

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock Monday, March 18, 1974

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 31 students, Grade 7 standing, of the Hastings Junior High. These students are under the direction of Mr. Fuith and Mrs. Dick. This school is located in the constituency of the Honourable Member for Riel. On behalf of all the honourable members I welcome you here today.

Also, I would like to ask the indulgence of the Assembly. As you are probably aware, once for each new legislative elected Assembly, and this is the 30th, there is a picture taken, a group picture of all the MLA's. If Thursday would be a suitable day, I would then make arrangements to have the picture taken at 2:15, that is prior to the opening, have that done and then we would start our formal proceedings at 2:30. If there is any real objections, well, then I can possibly postpone the date. I would appreciate if either the Whips or the House Leaders would inform me or my office so that I can make further arrangements.

Presenting Petitions; . . . The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, insofar as our Party is concerned, we will accept that as suggested, Thursday at 2:15.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. I. H. ASPER (Leader of the Liberal Party) (Wolseley): Yes, Mr. Speaker, the 2:15 time is acceptable to us.

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN Q.C. (Honourable House Leader) (Inkster): Yes, Mr. Speaker, I believe that's agreeable.

MR. SPEAKER: Thank you.

Presenting Petitions; The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I beg to present the petition of James Moorhouse and Others, praying for the passage of an Act to incorporate the Portage Curling Club.

MR. SPEAKER: Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Questions. The Honourable Member for Riel.

ORAL QUESTIONS

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I want to raise first of all a matter of House Privilege, and it's a question of the propriety of the statement made on Friday by the First Minister regarding the impending Hydro rates for Manitoba. I raise the question because it is a major statement, that I believe by tradition, should have been made in the House and not out of this Chamber. I'd like to follow that with a question to the First Minister. If he can advise the House in some detail now, of the information he did impart on Friday with regards to the impending rates?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier of Manitoba) (Rossmere): Mr. Speaker, responding first to the suggestion that, as a matter of House Privilege, a statement of that kind should have been made in the House, I would merely point out to you, Sir, and to the Honourable Member for Riel, that in fact I made no statement on Friday. I was responding to questions that were asked during the course of a press conference, and that the substance of my reply to these questions was exactly in accordance with the same information given to Members of this House in Public Utilities Committee, April of 1973, at which time it was indicated that an increase in the spring of 1974 would in all probability be required, and giving some order of magnitude of increase at that time as well.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: A supplementary question, Mr. Speaker. We are given to understand from the reports of his interview that the impending rate increase in 1974 is of the order of 20 percent this year followed by a 10 percent per year rise thereafter. Can this be confirmed

## ORAL QUESTIONS

(MR. CRAIK cont'd) . . . . by the First Minister at this time ?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, that was not a formal enunciation. I was asked to give some indication as to the probabilities for the future, and I indicated that the increase which in fact, had been recommended back in 1970, had been forestalled because of a number of reasons, but that in April of '73, it was indicated that there would be an increase required in almost certain likelihood, and insofar as the future is concerned, I have no formal enunciation to make other than to give an indication that Manitoba Hydro, like other major utilities, will probably have to go on some annual index or adjustment mechanism.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, are we correct in assuming if the rate of increase is 10 percent per year following this year, plus the 20 percent this year, that we can expect the Hydro rates to be doubled in five years over what they are now?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I don't know if that arithmetic works out to rates doubling in five years. All I do know is that if we are merely to keep in line with sister provinces' electrical utilities, that increases in the order of magnitude of 50 percent have already been effected in this decade, starting since 1970.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Thank you, Mr. Speaker. My question is to the Minister of Mines and Resources. Does the Government of Manitoba intend to introduce legislation or regulations, taking action to require mandatory refunds on all soft drink, beer, wine, whiskey bottles, or any kind of a guarantee for a ban on glass throw-away containers?

MR. SPEAKER: The Honourable Minister of Mines and Resources.

MR. GREEN: Mr. Speaker, I discussed this rather extensively during my estimates last year, and I will try and do the same this year. It's not a question that I can answer on Orders of the Day.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Well, to the same Minister, Mr. Speaker. Does he have any studies or a series of recommendations from the department relating to the problem of solid waste, with specific reference to the glass containers?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, there have been numerous documents relative to this matter within the department, as well as the observance of the situation in other provinces and other states in the United States. It is a very, very complicated problem which I think that we have had some success with and some failures with, as have other provinces, and it's not a matter which is subject to very good analysis on Orders of the Day questions.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, to the same Minister. Can he indicate why Manitoba has lagged behind Alberta, B.C. and even Saskatchewan in presenting any kind of legislation . . .

MR. SPEAKER: Order, please. Order, please. The question is argumentative. The honourable member wish to rephrase it?

MR. ASPER: Mr. Speaker, in view of the fact that Saskatchewan, British Columbia and Alberta have for some years now had similar experience, and similar legislation, is there some specific reason why the Minister refuses to act on this problem?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, each of the jurisdictions referred to have had problems. The Province of Saskatchewan has banned outright the use of cans. We have not felt yet that the Province of Manitoba should involve itself in state control to that extent.

