other hand, if they are sincere now then they cannot have been sincere before and making the whole thing a farce. -- (Interjection) -- Pardon? The Member for Lakeside says they're never sincere. Well I hope they are sincere because we're passing many many bills and certainly we wouldn't like to have legislation on our books that is treated lightly or not considered properly and that is being passed as a joke. I certainly wouldn't subscribe to that.

Mr. Speaker, I do hope the government, the First Minister and his Cabinet give serious consideration to the matter of limiting night sittings to 10:00 p.m. -- (Interjection) -- Yes.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the Honourable Member for Rhineland -- would he agree that in the Legislature of British Columbia there are many pieces of legislation passed and that the Legislature of British Columbia, would he agree that it has the habit of sitting much longer into the night than most Legislatures; as late as 2:00 and 3:00 a.m., in fact, on quite a number of occasions during a session.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: I'm not sure when they have late sittings that they're considering bills. I think they're considering estimates, which is not legislation by the way, so that there could be a vast difference. When our speed-up motion takes effect it's at the time when we're considering legislation that will be on our statutes for years to come and which will govern the people of this province and effect their lives, so I think we have to make very sure that the legislation that is being passed is of such a nature and of such a quality that the people can

(MR. FROESE cont'd.) respect the laws that are being passed in this House and by this Legislature.

I therefore move, seconded by the Honourable Member for Churchill, that the resolution be amended (1) by inserting the words and letters "to 10:00 o'clock p.m." in the third line after the letters "8:00 p.m."; and secondly, by deleting the words "and the rules with respect to 10:00 o'clock p.m. adjournment be suspended," in the fourth and fifth line respectively.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition) (River Heights): Mr. Speaker, I move, seconded by the Honourable Member for Lakeside, the debate be adjourned.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable House Leader. The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I beg to move, seconded by the Honourable Minister of Health and Social Development, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the supply to be granted to Her Majesty.

MR. SPEAKER presented the motion.

MATTER OF GRIEVANCE

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I rise at this time on a matter of grievance and . . .

MR. SPEAKER: Order, please.

MR. SPIVAK: Mr. Speaker, my matter of grievance deals with the general question of the evasion of responsibility of the government and its accountability to this House and to the people of Manitoba. I'm going to attempt to deal in two specific matters which are currently before the House, but my purpose is to indicate the manner in which we have proceeded to show, Mr. Speaker, the fact that the government has for its own purposes interpreted either the rules or acted in a manner to really counter its responsibility that it owes to the people of Manitoba and to the House.

I'm going to deal with the matter of Hydro and the matter of our famous boat on Lake Winnipeg, because I think both are excellent examples of the way in which the government has conducted itself so far and of its attempt to avoid answering the legitimate questions and comments that are presented by the members of the opposite side. There has been a tendency on the part of the members of the opposite side to delve into the personalities of the Opposition in the hope that out of this they will be in a position to basically alter the direction of the comments and criticisms that have been offered by this side and avoid the essential responsibility of answering the specifics that the members have a right to know.

Mr. Speaker, there are three ways of seeking information with respect to Hydro matters in this House: by questions - and they can be oral or written; by seeking information in Estimates - and in any given time we can't be sure that we'll necessarily reach the Estimates of the particular Minister involved; and thirdly, by the prescribed manner in the Standing Committee of Public Utilities. Mr. Speaker - and this is for the Member for Inkster, for his information - seeking information is not causing obstruction to the government. Seeking information is the purpose for which the Legislature was set up. The accountability on the part of the government for the way in which the public purse has been handled by the government. It's a legitimate function of the Opposition. There are opportunities, there are times at least, not opportunities, when the government may feel that the questions that are being asked are damaging to them, embarrassing to them; but there are legal obligations for them to answer. Seeking information, Mr. Speaker, does not put the province into difficulty as the Member for Inkster suggests.

The Member for Inkster believes that if we seek information with respect to Hydro matters, we're trying to create a power crisis and he believes that the approach that we are undertaking is simply for the purpose of embarrassing the government and in some way to be able to blame them for a power crisis that could develop in the future. It's pretty obvious, Mr. Speaker, by the manner in which the Member from Inkster has handled himself in this House in almost every debate that has taken place so far, that he's really not prepared to deal and debate the issues, to answer the questions, but rather he is more concerned in dealing with personalities and coming back to a basic proposition that because they are the majority they are right and because they are the majority they really do not have any accountability to this

(MR. SPIVAK cont'd.) House at the present time, but the accountability will come only at a time of election. Mr. Speaker, that is not correct. Their accountability is for now, at the present time for the questions that people are asking and that we are asking that should in fact be answered.

Usually, Mr. Speaker, when a government starts to act in a manner that the First Minister and the Minister of Mines and Natural Resources have acted in the past little while, there is an indication that something is wrong, that there's something to hide, that they have something to fear; and their course of action, the language that's been used, the personal attacks that have been made are indicative of the fact that there is something to hide. It's not just the pressure of government, it's not just the internal pressure that must exist within their Caucus and Cabinet or the problems that exist in the House. It's obvious because in fact there are answers that are embarrassing and answers, if they are given, that would possibly prove that some of the accusations and statements that the Opposition are entitled to make have some validity. And, Mr. Speaker, when the Member from Inkster suggests that we're trying to create a power crisis because we're asking for information and we want the opportunity to hear members of the Board and members of Hydro and others who are experts in this field so that a proper evaluation can be heard, when they suggest that, then I suggest there is something to hide.

Mr. Speaker, the First Minister is an academic - at least claims to be an academic, he's a teacher, although I don't think he's done too much teaching, and certainly in addition to that as an academic or one who believes he has some credentials as an academic, one of the first things he should have done is commence his research, because if he had commenced his research he would have realized that some of the statements that he made in connection with the Public Utilities Committee were incorrect. That the representations that he made, which conveniently be brought forward as part of his traditions concept of the way in which the Public Utilities Committee was to be handled and the fact that only the chairman was to be brought forward, was not the original purpose for the Standing Committee of Public Utilities and Natural Resources being set up and for Hydro and Telephone matters to be brought in that committee. Because if he would have gone back to the time that the proposal was brought forth in this House he would have realized - and he spoke in that debate - he would have realized that the presentation by the government of the day seen to it that the report of Hydro would be tabled into the Standing Committee was done on a basis that there would be an opportunity for an examination and cross-examination of the Board members of Hydro and their experts and not just the chairman.

MR. SPEAKER: Order, please. The Chair finds itself in a bit of difficulty because not being aware of what was before the Committee on Public Utilities, I'll have to defer to the discretion of all honourable members. Even though this is a grievance, I should like to suggest that the honourable member must contain his debate apart from what took place before that committee until it has reported. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I intend to proceed in any case by quoting from the debates of 1964 and the presentation of the change in the Act which allowed Hydro officials to be brought before the Standing Committee.

The first statement I'd like to quote, and I quote from Page 277 of February 20th, 1964, is a statement of the then Minister of Public Utilities the late Maitland Steinkopf, and I'd like to quote two paragraphs: "It is the view of this administration, as I'm sure it was the view of the Legislature which originally established proprietary corporations such as the Manitoba Telephone System and the Manitoba Power Commission, the Manitoba Hydro Electric Board and more recently, Manitoba Hydro, that the boards appointed under these statutes and which were given very wide powers by those statutes, would be expected to hold themselves completely accountable to the Legislature for the exercise of those powers and for the discharge of the responsibilities entrusted to them." Going on, at the bottom of that page: "as an outcome of these conferences, these studies and our close consideration of this matter of achieving a greater degree of accountability, we now have a number of proposals to make as would be provided in certain amendments to the Manitoba Hydro Act and the Manitoba Telephone Act. The annual reports of the two corporations, the Hydro and the Telephone would be regularly referred to and be considered by the Standing Committee on Public Utilities and Natural Resources. It would be understood, of course, that the appropriate board members and officers of the relevant corporation would be present or could be called before such committees to be

(MR. SPIVAK cont'd.) questioned concerning the subject matter of the reports or other aspects of the utilities. Members of the Legislature will be given an opportunity in this way to raise any questions of and to seek any information from the appropriate officers of the corporation concerned. Accordingly, it will be our intention when any such questions are asked or information sought after, not to attempt to detail answers from government benches, but rather arrange for an appearance before the appropriate committee of the Board members and the officers of the corporation concerned. In addition to the matters arising out of the reports, etc., it would be the intention of the government to have all other questions relating to the operation of the utilities referred to the Committee on Public Utilities and Natural Resources as well as to arrange for the appearance of the appropriate board members and officers."

And in the middle of that paragraph: "In harmony with this thinking and with these proposals in effect, it will not be the intention of the Ministers henceforth to attempt to answer questions pertaining to matters which by the terms of the statutes have been delegated to the boards of the utility corporations. On the other hand, the Ministers will be ready to facilitate the enquiry of such questions by the appropriate committee and to assure the presence of the proper board members and officers of the corporation before that committee."

Now in the same debate, the Premier of the province, on Page 1125, in dealing with both the Hydro Board Act and the Telephone Act, both of which were amended in the same way. -- (Interjection) -- March 16th, 1964 -- and I suggest that if you had done your homework as a proper teacher should have and had examined what had happened in the past, you would have realized -- you spoke in that debate and we'll talk about what you said at that time. -- (Interjection) -- Well, you were 25 years old then? You were obviously as foolish then as you are today.

Now on Page 1125, and I would like to quote from the First Minister at the time: "Now what we have said all along is not that we will refuse to answer . . ." -- Mr. Speaker, if the First Minister has anything to say which will be a contribution to debate rather than a personal attack, I would hope that he would enter the debate afterwards.

MR. SPEAKER: Order, please. I would agree with the honourable member, but if he interjects and makes direct debate to the Honourable First Minister then he's bound to get a retort. So if he would address his remarks to the Chair I'm sure we could avoid that problem. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, it's very difficult with the First Minister chirping away and my purpose is to prevent him from making a statement which he would have to apologize for the following day.

Now, Mr. Speaker, on Page 1125, the First Minister said, and I quote: "Now what we have said all along is not that we will refuse to answer questions in this Chamber; have we not accepted them already on all points that have been brought before us that were questions under the regular understanding of the questions in the House? We have. And when we come to the Estimates of the Minister either for current or capital, when we discuss the affairs of these utilities, we will still endeavour to do our best to get any answers to questions that members want to ask. But we say that in addition to that, in order to give firsthand opportunities to question the people, to question the people who are carrying out the functions of the administration administering these utilities, that we will provide for this opportunity in the committee."

And he goes on on Page 734 - let me go back to Page 734 at least and quote further what the First Minister of the time said. "But when it comes to information as opposed to responsibility, when it comes to information what we are trying to say, and maybe we have to say it clumsily, and I must say that my honourable friend consulted with me before his opening statement was made and it didn't seem ambiguous to me. I must confess it didn't seem ambiguous although apparently it struck some members as being really ambiguous, but there's nothing in the statement that is intended more than to say that we must continue to accept our responsibilities constitutionally and to answer questions when put us in the proper form as members do in this House. We are hopeful that we will be able to use the direct contact in the Committee to improve the knowledge and the flow and the relationship between these boards and the members by giving them firsthand opportunities to explore aspects of interest to them with respect to the management of these corporations. We accept our responsibility as we've done in the past, but we hope by this regular convening of the committee and directing the attention of members specifically to the opportunity to cross-examine board members." Let me repeat

(MR. SPIVAK cont'd.) this so that the Member from Inkster can start yelling, "hear hear". "So that the committee will have the opportunity to cross-examine board members at the time; that in addition to what we do at the present time we have a more satisfactory development in the process of growth in the relation of Crown corporations to representative and responsible government." Mr. Speaker, it was the clear intention of the government in introducing the amendments which provided for the report to be presented to the Standing Committee, that the board members and officers of the Corporation would be able to appear before it and that there would be an opportunity on the part of the committee to be able . . .

MR. SPEAKER: A point of order by the Honourable First Minister.

MR. SCHREYER: Yes, my point of order is that the Honourable the Leader of the Opposition has made two or three quotes from Hansard of 1964 and there is some ambiguity as to - or uncertainty as to just who was being quoted. Whom was being quoted in that context.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I would think that it would be very wise for the First Minister to have his ears cleaned. I indicated the First Minister on more than one occasion and I suggest if it's necessary, the First Minister at that time was Premier of the province; and I had just quoted from him.

Now, Mr. Speaker, it was clear that the intention at the time that the amendments were introduced was to allow the committee to be in a position to cross-examine the board members, not just the chairman but the board members and officers of the corporation. And so those of the committee who may very well ask for that opportunity, if they're denied it, are denied it by a government who is evading their responsibility to the Legislature and to the people of this province.

Now it's interesting, Mr. Speaker, that the former leader of the New Democratic Party, who is now the Minister of Labour, in the debate that took place made it clear in his statements that he did not want just the opportunity of being able to examine hydro on the report but he wanted the opportunity, and I think I can paraphrase him directly - that he wanted the opportunity to be able to deal with current matters. As a matter of fact he made a point, Mr. Speaker, in his presentation to say, if some matter took place the following day and I read it in the newspaper and I was before the committee, I wanted to be in a position to deal with that matter in Public Utilities with the appropriate officers of the Hydro Board at that time. And it must be understood that that was the purpose and the manner in which the committee was to operate. And how different it is, Mr. Speaker, when you're in government and when you're concerned about what that kind of exposure would mean.

The Member for Inkster will suggest that obviously our whole purpose in this is to overthrow the government, and obviously what we're attempting to do - even my attempt today is to overthrow the government because that's our purpose. But, Mr. Speaker, if in fact cross-examining the officers and the board members of Hydro would mean that we would overthrow the government, then I think they have something to hide. If that's what they fear, then I think there is real reason for them not to allow this to take place.

So, Mr. Speaker, in terms of evasion of responsibility, I suggest that the members opposite in their conduct so far have not allowed proper functioning of the Legislature to take place and have seriously evaded their responsibility and continue to evade their responsibility to allow the members of the board and in turn the officers to come forward. And when we now deal with technical information that at this point is in serious dispute, when we have technical information that is to a certain extent complicated and complex that is now in dispute, it would seem to me that it would be very important to allow the opportunity for some of the technical experts to come forward as well.

You know, Mr. Speaker, the Minister of Mines and Natural Resources referred to Professor Kuiper in his presentation in a grievance just a few days ago and he indicated that he believed that Professor Kuiper would have supported his position because of a statement that appeared in the newspaper. But it's interesting, Mr. Speaker, to know, that at the committee when Mr. Campbell came forward and said he was complaining and resigning, that he was doing it because Professor Kuiper agreed with him. So, Mr. Speaker, . . .

MR. SPEAKER: Order, please. I did suggest to the honourable member that I wasn't going to entertain any debate about what was taking place before the committee. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'm only referring to the statements really that the Member

(MR. SPIVAK cont'd.) from Inkster made, but I think my point has been made.

Let me now deal with the question of evasion of responsibility with respect to the Manitoba Development Corporation and to our boat that now is sailing Lake Winnipeg. The Minister of Industry and Commerce doesn't appear to be present here. I gather - because I wasn't present for the total address of the Minister that he was a little mixed up in the figures that he presented - I'm not sure exactly what was represented, this has not been the first occasion on which this has happened. But I believe it's necessary, Mr. Speaker, to set the record straight on this because I think it does show an evasion of responsibility and because I want to suggest, Mr. Speaker, that far from my statements being outrageous, they're borne out by documentation, that if it's necessary to produce, I will follow by producing first from the Altona paper; secondly by producing it in another paper; thirdly by producing it in a fourth paper, and, Mr. Speaker, I think I have in my possession enough papers to be able to document and support the position so that the government at one point are going to have to simply stand up, Mr. Speaker, and say well, maybe our information was incorrect or maybe we didn't know the facts - and God knows why they wouldn't know the facts, if we're shareholders in this corporation - but at least they are going to have to account to this House and to the people of Manitoba for this particular situation.

Mr. Speaker, the net loss of Lake Winnipeg Navigation for October 31st, 1970 was \$359,000.00. The net loss for the year ending October 31st, 1969, was \$39,000.00. But the net cash loss, which is what I referred to the other day which appeared to be an outrageous statement, before interest, depreciation and amortization, for the year ending October 31st, 1970, was \$181,000; and the net cash loss before interest, depreciation and amortization for the year ending October 31st, 1969, was \$11,000.00. The latter two figures are comparable to indicate the dramatic decrease in the operational efficiency which has occurred since the government assumed a role in the management of the company and replaced all of the operating personnel.

Now, Mr. Speaker, the boat cost much more than was planned and there is no doubt that there were financing difficulties that occurred, and there was no doubt that additional monies had to be arranged. The starting up costs were higher than anticipated and in every operating business this is anticipated. The result was that whatever it was exceeded by its projection there was a higher capital cost than was first projected. The financial statements of the boat have been altered, as is permitted, so that there were different lengths of fiscal years, and the fiscal years I am dealing with are the first fiscal year ending October 31st, 1969, which was basically a short term year, and the year that we have to be concerned about in which the government purchased its equity is the year of October 31st, 1969 to October 31st, 1970.

Now, there is some evidence to prove that the net loss figures were not due to a decline in the traffic that occurred but really to the gross inefficiency in operation after the government became involved. Mr. Speaker, we do not know but it would appear that the government became involved so that the financing could be used to air condition the boat which was required. The revenue for 1970 increased by \$17,000 over revenue for '69. The ship operating costs increased by \$137,000 in 1970 over 1969. The administrative costs increased by \$73,000 in 1970 over '69. And, Mr. Speaker, the primary cost increases came from increased personal costs, both on the ship and on the shore - ship fuel, maintenance costs and advertising and promotion. And of course something that is common knowledge but is ironic proof of the ludicrous inefficiency of the ship was a fact that the bar lost \$8,000 in 1970, and if I'm correct - and the Liquor Commission will be in a better position to support it - this is probably the only bar in Manitoba that lost money in the year 1970.

Now the question, Mr. Speaker, is who is to bear responsibility. The Minister of Industry and Commerce stands up and says "No, we inherited the mess and therefore we bought equity into it and it lost another couple of hundred thousand dollars." The question then is if the boat lost money because it cannot be run efficiently, and this was the government judgment, what was the course of action open to them? The course of action open to them were, not to run it, to lease it, to sell it or to run it. And if they were going to run it, what kind of information did they have to indicate what the projection would be? Was there to be a loss, was there to be a profit, were they to break even? And when I talk in terms of evasion of responsibility, Mr. Speaker, I'm talking because the questions that I am asking now were not presented by the Minister of Industry and Commerce when he dealt with this. Rather he shifted on to the responsibility of what happened in 1969 - and I have already had occasion to point out in the

(MR. SPIVAK cont'd.) Western Flyer Coach incident, until he found out that the loan had been granted in their administration he was enthusiastic about the investigation that was going to be commenced. And I suggest, Mr. Speaker, if we talk in terms of avoiding and evading responsibility the Minister of Industry and Commerce in this particular situation has in fact acted in a manner not to present this House with information to justify the course of action but rather to shift responsibility to the past.

Mr. Speaker, I've said in this House before and the First Minister agreed with me, that we are at a time when there are financial difficulties for a number of people and for a number of corporations in this province and in throughout all of Canada. I indicated that if we had the opportunity to look at the Agricultural Credit Corporation I would venture to say that 25 or 30 percent of the loans that have been made by the Agriculture Corporation are in arrears one way or the other. And I think the Minister of Agriculture will agree with me. And all this is an indicator that conditions are rough and that adjustments have to be made, and the agriculture corporations have to act accordingly. I'm not for one minute suggesting, Mr. Speaker, that the Development Fund with respect to the monies that it has loaned, or even in those situations where they have bought equity, I'm not suggesting that they did not have to view the matter and make a decision in the best interests of the people and at the same time be prepared to proceed with it; but what I object to, Mr. Speaker, is the fact that the Ministers on the other side, the First Minister and the Minister of Industry and Commerce will not bear their responsibility in a manful manner. They have not stood up and explained properly to the people of this province their situation; they have not been prepared to say that judgments had to be made and maybe we made a judgment that was wrong, maybe we made a judgment that was right, but rather they have been prepared to go back to the political harangue that this is a mess we inherited and we cannot do any wrong and we cannot make any mistakes.

Mr. Speaker, if we examine what happened in Hydro we will find that this is probably the real reason for the stubbornness of the government in proceeding with what obviously is going to be a \$50 million error or maybe even higher; complete stubbornness because of the inability to admit to the people that they may have been wrong in a decision.

Mr. Speaker, my reason for rising is because in the manner in which Lake Winnipeg Navigation is presented, the government has clearly, has clearly demonstrated that with respect to the questions that are asked on this side they are not going to be prepared to answer. When the questions were asked of the Minister of Industry and Commerce, was there a guarantee to the Receiver for the monies that will be borrowed for operating this year, because it would appear that there will be a substantial loss as there was in '70, was the money guaranteed, did the MDC advance the money, did the government advance the money, we are told that it's a question of government policy. Well if it's a question of government policy, that is if we're not to know on this side, then, Mr. Speaker, let the government say so. But let the government say that if we purchase equity in a corporation we are not going to let the people know at this time. I expect that with all the vigor that the First Minister has that he will rise and he will say, "We have made disclosure, you didn't make disclosure and therefore this is our answer" and he'll deal with the past - hear, hear - but let me say this to the Member from Inkster, who's not in his seat. When we ask the questions of what government did we're told it's government policy. When we ask to determine - and we have a right to determine - the stewardship of the government with respect to the manner in which it is handling its financial affairs with respect to Lake Winnipeg Navigation we are not told the answers; and as a matter of fact if the documents were not available to me I wouldn't be in a position to make the statements that I am making in the House - and those statements did not come from the government side.

Now, Mr. Speaker, Lake Winnipeg Navigation is the first corporation in which an equity participation has been taken that has been discussed at any length realistically in this House. We have the government involved in other matters in which there's equity involvement and at one time, Mr. Speaker - it's not likely that it will be in this Session - but at one time we are going to have to have the fullest scrutiny to determine exactly in what manner and how the government functions, because they owe that responsibility to the people. And it's not just a matter of superficially checking it or referring to what the MDC loaned, but where they purchase an equity if there's going to be a loss to the people or even a profit, there is an accounting that has to take place which will at least present all the facts and not just use it as the Minister of Industry and Commerce deliberately did by referring to the past and suggesting that it was a

(MR. SPIVAK cont'd.) mess that he inherited and trying to in any way disassociate himself from the mess that really has taken place during his administration and during his direction to the Manitoba Development Corporation.

MR. SPEAKER: Order, please. The Honourable Member for St. Boniface.

MR. LAURENT L. DESJARDINS (St. Boniface): Mr. Speaker, on a point of order. I believe that in this House it has been the custom to speak on a point of grievance once and only to cover one grievance not the waterfront like the member is doing right now.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, just on the point of order. I indicated to the House at the time that my grievance was the evasion of responsibility on the part of the government and I think that I am clearly dealing with that, but I'll go by your ruling, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I'd like the Minister to rise in this House at an appropriate time and indicate that he over-rode the objections of the Receiver and even over-rode the objections of the officials of the Manitoba Development Corporation and unilaterally ordered the continuation of the operations this year. I think we should know that. Secondly, I think he has an obligation to rise before this House and confirm or deny his responsibility in this matter and deny that he has instructed by letter the decision to continue the operation of the ship.

Again, all I am suggesting - and I want this clearly understood - is to indicate that in this matter, in 1971, dealing with this particular issue, if the government is going to continue to try and shift responsibility to the previous administration rather than to take its responsibility in dealing with this matter in the current situation, we are going to have no alternative but to commence a course of action with respect to those operations in which the government has purchased equity, in which loaning has been commenced by the Manitoba Development Corporation which I think would be quite detrimental to the Corporation and to its ability to help business in Manitoba. -- (Interjection) -- It's not a threat, it's not a threat, but, Mr. Speaker - it's not a threat because it's very obvious if the government is going to step up and simply say - we inherited this mess, they're to blame, we're doing the best and then, you know, it's wonderful. The Minister of Industry and Commerce stands up or makes a press release saying how many jobs are up in The Pas, yet on the other side of his mouth he talked about what a bad deal it was. You know, you just can't have this kind of double standards going all over the place, Mr. Speaker, and I'm suggesting at this point the government having taken this action and having proceeded in the course that it has, if in fact it is going to deal effectively and attempt to try and suggest that what is happening today has been caused by the previous government, we are going to have no alternative.