The Province of Alberta spends \$3 million a year on a very, very complicated type of depot system, which has involved the building of depots throughout the province, at a cost to the people of Alberta of one penny per drink per year. The depot operators are now asking for more. The Minister in Alberta is very satisfied with the scheme because he says it creates three millions worth of dollars of employment every year, which, if we carry it further, if you charge two cents a bottle, it would create six million dollars worth of employment every year.

We have not felt that the litter problem in Manitoba justifies the extra expenditure of a

## ORAL QUESTIONS

(MR. GREEN cont'd) . . . . million and a half dollars a year, yet. In British Columbia they hoped that they would deal with the problem of solid waste by requiring the return through deposit legislation. They found that the solid waste that they were getting was coming back through the outlets rather than through the garbage disposal system.

Now, Mr. Speaker, I don't believe that I have given an in-depth analysis of all the provinces. I tried to indicate to my honourable friend that I thought it was not possible to do a good job on Orders of the Day. The Province of Manitoba has had a scheme which has resulted in a reduction of the non-refillable bottle share of the market from something like 17 percent of the market to four percent of the market, with no mandatory state control laws. If we can continue success without inhibiting the freedom of the people of Manitoba to choose their product, we will try to do so. If the honourable member says that we are behind the other provinces, then we will have to explain that the Province of Ontario, Quebec, Nova Scotia, New Brunswick, Newfoundland have apparently also not sought to deal with laws. Now, Mr. Speaker, it may be necessary to enact laws; it may be necessary to have a measure of state control which we would try to avoid, but if we can accomplish some of the things that we have accomplished, which I will refer to more carefully when we get to my Estimates, without the imposition of laws inhibiting the right of Manitobans to choose their product and at the same time have a litter free province we will attempt to do so.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: In view of the Minister's answer, I put one last question to him. Has he been informed and has he studied the proposals that the Government of Ontario to which he just referred as a non-licensing province, has he familiarized himself with what the Province of Ontario intends to do about the problem?

MR. GREEN: Mr. Speaker, I did not refer to the Province of Ontario as a non-licensing province. I indicated that it was one of the provinces that has not enacted laws banning or inhibiting the freedom of the citizen relative to the use of these products. I personally have not seen the proposals that are now being presented in Ontario but knowing the interest which our Environmental Protection Branch has given with respect to these problems I am sure that they will be aware of same. If they are not, I will bring it to their attention that the Leader of the Liberal Party has indicated that there is some new proposals in Ontario that they should be looking at.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question to the Honourable the First Minister, refers, Mr. Speaker, to the 1974 Royal Manitoba Winter Fair which takes place during the week of April 1st to 6th in the Keystone Centre in Brandon. I was wondering if the First Minister is prepared to observe the usual traditions and arrange for the House to adjourn one day of that week so that the members might have an opportunity to see this most important agricultural exhibition?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I appreciate the fact that this has been a long-standing practice of this House to adjourn for one day during the week of the Provincial Exhibition and Winter Fair. I believe that a request was made initially for this taking place on the second of April, being a Tuesday, and that after some conversation with the Director of the Fair that the date April 3rd was agreed to, and I believe that's been communicated to the House Leader and the Minister of Agriculture. So unless some complication has entered into the matter I would think that the House Leader could confirm now that we would adjourn on the third of April.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES H. FERGUSON (Gladstone): Thank you, Mr. Speaker, I would like to address my question to the Minister of Agriculture, and ask him: does the Minister not consider that the Manitoba Marketing Board ballot is misleading to the grain producers of Manitoba?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): No, Mr. Speaker.

MR. FERGUSON: Did the Minister imply in his ballot that wheat would be taken out of the jurisdiction of the Canadian Wheat Board?

MR. USKIW: Mr. Speaker, I would suggest to the Honourable Member for Gladstone

## ORAL QUESTIONS

(MR. USKIW cont'd) . . . . that he read the letter that went out with the ballot in which it is indicated that wheat is also used for feeding purposes and could be sold off board under the proposed federal new plan for the next crop year.

MR. FERGUSON: Did Mr. Lang at any time imply that wheat would be taken out of the jurisdiction of the Canadian Wheat Board?

MR. SPEAKER: Order please. That's asking for an opinion of an interpretation. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Minister of Labour. I wonder if the Minister can advise the House if he has received a request from MGEA to switch from the Manitoba Civil Service Act to that of the Manitoba Labour Relations Act?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): No, Mr. Speaker.

MR. PATRICK: Has the Minister met with the executive of the MGEA and will he be withdrawing Bill No. 7, the Civil Service Act and be bringing further amendments to it?

MR. PAULLEY: Mr. Speaker, since I became the Minister of Labour and the Minister responsible for the Civil Service some four or five years ago I have met quite frequently with the executive of the Manitoba Government Employees' Association. I've had no representations in respect to Bill No. 7.

MR. PATRICK: A supplementary. Is the Minister giving any consideration to bring the MGEA from the Manitoba Civil Service Act, to bring it under the umbrella of the Manitoba Labour Relations Act?

MR. PAULLEY: The Minister of Labour, Mr. Speaker, is constantly giving consideration to all aspects dealing with labour-management relations.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN (Fort Garry): Thank you, Mr. Speaker. My question is to the Honourable the Minister of Labour. Is there a shortage of available labour for the building trades and construction industry in the Manitoba market at the present time?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: I would not be surprised, Mr. Speaker, if there is some shortage. It hasn't been drawn precisely to my attention as to certain classifications or trades.

MR. SHERMAN: A supplementary, Mr. Speaker. Are attempts being made, or will attempts be made to direct members of the unemployed force in Manitoba into that industry?

MR. PAULLEY: Well, Mr. Speaker, if the situation was such that there are people who are on the unemployment rolls that are required to perform jobs or in performing jobs I would suggest that Canada Manpower is the authority for the direction of those types of employees into the labour force.

MR. SHERMAN: A final supplementary, Mr. Speaker. Will the government, i.e. the Minister block any attempt by the industry to recruit labour outside the province and possibly outside the country?

MR. PAULLEY: I think, Mr. Speaker, what I could say in response to that question, that we would not block any effort to obtain qualified and skilled persons from other parts of Canada or indeed outside, after all avenues of supplying Manitobans into positions have been exhausted.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I would like to give indication and perhaps the Clerk could take note, that with respect to the questions that appear on the Order Paper and reappear each Monday, that questions 1 to 32 inclusive, it is proposed - I've indicated this last week but I wish to confirm - questions 1 to 32, the information will be provided by way of Return to an Order; and questions 34 to 50 inclusive also by way of a Return to an Order; and questions 59 to 75 inclusive in a similar fashion. And questions 77 to 93. All other questions will be replied to as answers to written questions presumably. This is subject to the usual conditions.

MR. SPEAKER: The Honourable Member for St. Boniface. The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, on a point of order. I would like to ask the First Minister, when he indicates that these will be answered in Return to an Order, I would like to ask him if such an Order has been filed in this House?

## ORAL QUESTIONS

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I would simply, to expedite matters, refer my honourable friend to Rule 48 subsection (5) in which it provides clearly that questions that are of such a nature that can lend themselves to the form of a Return the Minister may state that an Order of the House shall be adopted to that effect. So I am merely indicating, pursuant with Rule 48, that those specified questions will be replied to in the form of a Return to an Order.

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

MR. CRAIK: On the same point of order, I ask the First Minister, since the questions have been on the Order Paper for several weeks, now since the first week of the Legislature sitting, whether he can advise whether the answers to the questions are in preparation?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Yes, Mr. Speaker. As my honourable friend can appreciate there are many questions and many of them are in a sense repetitious in terms of the information that is being sought for each -- repeating the same request for each department, and that is the reason why it will be replied to in the manner in which I've indicated. And the material is being collated, co-ordinated, marshalled together by staff in the management group.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. J. PAUL MARION (St. Boniface): Thank you, Mr. Speaker. I'd like to direct my question to the Acting Minister of Education. In view of the priority now universally recognized and established with respect to energy conservation, is the Department establishing criteria to be followed by school boards in any new construction program with the objective of energy conservation?

MR. SPEAKER: The Honourable Minister of Health.

HON. SAUL A. MILLER (Minister of Health and Social Development) (Seven Oaks): Mr. Speaker, I'd have to take that as notice on behalf of the Minister of Education.

MR. MARION: I wonder, while the Acting Minister is taking that as notice, I wonder if he could also define for the House what type of guidelines are being established with respect to energy conservation and being asked for implementation by school boards.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Agriculture and it relates to the questions that my colleague from Gladstone was conveying to him. Can he indicate the deadline that the ballot that had been sent out to all the farmers in Manitoba, the return of that ballot, the deadline it has to be returned to his office.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I think the letter that went out with the ballot explained that in full, and as I recall it it's the 29th of March.

MR. EINARSON: I have a second question, Mr. Speaker, for the Minister. Could he indicate whether he was in consultation with any farm organizations about this matter before he decided to send out this ballot, and if so what organizations did he consult?

MR. USKIW: Mr. Speaker, I should like to inform my honourable friend that we have been discussing the question of feed grains marketing with all interested groups in all provinces of Canada and indeed with the Government of Canada for the last three years.

MR. EINARSON: Mr. Speaker, I'd like to direct a third question to the Minister. Can he indicate what percentage of our coarse grains grown in Western Canada find their way to Eastern Canada?

MR. USKIW: Mr. Speaker, I think that one has to look at the question of grain marketing as a matter of whether we want to continue maximum producer control and benefit through the Canadian Wheat Board system, and the quantity is something of another matter, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Brandon West. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, I'm wondering then can the Minister indicate to this House if a negative answer is given to the second question on the ballot, could he indicate what he's prepared to do or what action he would be taking?

MR. SPEAKER: The question is hypothetical. The Honourable Member for Brandon West.