Mr. Speaker, I am one, and I admit that, who believed for some time that the Development Corporation's activities should not be part of this House, that should not be the subject of political discussion, but at the same time we are entering in a new phase, we are entering in equity participation, we are entering in a position in which the government is involved in the management. When a loan is made by the Development Corporation the management operates by itself. When a loan is made in which the government has taken equity there is a further responsibility on their part to see to it that there is good management and good stewardship. Now in everything we have seen, whether it be Autopac with the mess that we have today, in every other matter in which the government has been involved, their inefficiency, their inability to handle the situation, their ineptitude has been shown and they have covered that up by standing up and making the kind of personal attack in argument rather than answering the questions. And they will I am sure, Mr. Speaker, in a few moments stand up and say, We have brought disclosure, you didn't bring disclosure, we have done this and you haven't done this; but in all seriousness, Mr. Speaker, if you examine the information that has been supplied to this House by the government with respect to the matters in which they have been involved you have very little.

As example, let's talk about Morden Cannery at this point. What information do we know about Morden Cannery and its equity or its operation by the Manitoba Development Corporation? I think very little. At the time the purchase was made was it the intention of the Minister of Industry and Commerce to sell that to another plant, to some other firm, or was it the intention to operate it? Are we sure that there was only intention to operate it or was there intention to sell it? Did they have to operate it because they weren't able to sell it because they bought it at maybe a higher price than they first thought they were going to be able to get it?

(MR. SPIVAK cont'd.) This whole question of the stewardship has to be brought forward again.

So, Mr. Speaker, in terms of evasion of responsibility I would hope that the First Minister, the Member for Inkster, the Minister of Industry and Commerce, when they stand up to answer the questions that have been asked with respect to the specifics on matters of the Development Corporation in other areas, they are not going to get up and attempt the very characteristic way they have operated in the last little while of standing up and attempting a personal kind of attack as a means of answering the specifics. They may feel that they have accomplished a great deal in my reference to that but I suggest to them that they are more vulnerable than we are if we are going to get involved in the secondary aspects of the House in dealing with the secondary matters of personalities.

Mr. Speaker, we are here in this House to debate the facts of the government, we are not here to deal in personalities, and I for one am quite prepared to enter into that kind of debate and to take each member and deal with their remarks in the same personal way that the Member for Inkster has debated in this House. Mr. Speaker, I suggest that the Member from Inkster at the present time has not on one occasion met any arguments that have been advanced on this side in any direct manner. He has tried every which way to try and shift around in some legalistic manner his approach, and the only issue which he couldn't shift around was his own words in the Lottery Bill; on that occasion he had to admit that he was tied by caucus responsibility and cabinet responsibility, and that was the only reason that he had to go back on what he said before.

Well, Mr. Speaker, there will be other occasions no doubt in the 55 bills that we have before us yet to debate in the next two or three months, there will be other occasions, Mr. Speaker, in which we are going to be able to present to the members on the opposite side questions I would hope that they would answer and not attempt to evade their responsibilities.

May I close, Mr. Speaker, by reference to Hydro. I understand that on July the 8th Public Utilities will be heard. There will be a motion moved at that time, Mr. Speaker, by the Opposition to see to it that the Board members and the other officers of the Corporation are brought before the Committee. If the government refuses to allow this to happen then they are going against the very purpose and intent of the changes in the Act and they are again I suggest, Mr. Speaker, evading - make no mistake about it, they are evading their responsibilities, they are not allowing the Legislature to carry on the functions in their Standing Committees as we are entitled. They are putting us in the position that the only way that we are going to be able to get answers is to have the Board members resign or the members of Hydro resign; and, Mr. Speaker, surely we are not at this point going to allow our Crown corporations to operate in this manner.

MR. SPEAKER: The Honourable the First Minister.

MR. SCHREYER: Mr. Speaker, the Honourable the Leader of the Opposition in his remarks has made repeated reference to what he feels have been personal attacks that have been aimed at himself and I suppose certain of his colleagues. I'm not aware that there have been any personal attacks, except one or two specific occasions, and just yesterday I did rise on a point of privilege to indicate, Sir, that I felt that the evening before I perhaps had used a descriptive adjective that was too insulting and which I retracted. The term I used was "despicable", I retracted that yesterday. But after listening to the Honourable Leader's speech this afternoon I'm not so sure that I was right, because, Mr. Speaker, - I won't resort to that word, however, but I will again use the word "outrageous" to characterize and describe the comments and the position that the Honourable Leader of the Opposition is trying to stand on. He's mentioned two things in particular: he's mentioned the government's position with respect to Manitoba Hydro policy and proceedings in the Standing Committee on Utilities and Resources; and he's also again made reference to the MS Lord Selkirk, Lake Winnipeg Navigation and the government's handling of that problem. I'd like to deal with both as quickly as I can because government business, Estimates awaits.

With respect to Hydro, the Honourable Leader of the Opposition goes back to Hansard of 1964 and quotes the comments made at that time by the then Minister of Utilities and the Premier of that day, and his quotation is to the effect that it was the intention of the government that before the appropriate Standing Committee that the members of the board of the utilities, Hydro, Telephone and so on would be summoned and answerable to the members on that committee. The honourable member may find those quotations all he likes; I say again that if he

(MR. SCHREYER cont'd.) can show that this is in fact the understanding and if this had been the practice, then I'll listen to him a little more seriously. But I ask him to give me one example or indication when a Board member had been summoned before a parliamentary Standing Committee at the time of consideration of the annual report or any report of the operation of that utility.

I can say to my honourable friend that in all of the Legislatures that I have sat of this House, going back since 1958, and in all of the Standing Committees of the House of Commons that I have been a member of and that I'm aware of, between 1965 and '69, not on one single occasion has any one other than the chairman of the board ever answered to any member of a committee. Never! So he can look back all he likes for half-baked precedent -- I doubt if he will even find half-baked precedent for the case that he is trying to make. So I challenge him again to give me one bit of proof, one precedent for expecting that a member of a board other than the chairman appeared before a parliamentary or a Legislative Standing Committee in their capacity as a Board member. He will have till -- well, the balance of the session to find those examples. He will not find them; because that's not the way the Standing Committee of Parliament or the Legislature has functioned in this respect.

But, you know, Mr. Speaker, it really boggles the mind. The honourable members opposite seem to think that we are following a very undesirable procedure with respect to Hydro development. We've had a board, Manitoba Hydro, consisting of seven members; members that include a professor of electrical engineering, professor of civil engineering, men who have served on the board for some time. Because one out of the seven takes a certain position members opposite would expect us to ignore the recommendation of six of the seven and to adopt the one proposed by the single person, the one out of the seven who had a different point of view. It's just incredible, Mr. Speaker. There is no reason whatsoever that this government should feel that it is under any obligation -- and certainly we don't feel on the basis of the evidence presented to us, interpreted for us and as we interpret it -- there's no reason whatsoever that we should feel it necessary to change the policy direction that we are taking with respect to Hydro development; because one person has resigned they would want us to adopt the position of that one person. Then when the other six resign because we have done so, I suppose some on the other side would then get up and argue that we should perhaps change our mind again and follow the course of action that was recommended by six of the seven. Advice as ridiculous as that I would expect from some honourable members opposite.

I've had handed to me, Mr. Speaker, the journals of the House from 1963, 24th of April, which shows that at the time when Mr. Thompson -- this is the example that the Leader of the Opposition gave that Mr. Thompson appeared before the committee at one time. The journals show very clearly that Mr. Thompson appeared as counsel for Manitoba Hydro. The chairman was there, members of staff were there as they have been before this Standing Committee; as is the case for example, when Air Canada was before the Transportation Committee of the House of Commons or the Canadian National Railways, the chairman is there, senior administrative staff are there and no members of the board other than the chairman -- under no circumstances -- and if there are questions to be asked they are addressed to the chairman. He may or may not refer to senior staff present for advice, for information and so on. So parliamentary practice, Mr. Speaker, is very clear in this respect, very clear, and the repeated efforts of the honourable members opposite to try and somehow build an argument for proceeding otherwise is just a waste of time on their part. -- (Interjection) -- Well, I've given you the opportunity to give us some examples to back up the arguments that you have been putting forward in this respect.

I go on now to refer to the problems that we are facing with respect to the operation of the MS Lord Selkirk. And here's where I feel even more strongly that the Leader of the Opposition is acting in a most outrageous manner; if not despicable, certainly outrageous, outrageous; because in the case of MS Lord Selkirk, let us take it from the beginning. In 1968, certain negotiations took place with respect to formation of a company to construct this vessel, to get financing. It was financed with a large loan from the Manitoba Development Fund. In its first year of operations the company had a loss. Now the Leader of the Opposition says, well yes it was a loss in excess of \$100,000 but, if you consider just the -- if you don't take into account the cost of debt servicing, the cost of amortization, depreciation, and so on, just the cash balance, then it was a relatively small loss of only \$11,000. Well, Mr. Speaker, I make no comment on the advisability of making calculations of that kind; it seems to me that

(MR. SCHREYER cont'd.) they're pretty unrealistic. I doubt very much that the International Inn would do its accounting that way. -- (Interjection) -- Well, they don't, I can assure my honourable friend, I can assure my honourable friend that the company he refers to doesn't do its books that way either. It seems to me realistic to take into account the total operating costs, which would include the cost of amortization and depreciation. So I'm not sure that I know what the Honourable Leader of the Opposition, I'm not sure what point he was trying to make when he kept emphasizing that the cash loss as opposed to the total operating loss was very small, \$11,000. The fact is that in its very first year of operation, for which we had no possible earthly responsibility, I think he'll concede that, there was an operating loss; and in the second year of operation, 1970, there was an increase in the amount of financial loss, operating loss.

Now here, Mr. Speaker, comes a very important point. Is the honourable member suggesting that we provided additional financing for this company, for this vessel's operation, for any reason other than the fact that it was in financial difficulty and simply required additional financing or it would have to go into a position of bankruptcy. Of course it required additional financing and the basis of the advice we got, there was insufficient unencumbered assets against which to secure any additional loan financing and so it was thought better - an exercise of judgment - to provide equity financing, because to provide loan financing was impossible. There was nothing left against which to secure additional loan capital. Surely my honourable friend understands - I'm sure he understands that, Mr. Speaker.

Now the Honourable Leader of the Opposition yesterday and again today makes a big point of asking, did or did the government not, the Crown rather - did the Crown give a guarantee to the Receiver in the event of an operating loss this year? I know my honourable friend, to give him credit, he seems genuinely curious about that point, and I say to him that I'm surprised that he hasn't the answer readily at hand. Well, it's self-evident, Mr. Speaker, that if it's going to be in receivership and continue to operate that it will require some form of undertaking to the Receiver to cover operating loss otherwise the Receiver would not be in a position, would be incapable of operating it. -- (Interjection) -- Well, Mr. Speaker, someone as learned in commercial law as my honourable friend I would assume would have had that information filed away at the back of his mind at all times; that if a Receiver is to continue operating a particular enterprise there must be some provision made for the covering of an operating loss. From where is that assurance or undertaking to come? So I think my honourable friend has an answer to that question.