## ORAL QUESTIONS

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, to the Honourable Minister of Labour. With reference to the strike of Canada Safeway employees at Brandon, which I understand is now in its fifth week, can the Minister tell the House whether his department has been requested to give their services in an effort to settle this dispute?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: The answer Mr. Speaker, is no, no request has been made to me as Minister. I was in Brandon over the weekend, as I'm sure my honourable friend was aware. I have had some discussions there and I'm giving serious consideration to using my ministerial prerogative of appointing a conciliation officer to see if we can bring about a resolving of this dispute, I'm sure that all members would agree with me that it has been quite a prolonged strike and it would be desirous on behalf of the community to get the parties together to see if they can resolve their differences.

MR. MCGILL: Yes. Mr. Speaker, I wonder if the Minister could tell us whether he is aware of whether or not the parties to this dispute are meeting regularly in an effort to find a solution, have there been regular meetings taking place?

MR. PAULLEY: No, Mr. Speaker, I haven't received any precise information as to the number of meetings that have been held between the two parties. I think that they have been relatively infrequent, and that was revealed to me, Mr. Speaker, in Brandon over the weekend and that is the reason I indicated to my honourable friend that I'm giving very serious consideration to using one of the sections of the Act that gives me the right to attempt to get them together. But even under our Labour Relations Act, Mr. Speaker, the Minister has the authority to attempt to get parties together, but using that well known adage, "It takes two to tango".

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

MR. G. JOHNSTON: Mr. Speaker, I have three questions to direct to the Minister of Agriculture; perhaps he'll take them one at a time.

Will the Minister indicate whether the letter addressed to all grain producers in Manitoba and sent out from the Minister's office on March 15, 1974, and signed by the Minister, is an attempt to determine how producers think their grain should be marketed, or is an attempt to use public moneys to wage a partisan political fight with the Federal Government?

MR. SPEAKER: Order please. Order please. The question is argumentative. If the honourable gentleman had stopped at the last phrase he would have been okay.

MR. G. JOHNSTON: Well, will the Minister explain why his letter contains mis-statements of fact, when it claimed that Eastern Canada has traditionally been the largest market for western feed grains, and when in fact, prairie feed consumption of western feed grains was 117 million bushels last year and eastern consumption was 605 million bushels last year? Will he explain that mis-statement of fact?

MR. USKIW: Mr. Speaker, I think the statistics speak for themselves. I believe that is couched in the terms of an exportable product from the prairie region.

MR. SPEAKER: The Honourable Member from Birtle-Russell.

MR. GRAHAM: Yes, Mr. Speaker, I also have a question for the Minister of Agriculture. I wonder if the Minister could indicate to the House what the approximate cost of a full page ad in "The Co-operator" in living colour would cost the Province of Manitoba?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: I would imagine a few hundred dollars, Mr. Speaker. I really don't know.

MR. GRAHAM: A supplementary question, Mr. Speaker. Did the Minister or members of his department issue instructions in the printing of this, that Tory blue should be used rather than Socialist red?

MR. USKIW: Mr. Speaker, it had occurred to me that if it was in Tory blue, that we might get some converts over from the other side to the principle of orderly marketing.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Thank you, Mr. Speaker. To the Minister of Agriculture. Would he explain why he has doubled the rent being charged by his department for cattle grazing land owned by the Crown which is administered by his department?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I think that that particular revision has been due for some time. We haven't had any significant adjustment in the province for a good number of years,

## ORAL QUESTIONS

(MR. USKIW cont'd) . . . . probably at least ten, or thereabouts at any rate, Mr. Speaker. We are still away below Saskatchewan and Alberta even with the revised rate.

MR. ASPER: Mr. Speaker, my question to the Minister now relates to his answer. He says we have . . .

MR. SPEAKER: Question?

MR. ASPER: I believe he said that we have not had raises in the rates.

MR. SPEAKER: Question?

MR. ASPER: My question is, if that statement is correct, if I have stated his answer correctly, then how can he account for the fact that in fact over the past four years he has tripled the rates?

MR. USKIW: Mr. Speaker, I think I'm talking about significant rates. I don't think that my honourable friend is accurate in his statement.

MR. ASPER: Well, Mr. Speaker, will the Minister confirm that in the last year he has doubled the grazing rents - doubled the rate of charge for acreage on grazing land?

MR. USKIW: Mr. Speaker, the formula has been changed only for this year for the first time. If there were rate adjustments, it was basis the old formula.

MR. ASPER: Mr. Speaker, I put the question to the Minister. Based on rents of 1969, on a quarter section being \$44.64, will he confirm that those rents went up in 1971 to \$52.80 and in '72 to \$54.72, '73 to \$61.92, and in '74 to \$124.80?

MR. USKIW: My honourable friend may have a specific case in point, Mr. Speaker, so I can't really respond to him on that particular one, but the formula provided for the rate to follow the price of beef and therefore there are adjustments current at all times every year depending on the price of beef.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Speaker. To the Minister of Agriculture again. Would he confirm or deny that he is again attempting to pull one of his usual snow jobs on the grain producers in Manitoba?