But, Mr. Speaker, I come back to this important point and that is that clearly this enterprise was in difficulty from the day that it started. It incurred an operating loss in both of its two years of operation. We could not possibly be associated with any of the causes or reasons of its operating loss in the first year and in the second year I insist that we could hardly be directly responsible for any operating loss; inasmuch as the - in practical terms, in practical terms - the administration and the entrepreneurship, if you like, the directorship of the operation was left in the hands of those who had initiated the enterprise. It's true when we took an equity position we are entitled to have representation on the Board but that was in a minority position, minority equity position, a minority position on the Board; the people responsible for the operation largely the same people in 1970 as in 1969, and the staff operating it largely the same staff. So that I reject completely, I reject in every respect the suggestion that in some way the present administration is responsible for the operating losses of Lake Winnipeg Navigation in 1969 and '70. I say, too, that the entrepreneurship - it's difficult to pass judgment as to the effectiveness of the entrepreneurship because I really believe the enterprise was overcapitalized in the first place, that the amount of loan capital in there simply - the debt servicing of it could not be met for the operation of this company; and if there's any error in judgment, that error in judgment is most manifest in the years 1967 - '68 when this thing was being put together. So why is my honourable friend pretending that there is some act of omission or commission on our part that is responsible for the financial problem facing this company?

I think, Mr. Speaker, it's also necessary to point out to the honourable member that if he is complaining that there is insufficient disclosure then I would say that since he made it a point this afternoon to go to 1960 for Hansard to quote the Premier of that day, Mr. Roblin, that I would refer my honourable friend to the Hansard of 1966, to the Premier of that day, Mr. Roblin, December 12th Hansard, 1966, Page 110, where my colleague the Minister of

(MR. SCHREYER cont'd.) Labour was asking the Premier that day, Mr. Roblin, as to the extent to which the government was prepared to make information available with respect to the operations of the Manitoba Development Fund; the interest rate that the Manitoba Development Fund was lending money at, and so on. And if my friend the Leader of the Opposition is trying to make the argument that we are not disclosing enough information with respect to the operations of the MDC and certain assets or equity positions that it had taken on behalf of the Crown, I refer him to Page 110 of Hansard of 1966, where the same Premier Roblin that he quoted earlier today says in a very flat-out way that the government cannot . . . Perhaps I should quote directly:

"Mr. Paulley: I wonder if the Honourable the First Minister would permit a question. Would the Government of Manitoba condone the awarding of public moneys at a lesser rate of interest to industrial development corporations than is presently prevailing insofar as private loans are concerned?

"Mr. Roblin: Well, Mr. Chairman, the question is hypothetical, but the government policy goes back to the statute which lays down the terms and the minimum rate at which money may be lent.

"Mr. Paulley: Mr. Speaker, does not the government have the authority to investigate into the use of public funds in the Province of Manitoba?

"Mr. Roblin: Not unless we change the statute we don't have that authority to investigate the use of public funds."

Mr. Speaker, that statement is tantamount to saying that the use to which public money is put by the Manitoba Development Corporation is something which the government of that day felt it had no authority to inquire about. How -- perhaps I should contain myself, Mr. Speaker -- How ridiculous for a member of that same political party to get up today and pretend that we are somehow derelict in our duty because we are somehow failing to give ten times as much information as our predecessors in this respect. That we are giving much more information than they ever gave is self-evident. I think everybody realizes this. We have never pretended that we didn't have the authority to enquire to the uses that public money is being put by the MDC. They pretended that they didn't have the authority; they wanted to stay at arm's length. The MDC once it came into possession of public funds was not accountable to the government. That's what's being said there. We have never made such a pretense and we are making disclosure, we are giving accountability, to a degree that far surpasses anything that our honourable predecessors ever were prepared to do. But because it does not perhaps go to the extent that they would like, they feel that they have a grievance. The specific grievances that were raised, I've dealt with them, Mr. Speaker.

I say again, no matter how much it may aggravate my honourable friend, that we simply will not take responsibility for financial difficulties and operating losses incurred by a company in a year where we came into office halfway through that year's operation of the vessel; for a financial loss incurred by a company that entered into a financial agreement with the MDF a year or two before we were in office. We will not take responsibility for that, Mr. Speaker, but we do undertake responsibility to try and get remedial action under way as quickly as we can.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, will the First Minister entertain one or two questions? Relating to the first half of his speaking on a grievance motion. Do I understand now the Minister to suggest that there's a change in policy whereby the Minister responsible for Public Utilities will now answer any and all questions in the House relating to the public utilities?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, we have not understood otherwise. We have answered questions in this House both in Orders of the Day and during consideration of Capital Supply Estimates. Questions relating to the operation of one or other of the utilities, Hydro and the Telephone System. Insofar as more detailed material is concerned, we stay with the arrangement of having the Utility Committee meet, at which time the Chairman of the Board will be there along with senior staff so that questions of that kind may be answered in that form.

MR. G. JOHNSTON: Well, my supplementary question, Mr. Speaker, relates to the reply by the First Minister. Is it not still within the purview of the rules of the House that any

(MR. G. JOHNSTON cont'd.) Standing Committee of the Legislature can by substantive motion or by general agreement call before it any person or any body that they so desire?

MR. SCHREYER: Mr. Speaker, I believe that to be true. At the same time I say that the way in which members have interpreted this in the past and successive governments have interpreted it in the past, it is that the majority on the committee will expect to hear from the chairman who will speak on behalf of the Board of a Crown corporation. That is the way all of the Crown corporations that have appeared before a legislative or parliamentary committees that I know of, that is how its been handled. Without exception.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I listened with great interest to the grievance of the Honourable the Leader of the Opposition and to the remarks and arguments presented by the First Minister, which, Mr. Speaker, he does present in a very compelling manner. He has been described as an academic and a teacher and for his background and training he is able to muster some points in debate that are most impressive. He's also, I'm told, or has been in the past, a baseball player and a rather good one; and as a baseball player he's probably aware that when the pitcher gets in trouble and they put in another pitcher that the man that takes over the game has some responsibility for the result.

In many of the arguments that have been placed before this Legislature in respect to things that happened two years ago, it's been said - Well it's a mess that you people created; it's something that you're responsible for and two years later we're hearing the same positions being taken. Well there comes a time in the ball game, Mr. Speaker, where some responsibility has to be taken by the man who is throwing them and the First Minister I know accepts that responsibility. He has mentioned that he denies that in the past that members of the Board of Manitoba Hydro have been called to account or to answer questions in Public Utilities hearings. This may well be so, I didn't have the opportunity in the past to attend these meetings but I am reasonably certain and I think you will accept, Mr. Speaker, that in the past there have been officers of the corporation present at Public Utilities meetings and they have been able to answer questions directly. I think that among those officers, Mr. Fallis, Mr. Bateman and Mr. Kristjanson have from time to time in the past been able to be present and to answer questions as they were put by the members of the Utility Commission.

In respect to the activities of Lake Winnipeg Navigation Company, it's quite true, I think, that the first year of operation was not a profitable one. What has happened since the taking over by the present government has not in any way reversed that trend and it has accelerated the loss position to a rather alarming extent; and all of these things I think, Mr. Speaker, should not be laid on the doorstep of the previous government who maybe in the first instance, certainly in the first instance, made the original support moves. However, when there is a losing pattern of operation apparent, it would seem to me that some kind of leadership should be given, some kind of change in strategy should be applied that would in some way alter the trend which apparently was developing; so that in the course of two years, I think it's not a reasonable excuse to say now that this whole mess was the responsibility of an earlier administration. I think that if this government had been aware and watching the progress of this activity that they could have given some leadership, change some of the activities, and certainly at least provided for reasonable supervision in the off-seasons of this valuable asset. It seems to me not too much to expect that there would have been some scrutiny of the off-season activities and that some of the extensive repair bills that were caused by lack of this supervision apparently on the part of the company, because at this stage in the game the Development Corporation was involved to a fairly extensive sum. That had this been done, the affairs of this corporation might well have been in better shape than they are today. So I reject really the assertion by government that a former government, out of office for two years, should now accept complete responsibility for this, as they described, "mess".

Mr. Speaker, I don't intend to in any way become involved in the debate on the activities and the decisions of Manitoba Hydro, because as you have pointed out, these are subjects that are now being discussed by the Public Utilities Committee. We hope they'll be discussed and that this will take place in due course. But as a citizen of Manitoba and as a Member of the Legislature I can't help but feel a real deep concern for the trend and for the decisions that are now being taken, because I think they are ones that are irreversible, and as one who is not professionally skilled in matters of hydraulics, I have to look for someone in whom I can place

(MR. MCGILL cont'd.) trust and confidence in that they are supporting a view which will be in the long run that which will be the best for Manitoba. Because it is, of course, a view that's going to affect, I think, our most valuable natural resources - certainly our most valuable renewable resource the hydro-electric energy that now is awaiting the conversion to power in the North.

In these discussions, I'm attracted of course by the positions taken by a man who was a member of this Legislature for 47 years. I think anyone who can survive 47 years in this Chamber and come away with a reputation that is of the highest, of a character that has never been questioned, I think one has to look very carefully at his position. And I speak, of course, of Mr. D.L. Campbell, the former Premier of the Province of Manitoba. He's already recorded in history as one of Manitoba's outstanding premiers. They said in 1955 that his greatest achievement already lay behind him: That was the assumption by the province, the Provincial Government of Manitoba in 1954 of the production and distribution of all electrical power in the province, except for Winnipeg City Hydro, which was itself a public corporation. Here is a man who has contributed over 47 years some very great things to our province, who has had a particular place in the development of hydro-electric power.

Mr. Speaker, without in any way commenting on this debate, because I think it would be as you say inappropriate, I believe that this Legislature would like to have in Hansard a post-script on the career of Mr. D.L. Campbell, and I merely choose now to read into the record his final comments which will not be probably placed before the Public Utilities Committee. So I do so without any comment whatever in this respect.

MR. SPEAKER: Order, please. I realize I have to allow a tremendous amount of latitude, but I do not believe that the grievance, if the honourable member is discussing the same one as was started at the beginning, would include a eulogy to Mr. Campbell or any other comment in that regard. The honourable member himself has said that he's not going to introduce anything that is going before the Committee and therefore I cannot see how the abdication of responsibility of the government -- (Interjection) -- Order, please -- of the government relates to what Mr. Campbell has or hasn't done or will do.

The Honourable Member for Brandon West. Order, please. Does the member wish to raise a point of order? There is no point of order on my ruling. The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Well, I wish to raise a point of order, the point of order being that it has been the tradition and usage of the personal grievance procedure in the past to allow a member to relieve himself of whatever grievance bothers him at that particular time and there has never been . . .

MR. SPEAKER: Order, please. A grievance comes and can be entertained at a certain time according to our rules but it is still subject to debate and the rules of the House. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, my point of grievance was that of the Honourable the Leader of the Opposition and he included in his remarks both the Lake Winnipeg Navigation Company and the Manitoba Hydro position. I felt that because of the position of the former premier of the province and his early guidance in the assumption by the province of the distribution of electrical energy in the province, that this House would be anxious to have recorded in Hansard his final remarks on this subject. I am prepared to read them into the record without comment, but, Mr. Speaker, if you feel that this is not a proper procedure, I am also prepared to abide by your ruling.

As I prefaced my remarks it was not my intention to comment on his position in any way but simply to place them on the record. "Because it seems unlikely that I shall have the opportunity of again speaking to you as a group, I am taking this method of replying to Mr. Cass-Beggs' comments at your June 7th meeting with regard to my presentations. As an introduction, I think it appropriate to give a brief review of the events that led to my resignation from the Manitoba Hydro Board. I am encouraged to tell you and the people of Manitoba exactly what took place, because the public has a right to know how its business is conducted, and also because the Manitoba Hydro Act requires the keeping of full and complete minutes and records of all business transactions at the Board meetings, and declares these minutes and records to be of a public nature.

"April 12th. My first memorandum was mailed to all Board members expressing my doubts about the fairness of the Task Force Report and my misgivings concerning the Board's

(MR. MCGILL cont'd.) program, in putting in writing in general terms the points of view I have been repeatedly voicing at Board meetings.

"April 14th. My memo was in the hands of all Board members at our regular meeting this date. It was discussed only with regard to procedure at that time because I said I thought an opportunity should be given to both members and officials to fully consider the issues involved preparatory to avoid discussion of them at our next meeting. It was agreed that Mr. Bateman would prepare comments on my memo and that the chairman would forward these to board members.

"May 10th. Mr. Bateman's memorandum dated May 6th and Mr. Cass-Beggs' letter dated May 10th reached me in late afternoon of May 10th. Consequently I had only a little more than a day to prepare my replies to these documents. Those replies included three charts which I made up to put some of my argument in graphic form. Not only was all my work hurried and rough but I had no time to make copies for the other members to have before them at the board meeting next day.

"May 12th. I assumed that consideration of my memorandum and the comments on it would be on the agenda for this day's meeting. Not only was this not the case, but when I asked for time to give my answers to Mr. Bateman's memorandum and Mr. Cass-Beggs' letter, Mr. Cass-Beggs declared that the subject was not before the meeting. He said my position had been stated. Mr. Bateman had made comments on the several questions I had raised and he had distributed that information as arranged. Therefore, he said, the matter was closed and he ruled any discussion of it out of order. Fortunately, he was overruled and I was given, by motion, 20 minutes to make my reply. This I did by speaking from the notes I had prepared the day before. Twenty minutes gave me no time to deal with the three charts I had prepared, but they were included with the copies of my written replies to Messrs. Bateman and Cass-Beggs"

MR. SPEAKER: Order, please, I've patiently tried to determine what relevance this has to the grievance of the responsibility of the government and it escapes me at the moment. I don't know how lengthy this report is that the honourable member is reading, but if he could relate to us or to the chairman's satisfaction as to how it relates to the government abdicating its responsibilities, then I am willing to entertain it again. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I do believe that this is the basis of my grievance in respect to the judgments and decisions that are being made on Manitoba Hydro, and I am submitting this because it describes a position which I feel is a reasonable one and because I feel that it is a most important one for all members, both now and in the future, to have read and to have understood, and I think only by reading it into the record will it be there for consideration now and in the future.

MR. SPEAKER: I should like to indicate to the honourable member that if it's a matter that has come up before the Committee of Public Utilities and as a consequence of that, then it still falls under the rule which I indicated earlier and which the honourable member said he would abide by, so I really defer to the honourable member whether he is not encroaching on the rule he wished to avoid encroaching on. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, since this subject has not been presented to the Public Utilities Committee, I would beg your indulgence in proceeding with the recording of the document.
-- (Interjection) --

MR. SPEAKER: Order, please. The Honourable Member for Brandon West.

MR. MCGILL: "Incidentally, I recently received, following my request, a copy of the minutes of that meeting. They do not record the fact that the chairman ruled discussions of my memorandum, comments regarding it and a reply to me to those comments, to be out of order. Later in that same meeting the board accepted, with my dissenting vote, a \$12,800,000-plus tender dealing with excavation dealing with the Lake Winnipeg regulation project. I realized that the board in awarding that tender for a major contract re Lake Winnipeg regulation had thereby reaffirmed its commitment to a program which I believed to be inefficient and uneconomic. This being so, I wished to disassociate myself from its implementation. I therefore resigned my board membership.

"Mr. Cass-Beggs devotes several pages of his testimony to a criticism of my use of the tables on Page 108 of the Task Force report, but his own statements regarding that table became increasingly confused as he discussed it. On Page 6 and 7 he says that the utilized flow

(MR. MCGILL cont'd.) as a result of 400,000 cubic feet per second month's storage on Lake Winnipeg would be about 76,000 cubic feet per second and that this would apply in the relatively early stages of the development. A little later he says that this 65,000 is a figure that would apply in 1990 after we had developed all the plants on the lower Nelson River.

"These quotations indicate that Mr. Cass-Beggs thinks there is a higher utilization before those several lower Nelson plants are built than afterwards. Everyone else knows that the main justification for Lake Winnipeg regulation is the firming up of the system when the lower Nelson is largely or fully developed.

"On Page 12 he reverses himself and says there is a colossal error in the assumption that the control of Lake Winnipeg in 1975 will produce the same utilized flow at that date as it would in 1990 when all the plants on the Nelson River would have been completed. He now has the right sequence, but a few pages earlier he was making the super-colossal error of saying it would be more in the early stages.

"One of Mr. Cass-Beggs' chief complaints about my use of the table is that I subtract the figure 65,000 in line (1) from the 76,000 in line (3) and conclude that there is an 11,000 cubic feet per second increased average utilization on Lake Winnipeg water. On Page 15 he charges me with a fundamental error when I subtract the line (1) figure of 65,000 from the line (6) figure . . ."

MR. SPEAKER: Order, please. I should like to cite Beauchesne, Page 132, Fourth Edition, 1958: "It is out of order to read extracts in a debate if they (a) refer to other debates during the same session" - and this is in reference to newspapers - "reflect upon any proceedings or any determination of the House." I repeatedly informed the honourable member that he was referring to a committee. What he's doing by reading from the extract, from the statement of the paper, he is reading the complete essence of what took place in that committee. I left it up to his judgment. In my opinion the honourable member was reading what Mr. Campbell had stated had taken place, and the argument he was presenting was in respect to some of the proceedings that were answered to and debated in the committee. Now as I said, I wasn't present at the Public Utilities Committee so therefore I deferred to the honourable members themselves who are members of the committee, but it's becoming gradually apparent to me that this is what is taking place. Now I trust to the integrity of the honourable members to tell me if I'm wrong. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, if I can briefly respond to your appeal for help, let me assure you that in the first instance the person from whom the material is being read never appeared before the Public Utilities Committee; he was not allowed to by the government members of that committee. It is true that he made an appearance before an informal session or a meeting of members to listen to some of the positions taken by the former Premier of this province with respect to the Manitoba Hydro. The specific information that the Honourable Member from Brandon is now wishing to use as a major portion of his grievance with respect to the government's responsibility over Hydro matters in general has not - I repeat, Mr. Speaker - has not been placed officially before the Public Utilities Committee and I think it's very relevant and important material considering the source, and certainly worthy of appearing on the record even if the honourable members opposite do not particularly want to listen to it.

MR. SPEAKER: I thank the honourable member. Does that also include the remarks in respect to a Mr. Cass-Beggs that the honourable member is reading about? The Honourable Member for Lakeside.

MR. ENNS: Further again to your assistance, Mr. Speaker, the references made to the material that the Member from Brandon is reading from that are being related to the Chairman of Manitoba Hydro, Mr. Cass-Beggs, refer to meetings, board meetings of the Manitoba Hydro Board, not the Public Utilities Committee at all. The references to Mr. Cass-Beggs are of conversations that the former member of the board, Mr. Campbell, has in his recollections when he brought this particular matter before the Manitoba Hydro Board prior to his resignation from that board; and to date, the references in that letter to Mr. Cass-Beggs are of those meetings, not of the Public Utilities Committee of the Legislature.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I wish to raise a point of order. I know that you made the suggestion for some assistance in making a ruling, but I would like to suggest to you on a point of order that any member may rise in his place once during a session and speak about any subject that he has on his mind - and only once during the session - and the

(MR. G. JOHNSTON cont'd.) only restriction that I find in the rule book, Mr. Speaker, is on Page 21, Rule 39 (2): "No member shall reflect upon any vote of the House except for the purpose of moving that the vote be rescinded." So I suggest to you, Mr. Speaker, on my point of order, that were you to rule that the Member for Brandon West cannot pursue the subject that he cares to pursue, there would be a precedent set in this House that we haven't seen - I don't know whether in recent years or all years - that a member with a grievance cannot air his grievance within the rules of parliamentary procedure. So my suggestion is that . . .

MR. SPEAKER: Order, please. The honourable member has stated his point of order and now he is starting to debate it. -- (Interjection) -- I indicated to the honourable member that he had stated his point of order in respect to a grievance; now he was debating the substance of that. The Honourable House Leader.

MR. GREEN: Mr. Speaker, first of all I'd like to put on the record that members on this side, as indicated by the Member for Lakeside, did not intervene in the debate or object, that the Speaker intervened on his own volition.

Secondly, Mr. Speaker, I would bring to your attention that the rule with regard to grievances is not quite as broad as the Honourable Member for Portage la Prairie would suggest, and I'm not going to quote it for the purpose of in any way inhibiting the Member for Brandon West, that will be something that I will not raise - and certainly he can use up 40 minutes by reading the Free Press because it'll make as much sense as what he is doing - but I want to quote the rule. I'm reading from Beauchesne, Page 198: "Whenever an Order of the Day has been read for the House to resolve itself into committee, etc." - and then I'm skipping - "where such motion is proposed it shall be permissible to discuss any public matter within the powers of the federal parliament" - transport the words "provincial parliament" - "or to ask for the redress of any grievance provided that the discussion shall not relate to any decision of the House during the current session nor to any item of the estimates or to any resolution to be proposed to the Committee of Ways and Means, nor to any matter placed on, or where notice has been given in the Order Paper, the debate in such a case is limited by the rules respecting past decisions, anticipation, sedition, etc." - and I'm not completing it, but I would refer Your Honour to Page 198 of Beauchesne. I say this merely for the purpose of information; I have no objection to the debate as it is being proceeded with.

MR. SPEAKER: The Chair thanks all the honourable members for their contribution, and I was prepared to indicate to the Honourable Member for Lakeside that there had been no intervention by the government; it had been my intervention which had asked the Honourable Member for Brandon West to try to contain his remarks within the rules of order of this Assembly. Now this Speaker, this Chairman, is subject to the wishes and the desires of the members of this Assembly. I'm only here, your servant, to carry out your rules. The Honourable Member for -- (Interjection) - I wonder if the honourable member would realize that a matter of privilege should be also extended to the Speaker while he's trying to at least state the way he sees the position that we're in at the present time. I'm certain that I'll recognize any member of this House and allow him to make his statement at any time he wishes. As I said, I would like to conclude that I am the servant of this Assembly and when I ask the indulgence of the Honourable Member for Brandon West, I asked the assistance of all the other honourable members in respect to whether we were infringing upon one of our rules; I accept the fact that they were all of assistance to me. Now, the Honourable Member for Lakeside.

MR. ENNS: On a matter of privilege, Mr. Speaker, it's just been suggested by the House Leader and by yourself, Sir, that I had made the suggestion just previous that the government members had made objections to the matter that the Member from Brandon West is discussing - and this is my matter of privilege. What I was suggesting, and to which the government members at least silently agreed to, is their objections were made at the Public Utilities Committee hearing; namely, to the hearing of Mr. Campbell and the nature and the content of this letter. I did not indicate, nor should I want to be on record that I suggested that the government in this Chamber, or you, Sir . . .

MR. SPEAKER: I thank the honourable member for his explanation, because I too took the inference in the same context as the House Leader and I'm glad to hear that I was in error. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, thank you. I'll continue where I left off.

"On Page 15 he charges me with a fundamental error when I subtracted the line (1)

(MR. MCGILL cont'd.) . . . figure of 65,000 from the line (6) figure of 93,000 and find that 28,000 cubic feet per second of the Churchill River diversion would be used. He says this is the wrong use of the table. Does Mr. Cass-Beggs not know where the use of the table originated? Is he unaware that he is its sponsor? Does he not read the literature he sends out? This method of using the table on Page 108, in fact the very figures and conclusions he objects to, are contained in the memorandum which Mr. Cass-Beggs forwarded to all board members on May 10th.

"Mr. Bateman has been asked to comment on my memorandum of April 12th. He did this by replying to my memo, paragraph by paragraph. My paragraph 10 said: 'My study of the report indicates that the Lake Winnipeg control scheme does not add comparatively large amounts of energy to the system. All the water from Lake Winnipeg now flows down the Nelson River. Its energy is therefore already available, and to quite an extent the inflows to Lake Winnipeg are regulated. The report recommends Lake Winnipeg regulation on the basis that it controls seasonal flow, thus adding firm energy. I cannot find any statement of the amount of firm energy gained or the cost of obtaining it compared to other energy sources. On the other hand, it seemed apparent to me that any of the Churchill River diversion developments in the cost range of the estimate for Lake Winnipeg regulation gives far greater total energy, both firm and surplus.'

"Mr. Bateman's comments on this paragraph is as follows: 'We refer you to Table 4. 3-2 on Page 108 which shows that with four feet of Lake Winnipeg regulation an additional 11,000 cubic feet per second of flow are estimated to be utilized, whereas with a 30,000 cubic feet per second Churchill River diversion capacity and without Lake Winnipeg regulation an estimated 28,000 cubic feet per second are utilized. However, in the latter case it would be composed of relatively more surplus energy and less firm energy. This is due to the fact of course that the high natural flows of Lake Winnipeg occur in the summertime when less of this could be converted to firm energy.'