MR. SPEAKER: Order please. Order please. The Honourable Member for Ste. Rose.

MR. A. R. ADAM (Ste. Rose): Mr. Speaker, my question is to the Minister of Agriculture, and I would like to ask him when is the deadline for mailing out the ballots . . . ?

MR. USKIW: Mr. Speaker, I believe I answered that question today. It's the 29th of March.

MR. SPEAKER: The Honourable Member for Fort Rouge. Oh, I'm sorry. Order please. The Honourable Member for Ste. Rose.

MR. ADAM: Is that the deadline for voting or mailing of the ballots, because I understand that some eligible permit holders have not received any ballots to date. That's why I asked the question.

MR. USKIW: Mr. Speaker, it's the date at which ballots must be mailed, no later than that date.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Thank you, Mr. Speaker, I'd like to ask the Minister of Mines and Resources a question. Could the Minister indicate whether a major finding of the report entitled "The Souris River Basin Working Group Report" published in June 1972 was that in no way must the quality or flow of the Souris River Basin be affected or impaired in order for that area to develop or enhance its food processing industry or its agricultural productivity?

MR. SPEAKER: The Honourable Minister of Mines . . .

MR. GREEN: Mr. Speaker, I'll have to go back to the report to get the verbatim finding that the honourable member is referring to.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, could the Minister indicate whether that particular report was included in the environmental impact study that was undertaken by the Bureau of Reclamation; and is that report, also being presently used in the monitoring studies and the assessment studies now going under way?

MR. GREEN: Mr. Speaker, as to whether the United States used that report in their studies, I cannot be certain. The monitoring studies that the honourable member referred to, I have repeatedly indicated are not monitoring of any results or any materials. It is

## ORAL QUESTIONS

(MR. GREEN cont'd) . . . . monitoring of an official's group, which is to meet to determine from the United States authorities how they intend to comply with their undertaking that they will not pollute Canadian waters.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: A supplementary, Mr. Speaker. Is the Government of Manitoba then using this particular Souris River Basin report as a basis of measuring or using as a standard against which the American action will be judged or assessed, in terms of its impact?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I would assume, because I am aware of their proficiency, that the Manitoba people will be using all of the intelligence which is available to them - including the report that the honourable member refers to.

MR. AXWORTHY: Fine. A final supplementary, Mr. Speaker. Would the Minister undertake to table that particular report in the House considering it is now a confidential report, but concerning the importance of the issue to the people of Manitoba and the need for that kind of public intelligence and information?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, the member indicates that it's a confidential report. The report that he refers to I'm not immediately acquainted with. I'm not aware of its confidentiality. It is not so confidential, at least, that the honourable member has not obtained a copy of it.

MR. SPEAKER: The Honourable Member for Rock Lake. The honourable member state his point of order.

MR. AXWORTHY: Yes, the point of order is, that I do not have a copy and the Minister is wrong to suggest that I have. That's why I'm asking information about it.

MR. SPEAKER: The Honourable Minister.

MR. GREEN: I regret the fact that I attributed the honourable member to having a copy of something which he does not have a copy of, according to his own statement. The honourable member at least has information which is contained in the report, and to that extent it has not been confidential. I am unaware that there is a confidential report relative to the Souris River Basin. I am aware that the Government of Manitoba has pleaded with the Government of Canada to participate in financing a Souris Basin Water study and that to date the Government of Canada has refused to participate in financing which is a normal water study report.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Yes, Mr. Speaker, I direct a question to the Minister of Agriculture. It relates to the home economists who are serving in the various areas of Manitoba. Could the Minister confirm whether or not the home economists will no longer be under his jurisdiction as of March 31st; and if the affirmative, under whose jurisdiction will they fall?

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Mr. Speaker, if my honourable friend would read Hansard, I think we dealt with this matter during the estimates debate. But I indicated at that time that there has been a change. The Department of Health has taken over the centre core of the Home Ec. program. That is a Winnipeg group numbering some six, or thereabouts. We are retaining our regional staff, or at least we are retaining I believe, one or two per region across the Province. I could be more specific, but I'd have to get the information, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, I direct a question to the Minister of Health and Social Development. Could he inform the House as to whether any of these home economists will no longer be using their services in the regions that they now serve in the rural parts of Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: The Minister of Agriculture has indicated the core group, those who have been in the City of Winnipeg, will continue to be in the City of Winnipeg; those that are in rural Manitoba, one or two will be retained within each region and will serve the Department of Agriculture as they have in the past.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, could the Minister then indicate how many home



## ORAL QUESTIONS

(MR. EINARSON cont'd) . . . . economists will have their services changed and will go find other occupations in rural Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, I can't answer that specific question. The suggestion that they're going to have to find other occupations, I can't see why. We still need home economists and they can remain as home economists.

MR. SPEAKER: The Honourable Member for Riel. --(Interjection)-- The Honourable Member for Rock Lake.

MR. EINARSON: Do I understand in the Minister's answer that now, in the future as of April 1st, some home economists will be serving a considerably larger area?

MR. SPEAKER: The Honourable Minister.

MR. MILLER: Yes, that's the general idea, that they will have larger areas and perhaps a larger job to do, because they'll not simply be dealing with the Department of Agriculture, but meeting the needs of people, whether they be through Agriculture or through Health or what-have-you.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I direct a question to the Attorney-General. Would he indicate whether he or his department has turned over the matter of the investigation of the Department of Co-Operative Development and the Northern Fishing Co-ops to the RCMP?

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): No, we have not, Mr. Speaker.

MR. SPEAKER: The Member for Riel.

MR. CRAIK: Mr. Speaker, a supplementary question. Could the Minister indicate whether it's his intention to do so, and if so, when?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I thought the words the First Minister had used were quite clear when he made reference to the Department of the Attorney-General of this enquiry. The words were "if necessary, it will be referred to the RCMP."

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a further question to the Attorney-General. Would the Minister indicate whether he or his department has or intends to request the RCMP to take whatever steps are necessary to ensure the security of all documents, records and cheques relating to the J.M.K. Construction, and R & M Construction, and the relationships between those companies, their customers and suppliers, and the Communities Economic Development Fund?

MR. SPEAKER: The Honourable Minister of Mines and Resources.

MR. GREEN: Well, Mr. Speaker, that matter was raised on Friday and I indicated to the honourable member that we would be looking into it.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, the specific question is whether or not it is the intent of the Attorney-General's department to take this action of securing these documents?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, on Friday afternoon I took it that the Leader of the Opposition felt that the knowledge of the news being presented indicates a security problem, that once the news is presented that there would be a security problem relative to the documents, and I should be running around therefore placing an embargo on documents. I don't think that there is a security problem with relation to documents. I don't think that the Leader of the Opposition feels that there was, otherwise he wouldn't have made a public statement before seeing to it that the documents were secured.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. MARION: Mr. Speaker, I'd like to direct my question to the Honourable Minister in charge of Autopac. I wonder if he can confirm for this House the fact that accidents are up, or incidents of accidents are up 22 percent in the last four months over the previous year?

MR. SPEAKER: The Honourable Minister.

HON. BILLIE URUSKI (Minister responsible for Manitoba Public Insurance Corporation; Minister responsible for Motor Vehicle Branch) (Lac du Bonnet): The claims statistics revealed would indicate that.

## ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. MARION: A supplementary, Mr. Speaker, to the same Minister. Will the loss for next year be concurrently greater by that 22 percent?

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Yes, Mr. Speaker, to the Honourable Minister of Northern Affairs. I wonder if the Minister can indicate whether his department was involved with the Metis Federation and its regional Vice-President Ben Thompson, in the selection of people who were to receive grants under the Federal Government's upgrading and renovating of homes program referred to by Mr. Allison in his affidavit, as a Winter Warmth Program?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. RON MCBRYDE (Minister of Northern Affairs) (The Pas): Mr. Speaker, my understanding is that this Federal Government program, the Winter Warmth Program, is administered by the Manitoba Metis Federation and I'm not aware of any involvement of the Department of Northern Affairs in this program.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Could the Minister confirm that many of the programs undertaken by R & M Construction were programs in which authority came from one of the directors, Mr. Ben Thompson, in his capacity as Vice-President of the Metis Federation, or in his capacity as a contract employee of government?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

MR. MCBRYDE: Mr. Chairman, I think the member should understand and be quite clear in his own mind that my understanding is that Mr. Thompson was the Regional Vice-President or President of the Thompson Local of the Manitoba Metis Federation at the time that this construction company and the allegations made the other day -- the time that they relate to. It has been since that time that Mr. Thompson was hired by a panel to work for the Department of Northern Affairs, and therefore there is really no relationship between Mr. Thompson and the time that these accusations were made in the Department of Northern Affairs.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: A supplementary question, Mr. Speaker. Is Mr. Thompson then now a contract employee of the Manitoba Government?

MR. SPEAKER: The Honourable Minister.

MR. MCBRYDE: I indicated the answer in my previous answer, Mr. Chairman, The answer is yes.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. I'd like to direct my question to the Minister of Health and Social Development. Can he indicate whether Mr. John Kregeris visited him to indicate to him that something was wrong in connection with the way in which the Pensioners Program was being run in northern Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: My gosh, yes, I think that name strikes a bell.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. BROWN: Can the Minister recall what action he took after the visit?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: So vaguely, that I wouldn't even try to pretend that I do recall the details.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. BROWN: My question is to the same Minister. Is the Minister the person responsible for the Home Improvement Program in northern Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, I'm not sure whether MHRC is responsible for that or not. I'd have to look into that.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable, the Minister of Northern Affairs. I wonder can the Minister indicate to the House whether the CEDF fund report on Wabowden was brought to his attention prior to it being tabled in the House by the Leader of the Opposition last Friday?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

## ORAL QUESTIONS

MR. McBRYDE: No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Another question, Mr. Speaker, to the same Minister. I wonder can the Honourable Minister advise the House, did you have any knowledge from any source that there were in Wabowden five community development officers with no clearly defined function?