"Mr. Cass-Beggs sent that Bateman memo with a covering letter to all board members. He says he doesn't now agree with Mr. Bateman's use of the table. Did he agree when he distributed the memo? If he didn't, why didn't he say so then rather than waiting a month. Mr. Cass-Beggs' treatment of this table is so garbled and contradictory and of such recent vintage that he would ask its author, Mr. Bateman, to explain it to him.

"Another important question on which Mr. Cass-Beggs spent some time is that of surplus energy. He accused me of confusing firm energy with surplus energy, though he failed to give an example of my confusion. I feel that I should point out examples where Mr. Cass-Beggs is either himself confused or is attempting to confuse or misinform committee members. He told you that you can't sell for any decent price the surplus energy that depends on the weather. He emphasized in two successive appearances before you that we are getting something under one mill of the surplus energy we are selling from time to time at the present time. He used the phrase 'insofar as it has any value at all' in referring to surplus energy. Did he tell you that in the year which closed March 31st, 1971, Manitoba Hydro sold more than \$2 1/2 million worth of surplus energy to the United States utilities? Did he tell you that the average price received was 5.61 mills per kilowatt hour? Is this not a decent price? Did he not know these facts? If he knew them, was he honest in withholding that pertinent information from you and, instead, inferring on two occasions that something under one mill is the amount that can be expected for surplus energy sales. Would you call this confusion or colossal error, or is it just plain misrepresentation? The truth is that surplus energy is extremely valuable and likely to remain so for years to come.

"His next complaint is about my error in using 110 feet as the head for Kettle Station rather than 98.5 feet. This is an error which I admit. I used it from memory and I should have checked. But inasmuch as I used the same figure in both cases, does it distort in any way the comparisons I made? Let us see. Lake Winnipeg regulation, using 110 feet as head, I arrived at 701 million kilowatt hours and a mill per kilowatt costs of 7.12. Using 98.5 feet as head and the same annual costs of \$5 million, the cost per kilowatt hour is 7.89 mills.

"But Mr. Cass-Beggs says I should have credited \$3 million for benefits. While I'm inclined to give him all the credit possible for his pet project, so we will use \$47 million rather than \$50 million of the cost. This gives us a kilowatt hour cost of 7.42 mills, .30 mills higher than I had used in my first calculation. On the Churchill River Diversion with a 98.5 head and 28,000 cubic feet per second flow, the Churchill River diversion gives a kilowatt hour

(MR. MCGILL cont'd.) cost of 3.20 mills, that's .34 mills higher than before. My earlier figure gave a difference between the two as 7.12 minus 2.86 or 4.26 mills. The change made, as suggested by Mr. Cass-Beggs, gives a difference of 7.42 minus 3.20 which equals 4.22 mills. So the comparison was quite valid. The difference between the two costs is approximately the same as before and the Lake Winnipeg regulation costs per kilowatt hour is still 2.3 times that of the Churchill River diversion.

"To complete the comparison I have reworked the figures for Lake Winnipeg regulation and Churchill River diversion combined, using 98.5 feet for the Kettle head and 47 million as the Lake Winnipeg regulation cost. This gives a production of 1,784,465,300 kilowatt hours per year. At a yearly cost of \$9,860,000, we arrive at a kilowatt hour cost of 5.52 mills. The fact is, therefore, that my original estimates were all slightly in favour of Lake Winnipeg regulation rather than the Churchill River diversion, including the combined scheme, because I had previously shown it as costing 5.10 mills per kilowatt hour.

"Still another criticism by Mr. Cass-Beggs is that the Lake Winnipeg regulation project should be given credit for the fact that this water flows through the Kelsey plant and produces energy there. He says it is a major error not to do this, so he just adds 51.5 feet to the Kettle head in figuring the energy from Lake Winnipeg regulation. This gives a cost of 4.90 mills per kilowatt hour. Of course I didn't include the Kelsey head or the Bladder Rapids head when making these calculations, and it wasn't an oversight or error, I was purposely keeping my calculations as simple as possible by applying them to only one plant, the Kettle, and at full development. If I had included Kelsey and/or Bladder, I would in fairness have had to include one or more of the Burntwood sites on the Churchill River diversion. To have done so would have complicated the fundamental question which I want answered.

"The question is what is the cost of a kilowatt hour of energy from Lake Winnipeg regulation alone and what is its cost from Churchill River diversion alone. To arrive at an honest and practical answer I took the flows shown on Page 108 and applied them, exactly as suggested by Mr. Bateman in his memo which was circulated by Mr. Cass-Beggs, to a completed Kettle Station. But if Mr. Cass-Beggs thinks it's proper to just add the Kelsey head, we can use his method and add the total head of the Burntwood sites to the Kettle head. This type of Cass-Beggs calculation would give a figure of .92 mills per kilowatt hour for the Churchill River diversion energy. If this is the procedure Mr. Cass-Beggs is advocating as Lake Winnipeg regulation, costs of 4.90 thousand kilowatt hours must be compared to Churchill River diversion energy of .92 kilowatt hours. I know this isn't the whole story, but Mr. Cass-Beggs was far from telling the whole truth when he made a point of emphasizing the Kelsey energy while ignoring the Burntwood River sites potential which is twelve times as great as the flow as we are now considering.

"The Churchill River diversion with a 28,000 cubic feet per second flow can produce approximately 4 billion kilowatt hours yearly at the Burntwood sites alone. It can produce an additional 8.5 billion kilowatt hours per annum when the lower Nelson is fully developed. Here again I am being conservative in my estimates, because my total of 12.5 billion kilowatt hours annual production of the Churchill River diversion is considerably below the 14.38 billion assigned to it in the Task Force Report. The draft report of the Task Force does not only use this 14.38 billion kilowatt hour estimate, but it had emphasized it by stating some measure of the potential resource value of Hydro may be obtained by evaluating the contribution it makes to the gross revenue of Manitoba Hydro.

"Diversion water from the Churchill River can ultimately produce 14.38 times 10 kilowatt hour per year along the Burntwood-Nelson's This quantity of energy, regardless of how it is produced, when sold at an average rate of one cent per kilowatt hour will contribute \$148,300,000, thus 143,800,000 annually to the gross revenue. So far as I can find, that significant statement of the economic benefit of the Churchill River diversion did not survive the editing of the final Task Force report. The question remains - why? And a more important why is, why don't we develop the project that has this vast potential? In my opinion, which is founded on exhaustive studies by the most knowledgeable people in this field, there is no possibility of Lake Winnipeg regulation providing anything close to comparable benefits.

"However, it appears that the government is unwilling to allow a review of the program by your committee as it announced, while you still had the matter under consideration, that it endorsed the Board's contract award. Therefore, the government shares with the Board the responsibility for a plan that will forego the many millions of dollars annually that would have

(MR. MCGILL cont'd.) been available by developing the Churchill River diversion rather than Lake Winnipeg regulation. To waste the \$50 million - and I predict it will greatly exceed that estimate - on this scheme is bad enough, but to have such a sterile investment costing us huge amounts of money every year instead of a viable and remunerative development that would generate profits as well as energy and thereby make it possible to keep our power costs the lowest in Canada is tragic.

"I trust that the discussion which this issue has initiated has interested the people of Manitoba to the extent that they will keep close watch on developments. This is a public business and I hope they have been alerted to how it is being conducted. My part in it has been a sincere effort to bring out the facts. I have had no axe to grind, no political motives, no person or party to protect, no person or party to attack. I have tried to understand the issues in this complex business and then tell them in a straightforward way to the people who have paid me to work for them for 49 years. Time will tell whether I'm right or wrong. I confidently await the time's verdict but I shudder to think of the unnecessary financial burden which will be forced on hydro users in the meantime and for all time to come." Signed "Douglas Campbell."

I thank you, Mr. Speaker, for the opportunity to present this and to have it read into the record. I think it is a consideration and a position in respect to the Manitoba Hydro development that is very worthy of the serious consideration of this Assembly.

MR. SPEAKER put the question and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

. Continued on next page.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution 46 (a). The Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Chairman, I wonder if I could have your indulgence at this time just to make a correction of a statement that I made on the resolution dealing with the speed-up. The Honourable Member for Rhineland indicated that I had at one time proposed a motion setting a deadline of 10:00 o'clock during the period of the speed-up. I indicated that such was not the case. However, Mr. Chairman, I've had the opportunity of looking over the record and what the Honourable Member for Rhineland says in fact is correct, at one stage I did make such an amendment and I would like to apologize to my honourable friend.

MR. CHAIRMAN: 40 (a) (1). The Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Chairman, it's unfortunate that the time available to discuss the Estimates of the Health and Social Development Department is so brief. I would appreciate hearing from you at this moment exactly how much time is left -- (Interjection) -- Oh, on the Order Paper. Thank you.

As I was saying, it's unfortunate that the Estimates of this department have been left to last when time has become so short. I think we have to regard this as rather strange behaviour by a government and a party that prides itself so much on its social policies. And they are very vulnerable on these estimates, partly because of the lavish spending in every direction while at the same time they have become completely out of touch with the community and its many non-public agencies, and public agencies for that matter, that are also working for the betterment of our society.

The impression I have after listening to the Minister's remarks and reading the annual report of the department is one of many people bent over their desks, shuffling endless piles of paper, putting down ideals, pretty theoretical plans that are in many instances completely divorced from reality. Occasionally the people surface to make some high-sounding pronouncement which sounds terribly progressive. As an example, we could take the Minister's recent flurry of publicity over a proposed experiment and a guaranteed annual income. Now this sounds like an innovation, an experiment which might help to prevent more of the available funds to go into direct aid, to actually be spent in alleviating poverty instead of putting them into supported bureaucratic services.

Now I've studied all his remarks and I've been unable to find any difference between his supposedly new proposals and the program of supplementary assistance such as has been conducted by the City of Winnipeg for the last six years or so. Under that program the welfare client, that is the working poor, were able to have their income supplemented to a basic minimum. This program has been very good and has often prevented a family of ending up completely on welfare.

The incentive, however, was still too low to encourage those who are already on welfare to go to work. They were permitted to earn an additional \$25.00 before the allowance was reduced by the amount of the person's earnings. Now that \$25.00 didn't even pay for the alternative care for the children while a deserted wife might try to work. I see no incentive that is included in the Minister's proposed experiment. In fact I see nothing new in it at all; it's simply a change in name. And furthermore, the Federal Government would have been sharing in this City of Winnipeg program over all these years and perhaps this talk of vigorous negotiation is superfluous. Now perhaps when he speaks again the Minister will try to explain to us a little better what he means by this guaranteed annual income so that we'll know whether there really is going to be something new added.

Now a little more effort towards good communication with the city's Department of Health and Welfare could teach him quite a lot. With more time of course we would have been able to elicit more information as to the department's thinking in several aspects of social policies. For instance, we would like to know whether the Minister thinks that a person has the right to choose between welfare and reasonable work for reasonable pay. And perhaps he'll explain to us too the ethics, or the bad ethics that I feel was involved in the Provincial Government leaving people - I believe there are something like 900 - who are on city welfare who are being paid at city rates, whereas they were actually provincial responsibility. I'd like some clarification of this, whether they actually were left on the lower rate and did not receive what they were entitled to under provincial rates.

I have a number of questions, and in the interest of saving time I'm going to provide the

(MRS. TRUEMAN cont'd.) Minister with a copy of them so that he'll have time to reply to them either during the estimates or after. The questions are:

(1) Does a person have a right to choose between welfare and work for reasonable pay.
 (2) How many people are employed by the Department of Health and Social Development as of June 30th, 1971.

(3) What is the true cost of running the Minister's office - and by this I state the true cost because I realize that it is possible to charge off part of the cost of many things against other items, say, against Social Allowances or Corrections or whatever, because of part of the time the staff might spend in efforts in these directions. But I would like all of these expenditures pulled in and I would like to know what the true cost is of running the Minister's office.

(4) What was the source of the unexpected additional revenue of over \$7,000,000.