MR. SPEAKER: The Honourable Minister of Northern Affairs.

MR. McBRYDE: Mr. Speaker, I think that the report that the member refers to was an internal document of the Communities Economic Development Fund and had they thought it was worthwhile I'm sure they would have forwarded a copy of the same to the Minister of Northern Affairs. I am not positive, Mr. Chairman, in terms of staff of Northern Affairs how many staff are there in Wabowden at this time or were at that time of that report. The report, I think, having read it over, was not that significant a document in terms of policy in northern Manitoba.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, a further supplementary to the Honourable Minister. I wonder if the Minister will take it as notice and advise the House, if, in fact, five community development officers were on the payroll there and you got no knowledge of it?

MR. SPEAKER: The Honourable Minister.

MR. McBRYDE: Mr. Chairman, the Extension Services of the Department of Northern Affairs was explained during my estimates, has a number of positions that could be referred to as community development positions. Some of those positions are located in Wabowden but work out from the community of Wabowden to various communities such as Cross Lake, Pikwitonei, Thicket Portage and other communities in that vicinity.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question for the Honourable Minister of Mines and Natural Resources. I wonder if the Minister can advise the House if the government or his department has acquired land at Delta Marsh to control water levels at this marsh so that we can increase the wildlife production?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Speaker, there is a program for acquiring recreational land and other land, and Mr. Davis and myself announced jointly today a program for the rehabilitation of the Delta Marsh, a program involving \$3.2 million. I am not certain of the locations of land already acquired, but there is certainly a program for acquiring land in the Delta Marsh.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: A supplementary, Mr. Speaker. Does the \$3.2 million development program, does that include acquisition of land as well?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Yes, Mr. Speaker, I believe - and again I'm speaking from memory - I believe approximately two million is for land acquisition.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: A supplementary Mr. Speaker. I wonder if the Minister can tell the House what is the program with the Federal Government, is it a 50-50 cost sharing, and how many acres of land is involved - how many acres of marsh land will the government own?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, it is a 50-50 cost sharing. I cannot say how many acres of land we will acquire, because I know that the prices for that land will have to be negotiated. But the honourable member will appreciate the fact that I have indicated that I have a great preference for the public owning recreational land and that this ensures that it will be available to all of the citizens of Manitoba, and we hope to move in that direction.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Speaker, I'd like to direct my question to the Minister of Health and Social Development. Was it the practice of the government in connection with programs in the north to have the people do their own home improvements rather than to have them tendered and completed by contractors.

MR. SPEAKER: The Honourable Minister of Health.

## ORAL QUESTIONS

MR. MILLER: Well, Mr. Speaker, I believe the member may be referring to the Winter Works Program, the PEP programs; in which case they were not under my jurisdiction.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I direct a question to the Minister of Mines and Resources, he has just left the House. Mr. Speaker, I'll proceed with the question. Can the Minister indicate when Dunwoody, Saul and Smith attempted to do their audit of R and M Construction?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, the matters that were raised by the affidavit of Mr. Allison are being looked at, looked into and I will be having answers to the House on those matters which require answer in due course. I'm not going to give out answers piecemeal.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a supplementary question. Can the Minister of Mines and Resources indicate whether Mr. Allison visited his office to discuss the problems of the company?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: A supplementary, Mr. Speaker. Can the Minister indicate who gave Mr. McIvor authority in the supervision undertaken on behalf of the Communities Economic Development Fund to order materials to be distributed and/or redirected in dealing with the authority of Provincial and Federal Government programs?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, the honourable member is proceeding in such a way as to ask a series of questions relating to the allegations which have already been put on the table. Apparently the headlines were not high enough or red enough and they're trying to resurrect them. I have indicated that I will look into these questions and that I will have answers for the House on all of the matters that have been raised. That I am now doing that, Mr. Speaker, I started to do that on Friday afternoon.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, on a matter of privilege, Mr. Speaker, if the Minister desires to take these questions as notice, he can so indicate. That we intend to ask . . .  
--(Interjection)--

MR. SPEAKER: Order, please.

MR. CRAIK: I think it's our privilege, Mr. Speaker, to continue to ask questions related to this, and if he wishes to take them as notice he can so indicate.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker, I'd like to ask a question to the First Minister, please. In view of the statement made on Friday that the Winter Works Program giving assistance to the repair of old age pensioners homes is now about completed, or is running out of homes, does the government plan now to extend a similar program to rental properties occupied by older people or to other low income groups who are below the age of 65, such as accommodation occupied by single parent families and other kind of low income fixed . . . ?