(5) What were the true expenditures of this department in the fiscal year of 1970-71. As I mentioned last evening, it was quite confusing for those of us who wish to examine the department's estimates to read what we have been given in the Estimate booklet, so we would like to know exactly what the department really did spend during the fiscal year 1970-71.

Now there is some uncertainty too as to hospital construction or Community Health Development Clinics, and I would like the Minister to table the hospital construction program for 1971 and also the program for 1972.

Mr. Chairman, when I finished last night I think I was about to mention the problems that have risen in connection with crisis and emergency services in the Metro area. On another occasion I related the difficulties that this community was experiencing and the proliferation of services which has occurred since the government organizations have moved in to fill the gap. The latest apparently is termed a flip-out bus operating out of the youth clinic which is financed by the National Department of Health and Welfare, this being a second-hand Army van. The Children's Aid Societies run a 24 hour service for abandoned children. I understand the self-help groups are getting called and we read in the paper for instance that the young, some young persons are operating a telephone out of their private home. It seems to me that we could have one good operating Crisis Centre hooked up to 999 and that in the process the community would save money and we'd have a much better quality of care.

The Toronto Crisis Centre, it is interesting to know, of the calls that came to them 10 percent were suicidal in nature, 35 percent were related to marriage breakdowns, 25 percent were related to drugs and alcohol, 15 percent to mental breakdown and 10 percent just loneliness. Now they use a staff . . .

MR. CHAIRMAN: I wonder if you could keep the private conversations down so I can hear the honourable member. The Member for Fort Rouge.

MRS. TRUEMAN: The Toronto Centre uses a staff of 125 trained volunteers whose training and preparation is so stringent that only one in six is accepted for undertaking the crisis service. I notice the Minister has had a request from the Manitoba Alcoholism Foundation for expansion of its terms of reference to include drugs. I believe this has been done successfully in other places such as Willmar, Minnesota. There are young men in this community who have come through the experience of drugs and have overcome their problems and would like to be of some assistance, operating in a fashion similar to that of Alcoholics Anonymous. They would be very happy to work under the auspices of the Manitoba Alcohol Foundation. I believe there is some difficulty in getting a decision from the Minister, and in his remarks I really felt that there was very -- I don't believe that there was anything at all about drug abuse, drug problems, and it certainly is one of the serious problems in this community at the present time.

Another matter which I think concerns public health authorities is what has become a venereal disease epidemic. This has become the most commonly reported communicable disease - and I see that this is verified in the statistical bulletin which has been prepared by the Office of Research and Planning. Now the theory of control is simple, but the practical application has gotten beyond health authorities because the disease rate continues to climb, and of course the numbers of cases that have been listed are probably only a portion of the true number, perhaps as many as half the cases in the province are treated privately and do not come to the attention of the government. Well this has been a major world health problem for centuries and the changes in life-style behaviour, the growing resistance of certain viruses to drugs, all of this has contributed to an increase. There's a tragic effect on newborn babies who may be born with congenital syphilis and they have blindness, paralysis or a mental illness

(MRS. TRUEMAN cont'd.) in later years.

Now I understand there are four public health nurses who work as tracers, but that this is a little inadequate to keep up with the rate of increase of the disease. Undoubtedly the spread has been due to the mobility of youth and the promiscuity that has been encouraged by the media and advertisements and movies and so on.

Now as far as I can tell, about the only new effort in trying to gain control of this disease seems to be in the new Youth Clinic which is operating out of the General Hospital. Incidentally, I understand it was set up without consultation with the medical staff of the hospital, staffed by medical students, but referrals are necessary to M.D.'s and it is going to require quite a bit of time from the M.D.'s and I think they are a little puzzled as to why they weren't told that this was going to happen. However, they will probably find ways to help with this particular method of delivering service.

It does bother me a little to know that the young people are being encouraged to go to that Youth Clinic and are not required to give their names. It seems to me that many of them are alienated now because they feel that the older generation are perhaps intellectually dishonest, we make too many compromises, say one thing and do another, but in my opinion encouraging basic dishonesty, suggesting it in fact to them, does nothing more than reinforce their worst feelings about the older generation. I'd like to know, too, if transient youth can go to the Youth Clinic for treatment and not give their names. I am just wondering how we are going to be able to charge back to other provinces the costs of their care, so perhaps there'll be some explanation of this too.

The matter of Mental Health I think we would have liked to have spent a little more time on. The Minister has said that there is a movement away from institutional care and into more personal type of service. Presumably this would include then the halfway houses - and I understand that they are having problems and are having difficulty getting the attention of the government. Some of the provisions seem a little unfair. For instance, in a privately run halfway house the patient is kept for a whole month before the government pays. In other words it pays after the care has been given. Now this sort of thing means that the person who is trying to run a halfway house has to have pretty good resources behind him if he is going to perhaps keep several people on pills until the payments come forward. They can be asked to hold a bed, they can be given a two-weeks' notice to hold a bed for a patient who is coming out and they don't get paid for that period of time that they are holding the bed. On the other hand, if a patient is to be removed, that patient is taken away without any notice. Now I think that they could have better treatment than that if the members of the department would just get their heads out of all the paper work for a little while and try to answer some of the community's problems. People just have great difficulty getting any answers or decisions.

I was sorry to see too that there is not in the Estimates greater provision for greater sums of money to be spent on Mental Health and Corrections, but particularly on research and to the causes of mental health and the treatment of that condition. The 75 psychiatrists in this province are apparently being run off their feet, and there's what is described as an avalanche in mental disease occurring. A few years ago statistics showed that one in ten who entered elementary school would require institutional mental care, and this figure has recently been revised to one in six. Mental disease incidence is up 20 percent per year and the In-Patient rates, I understand, have been going up as much as 10 percent. Obviously we could use a great many more psychiatrists, and certainly it is extremely important to treat the young children, to give them as much expert care as possible in the hope that they will be able to grow up and live normal lives.

The funds for psychiatric research in Manitoba are really pitifully low in comparison to other provinces. Even the Federal Government spends only about \$84,750 per year. Saskatchewan spends \$200,000 to \$300,000; Alberta - \$100,000; Ontario - \$1,000,000; and Manitoba spends \$9,750. Now I think that research, the opportunity to do research and contribute to new thinking and new knowledge in disease is often the sort of thing that keeps the experts here, so the province is apt to lose some of its clinician centres teachers without that opportunity to do some study. I think that last night, although it was a little difficult to hear what the Minister was saying, I believe he said that in this department they were under-spent last year and I wondered why this could be so when the need was so great.

People who are running private nursing homes are having difficulties too with the government. Now these public institutions are receiving something like \$14.00 a day, per

(MRS. TRUEMAN cont'd.) diem rates for people who are on Care Services, but in a private institution a person may be, as a private patient, paying \$12.00 or \$14.00 a day, but at the point where he becomes eligible for provincial Care Services I am told that the rate that the province is going to pay is \$10.00, so that while patients can't be put out, there's no other place to send them, they suddenly are expected to take care of the people at a considerably lower rate.

Well, Mr. Speaker, I think that at this point I will not spend any more of the time on the Minister's Estimates. I hope for an opportunity to speak again later on some other matters, but I know that there are many other members of the House who also would like to raise some points and ask him some questions.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Speaker, I would like to mention, or make a few comments in connection with the Estimates before us and also relate these to this book put out by the Federal Government, "How your Tax Dollar is Spent". Members all got a copy, and I notice from this book that they discuss the various departments and also the Health and Welfare Department of the Federal Government. They state that 25 cents out of every dollar spent by the Federal Government is spent for this very purpose of health and welfare. If you look at their particular statement found on Page 19 and 20, 21, they mention here the numerous programs where they will be making increased grants to the provinces.

For instance, under Medicare payments to the provinces, this is increased by \$150 million. I wonder whether the Minister could not indicate to us just how much of that is going to come to Manitoba. Under the Hospital Care Program, hospital insurance payments to provinces, an increase of 80 million. How much of that will come to Manitoba. Under the Canada Assistance Plan the increase is 48 million, up from 389 million to 437 million, an increase of 48 million again. Surely enough if the Federal Government increases their contribution to the provinces this should have some effect on our programs, and should reduce the cost provincially, or have part of these programs listed here, the increases, are they already incorporated into the Estimates that are presently before us. Certainly they state here that the government spent 25 cents of your dollar on these programs in the estimated 3,547,000,000 in the 1971-72 fiscal year, so that these are enormous amounts of money that are being spent by the Federal Government which comes out of our pockets as well as the provincial revenues requires here in Manitoba and which are spent for provincial purposes.

It further goes on, nearly six cents will go in the form of Federal Government contributions to the provincial hospital insurance program. The provinces will also receive another four cents as the government's share in your Medicare program. Funds have been allocated for a ten percent increase in unemployment insurance benefits as of January 1971. Then one of the government's major efforts against poverty this year was to increase the guaranteed income supplement by approximately 50 percent effective April 1st. Surely, Mr. Minister, these requests come to considerable amounts and are they incorporated in the estimates before us or not; because if not, certainly then the government will have increased monies at their disposal for which they are not accounting.

In addition to that, we just saw in the papers the other day the increase in family allowances, an increase of 150 million for Canadian families, and surely this must have an effect on our program here in Manitoba; or are these not taken into consideration when welfare payments or assistance payments are made to families in need.

I had some more notes; I've misplaced them somewheres. Maybe I'll first have the Minister reply to a number of the questions posed by the Honourable Member for Fort Rouge, and give me some replies to the questions I just put to him. I will have some further comments to make a little later on.

MR. CHAIRMAN: The Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Mr. Chairman, I have very few comments to make on the Estimates of Social Service Department of the Minister's -- Social Development, the department of this government that is the habit of the NDP of finding some place to employ more people and use up millions of dollars of the public money in what I would call votes; and then also it's a formula of a giving which they use to bring people into the fold.

Mr. Chairman, I would like to read into the record a little paragraph here and it'll explain what I basically believe about this program that is under the direction of the Minister at the present time. This is a story of Mr. Steven Pace, a congressman in Georgia while he

(MR. F. JOHNSTON cont'd.) was speaking of his opposition to the farm bill aid, Farm Aid Bill in the United States, and Mr. Chairman, it goes like this: "Years ago in a great horseshoe bend down the river there lived a drove of wild hogs. Where they came from no one knew, but they survived floods, fires, droughts, freezes and hunters. The greatest compliment a man could pay to his dog was that he had fought the hogs in Horseshoe Bend and returned alive. Occasionally a pig killed either by dog, killed a hog either by gun, and the fact that one was killed provided a conversation piece for years to come.

"Finally, a one-gallus man came by the country store on the river road and asked the whereabouts of these wild hogs. He drove a one-horse wagon, had an axe, some quilts, a lantern, some corn, a single barrelled shotgun. He was a slender, slow-moving patient man; he chewed his tobacco deliberately and spat very seldom. Several months later he came back to the same store and asked for help to bring out the wild hogs. He stated that he had them all in a pen over in the swamp. Bewildered farmers, dubious hunters, storekeepers, all gathered in the heart of Horseshoe Bend to view the captive hogs. 'It was all very simple,' said the one-gallus man. 'First, I put out some corn. For three weeks they would not eat it. Then some young ones grabbed an ear and ran off in the thicket and soon they were all eating it. Then I commenced building a pen around them, a little higher each day. When I noticed that they were all waiting for me to bring the corn and they stopped grubbing for acorns and roots, I built a trap door. Naturally,' said the patient man, 'they raised quite a ruckus when they seen they were trapped, but I can pen any animal on the face of this earth if I just get him to depend on me for a free handout.'"

Mr. Chairman, this is what the government is doing, and they're obviously using the Minister's department for this purpose for the people of Manitoba, \$33 million worth of free handouts in jobs and they will finally end up corralling the people of this province. Anybody that has a \$33 million increase in budget in one year ought to be ashamed to present it, and any government that allows it ought to be ashamed to let it go through.

MR. CHAIRMAN: The Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I'm wondering if the honourable member could inform us as to the author and the title of the book from which his reading came.

MR. F. JOHNSTON: "The Story of the Pigs" by Steven Pace, Congressman from Georgia before World War I in explanation of his opposition to the Farm Aid Bill.

MR. CHAIRMAN: The Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Chairman, I'd like to make a few remarks on this department. Thank you, gentlemen. One of the reasons I care to make my remarks is because I feel that this province is getting itself into what I consider a welfare mess, and it's becoming worse each year. Actually, other provinces are having the same difficulty, but I don't believe proportionately it is as bad as Manitoba.

The blundering approach to welfare in all its different forms is costing the people in Canada over \$7 billion each year now, and the way it's going, I don't see there's any way it can get but worse. In Winnipeg alone last year the cost of welfare and the recipients rose 30 percent and I'm sure it's been getting worse. The way the Minister gets carried away with his dreams about being able to help everybody, I can't see but what it's going to get worse. And it somewhat bothers me because I'm not really of this nature or disposition to approach it in this way, and when earlier in the session I mentioned the name of a certain person, a youth that was applying to get into the welfare program - and I used the name and I don't really like to do this but it seems that sometimes it's necessary to approach the system because it's the system that's wrong. We aren't tough enough on it and we haven't got it mapped out right, and sometimes we have to do things like this.

What bothers me is I think that we as the Legislature should be laying down policy and not asking the people that are administrating it or the people that are receiving it as to what they should be doing. We are the legislators of the province and I think that we should be setting out the guidelines, and even after we set the guidelines I think even then, as people administer it, there'll be a certain amount of flexibility. There should be certain definite guidelines for the people that are administrating it. I think that some of the things that we should set out is really, should people who are on welfare be able to continue on welfare if they're able to work and are offered suitable work and are able to take it. And if they don't take it, should they really be allowed to continue getting a full allowance. What responsibility have we for the education of the families of these people on welfare? Can we continue to give

(MR. HENDERSON cont'd.) them indefinite education at public expense without even any clause in there that if they do happen to strike it rich or do well that they'll repay us?

And another thing is on their debts. Where is our responsibility for their debts? Should we pay off their debts and not have some claim on the property that they have, or should we pay off their debts at all. Who else in this world can have anybody pay off their debts and not have to commit themselves that they'll pay it back sometime. -- (Interjection) -- I think if they struck it rich they'd have to pay it back. That was the idea behind the whole thing but it didn't work out that way, I guess.

Another thing is when families are on welfare, how much should we allow them in the way of pleasures. Now we don't want to have these people ground into the earth, if you could c all it, but how much should people that are using other people's money be able to spend on things like beer, bingo and ball games and other entertainment. Is it our obligation to supply people that are on welfare with telephones, even the decorated ones, the fancy colored ones as the Member for Swan River says where they had the old black telephone taken out and had the other one put in at the public expense? Is this really our responsibility? Should these people be allowed to run, shall we say, one car or two cars and drive around -- (Interjection) -- And there is people on welfare and you know . . .

MR. SPEAKER: Order, please. I wonder if the member could be allowed to continue his remarks without interruption. The Member for Pembina.

MR. HENDERSON: Thank you, Mr. Chairman. Should the people that are on welfare be allowed to drive one or two cars and drive around, we'll say, having pleasure and spending extra money when it's not their money? Should we allow them to become -- (Interjection) -- Yes, I will.

MR. CHAIRMAN: The Minister . . .

HON. BEN HANUSCHAK (Minister of Consumer, Corporate and Internal Services) (Burrows): Does the honourable member know of a welfare recipient who owns and drives two cars?

MR. HENDERSON: Yes I do, there is several of them, and in the country you'll find most people on welfare drive in a car . . .

MR. CHAIRMAN: Order, please. If the Minister has a contribution to make to this debate I would appreciate . . . The Member from Pembina.

MR. HENDERSON: Mr. Chairman, I'm surprised at the Minister, it shows his ignorance on this. I'm surprised at him. Does he not know of the people that are on welfare, lots of them have cars, and two cars in some cases in the one family, and that they use them to drive around playing bingo, and they play lots of cards, more cards than the people that are paying for their own cards. -- (Interjection) --

MR. CHAIRMAN: Order, please. When a speaker is speaking and somebody wishes to ask him a question he stands in his place, and if the Speaker recognizes him by sitting down then that member will be recognized; but calling attention of the Chair, unless it is to a point of order or a point of privilege, is in my view an interruption of the speaker. The Member for Pembina. The Minister of Consumer and Cultural Affairs.

MR. HANUSCHAK: May I clarify my question. I did not ask about families owning and driving more than one car, but I asked about an individual being on welfare owning and driving more than one car.

MR. CHAIRMAN: The Member for Pembina.

MR. HENDERSON: Mr. Chairman, that's rather a stupid question. He's almost trying to ask is one man driving two cars at once. It's really surprising how little some of these people know. And is it right really, folks, that people that are on welfare should become so dependent on it that they turn down employment. I was talking to people down at Altona yesterday that are having trouble getting people to hoe their sugar beets. People on welfare are being offered the work and they say it's better on welfare. And we know it's better for them on welfare. There's many a person on welfare that's getting more than people that are working. These people that are working, many of them don't drive cars because they're trying to save their money to put some of their children through university or something, and if you're on welfare you can have your children go to university and it'll all be paid. These are things that we as legislators should size up and lay down the policy on it.

And another thing, I wonder are the people that are responsible for Manpower and finding

(MR. HENDERSON cont'd.) employment really trying to use the people that are drawing welfare as much as they should. Is there connections between Manpower office and the welfare office? Because I have heard of rural municipalities where people that do show up looking for welfare and they're offered work, they say, well they'll go down and check. Sometimes they don't get there, but they don't go on welfare. I wonder if a lot of these people were offered work, are they really wanting work? I think they should be offered work; I think it would cut it down.

I even wonder if we're not really overdoing our paying out on this department by encouraging even the older people to go on welfare. We all know of cases where people that have a limited amount of savings, when they get older and they enquire about it they're almost told that they give their savings away and then go on welfare. We have even people now that are giving away fairly large, fairly large amounts of money and accepting welfare. It's welfare in a different form, but they go into the Senior Citizens Homes and things like this where they are more or less supported from the public purse. And I wonder is this really right. When we're talking about this, I think we're coming to a time when we should take a stand. You know, we're not going to be too popular when we do it because there's a certain class of people that are always out to get all they can for nothing and aren't going to be too happy with it, but I really think we should take a stand on this to see whether we're going to add -- have you another question?

MR. CHAIRMAN: The Minister of Consumer and Corporate Affairs.

MR. HANUSCHAK: . . . opposition to capitalism?

MR. CHAIRMAN: The Member for Pembina.

MR. HENDERSON: I'm sorry, I never got the question.

MR. HANUSCHAK: I was wondering whether the honourable member would speak in opposition to capitalism. This is rather interesting.

MR. CHAIRMAN: The Member for Pembina.

MR. HENDERSON: We don't have to answer questions, but in particular when they're stupid ones I don't think we should be expected to answer them.

The older generation are going to continue to do this because they've grown up this way and they're proud and thrifty and they're going to do this. But I wonder what's going to happen as this younger generation does come up and they're going to see large amounts of their savings taken for this sort of reasons. They're going to see other people getting handouts and they're going to resent it, and either they're going to quit trying to provide for themselves and being thrifty or they're going on welfare. This is going to increase the number on welfare and it will be something like a balance, when you get the workers and the savers over here that will quit providing for these others, there'll be a certain class of them just over here. I really don't think this is going to be good for the country and I'm wondering where it can end.

I am one of these people that have seen a lot of people grow up that believed in working and that worked hard many times because they were proud and because they didn't accept things - and they were able to get ahead. In fact I think there's a great opportunity in Manitoba to get ahead if a person is prepared to work. I have seen generation after generation, and I've heard it said that you'll see a generation where everything is provided for the children, where they get easy-going and they don't know how to look after their money, and then you'll see another large family come along where they worked hard and they'll take over and they'll become the owners of the day. And we see quite a bit of this. You may be thinking of probably some millionaires, but I'm talking about the average people - and you'll see people come up from the bottom and work their way up and become financially stable and get along well, and then you'll see other people that get kind of easy-going and they don't care and they didn't work for their money. But many times you'll see the people that had to work hard and save, and they had paper routes and the like in their life, that they're quite successful. And this is the kind of thing that I think is good for the country.

So I think that we as legislators, while we realize that the people in need, the crippled and sick and all these need care, I think that we should be thinking about these other things, the things in broad policy, and giving them a lot of consideration and laying down guidelines that can be effective and can be used by the people.

Now I think that's probably all that I'll say now, although I think that I'd like to emphasize some of the things that I believe myself should be encouraged, and one of them is volunteer organizations and the work that they do, because they can do an awful lot and they're in close

(MR. HENDERSON cont'd.) touch with the people.

And another thing, I think to get more control of the abuses of welfare we should get the administration of it back more on the community level. Now I'm not saying the paying of it all but I mean the administration of it, because I'm sure that the local people, especially in the country, have a far better idea of what's going on.

I believe in organizations such as the Valley Rehabilitation Centre that they have at Winkler for the handicapped, where they have a building there where they take these handicapped people and they do ordinary work like maybe putting nuts on bolts for a company or counting out so many, making rugs for the floors on cars, or mats or something like this. It's ordinary work, and you know that by having these people under supervision and giving them a certain amount of recreation and helping them with their work those people really have a better life, and they practically pay for their costs there and they're productive. I think life don't mean too much to them in any case, but I think this really improves their life.

So I really would like to see things like this, help to these type of organizations improved, and I would like to see these here large numbers of civil servants that you get which really figure they have a job and that they should have so many people to look after and become carried away with their work, they become devoted to it and innocently enough they become so devoted to it that they're great givers. You know, it's a great chance to be a great giver when you're giving away somebody else's money. And I think that they get carried away on this. If they were giving their own money, a lot of times I just wonder if they'd be anything like as generous.

MR. CHAIRMAN: The Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, I agree with many of the points covered by the last speaker. I -- (Interjection) -- Well, you can take part in the debate after.

MR. CHAIRMAN: The Minister Without Portfolio.

HON. RUSSELL DOERN (Minister Without Portfolio) (Elmwood): I want to - not make a speech but ask a question of the last speaker. He's opposed I understand to people getting something for nothing. Does that mean that he is in favour of large estate taxes or large inheritance taxes?

MR. HENDERSON: What should I say - another stupid question? To start off with it hasn't anything to do with -- (Interjection) -- that was a stupid question. We'll let it go at that. No, I really think I should answer it. I really think I should answer it. Because in the estates that he's talking about they aren't getting something for nothing. These people that you're talking about with these small estates that's usually included in these things, they have spent years of hard labour and work and thrift and they've built our country, and as they built it they paid lots of taxes, they've contributed to the welfare and the need of other people. This is their own and they aren't asking for something for nothing.

MR. CHAIRMAN: The Member for St. Boniface.

MR. DESJARDINS: Mr. Chairman, before I was so rudely interrupted I was saying that I agree with some of the points covered by the last speaker, but the point that I would like the member to clarify - I agree with him that we shouldn't encourage the freeloaders in society - but I was very surprised when the honourable member suggested that we should not pay for the education of those who are on welfare, and I wonder if this is the kind of education he wants to give the children. I think that he said that we should make sure that the young people grow up to have a little pride to do something for themselves, and I think he's suggesting, or he did suggest, unless he wants to clarify that, that we should not pay for the education - the state, the government, public money should not be used to educate the people of those that are on welfare.

MR. CHAIRMAN: The Member for Pembina.

MR. HENDERSON: Yes, I'm very glad you asked that question. Here is the point. We have people on welfare and we know that they're entitled to a certain amount of education. Last year, according to our legislation, boys and girls going to university that were on welfare were entitled to free education because the welfare payments was going to take care of it. -- (Interjection) - No, no. I'm talking about high school and university education. How far does the public's responsibility -- is our responsibility in educating people? Have we got to send them to high school and then to university for four years and then to send them to upgrading for another three or four years? After a while they surely got to learn to stand on their own feet. This is what I think. I think there comes a time . . .

MR. CHAIRMAN: Order, please. It has reached our adjournment and I am leaving the Chair to return at 8:00 o'clock.