MR. SPEAKER: Policy question. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, that is a matter of policy which I can advise my honourable friend that we have had under consideration, and will continue to consider in terms of possible implementation at some future date, possibly next fall. I say "possibly". I would just like to take this opportunity to advise my honourable friend that the administration of the Pensioner Home Repair Program although it has gone reasonably well, is not without a great deal of minutia of detail, and that while I share my honourable friend's desire, that we attempt to do more in the way of social programs of improvement and repairs to pensioners' housing, that it is not without its pitfalls in terms of the occasional administrative problems, which I am sure honourable members opposite would want us to be very careful that we dot every "i" and cross every "t", in terms of the administration of pensioner home repair. So before we are in a position to extend and double this program in terms of its scope, if we do that too quickly, we will be having additional administrative problems, the kind of which simply give grist to the mill.

## ORAL QUESTIONS

MR. AXWORTHY: Thank you, Mr. Speaker, I would like to ask the Minister then, considering his caution about administrative difficulties, is he prepared to announce this new rehabilitation program or loan program before the end of June so that those companies now engaged in home repair would be able to properly plan for a fall or winter implementation or execution of such programs, and not go broke in the meantime or cease to function.

MR. SCHREYER: Well, Mr. Speaker, I did not hear precisely what companies my honourable friend was referring to. The nature of pensioner home repair or any kind of home repair program as such, given the geographical diversity of Manitoba, that it's just not possible to think in terms of formal bids and companies going in to do home repairs. Some repairs are in the order of \$100 to \$200, 60, 80, 100 miles removed from any location where there are construction companies operating as such. The matter doesn't lend itself to a simplistic answer, yes or no, in the way in which my honourable friend would like it.

MR. AXWORTHY: I have a supplementary. Then if the Minister cannot do that, could he at least indicate to those companies presently subsidized and supported by the Provincial Government in the home repair business, the kind of program that may be forthcoming so that they can plan their programs accordingly?

MR. SCHREYER: Well, Mr. Speaker, I'm not aware which companies my honourable friend is referring to as being companies specializing in pensioner home repair activity.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Minister of Environmental Management. With respect to the Delta Marsh Wetland Rehabilitation program, do the minister's answers to the questions raised a few moments ago by the Member for Assiniboia, mean that the government is contemplating expropriation in the Delta Marsh area of properties that currently are owned privately?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, first, efforts relative to the area will be by voluntary acquisition. There is, in the Wildlife Act, and in other legislation, but I'm fairly certain it's in the Wildlife Act, legislation of longstanding which enables the Province of Manitoba to expropriate land which it feels should be kept for the general public relative to these purposes; that is, the ultimate protection which I have always indicated exists to protect people of Manitoba from individual Americans or indeed individual Canadians.

MR. SHERMAN: Mr. Speaker, is it the intention of the program entered into, ultimately then to remove all property - and I confess Mr. Speaker that I have a vested interest in the question, but I don't think that precludes my asking it - to remove all property in the Delta Marsh area from private ownership and turn it into a public preserve?

MR. GREEN: No, Mr. Speaker, the program doesn't envisage that, but it does envisage considerably more public availability and public ownership of land within the Delta Marsh.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker, my question is for the Minister of Mines, Resources and Environmental Management. I would like to ask him if loans made under the Communities Economic Development Fund of \$75,000 or over, require the decision of the Minister in charge, or can the Board make those loans by themselves?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Yes, Mr. Speaker.

MR. GRAHAM: A supplementary question to the Minister then. If a board makes a loan of say, for argument's sake, \$50,000, can they then turn around and make a second one for \$50,000 without having the Minister's approval, if it's to the same company?

MR. GREEN: Mr. Speaker, under the most recent guidelines that were established with the Communities Economic Development Fund Board of Directors and myself sometime in the fall of 1973, a second loan to the same company in the same way as with the Manitoba Development Corporation would be recommended by the Board but would require the approval of the government. Those are guidelines which we have discussed and I believe are being followed by the Board.

MR. GRAHAM: A further supplementary question to the Minister then. Can the Minister indicate whether ministerial approval was given for a loan to a Mr. Willard Lamirande for \$75,000, and a further loan to either Mr. Lamirande or Mr. Ben Thompson for the

## ORAL QUESTIONS

(MR. GRAHAM cont'd) . . . . purchase of Smith Cartage in Thompson which has subsequently burned?

MR. GREEN: Mr. Speaker, I believe that that particular loan which has some recollection in my mind, was \$75,000.00. If that were the case it would not have required ministerial approval, it would be a loan over \$75,000.00. But I am now again relying on my memory. I do remember that particular loan having been advanced.

MR. GRAHAM: Another supplementary. Could the Minister indicate whether adequate protection had been taken with respect to insurance in case of loss?

MR. GREEN: Well I certainly hope so, Mr. Speaker. Each of the loans that we advance is done through the advice of a solicitor and that kind of protection is sought vis-a-vis every single loan. Whether it is realized sometimes is a matter of argument as to how well you have been advised, but I certainly know that that would be standard practice for the corporation.

MR. SPEAKER: The Honourable Member for Swan River.

MR. BILTON: Mr. Speaker, I'm glad to hear that the material to do with the debate on Friday is under investigation. I wonder if the Minister of Mines and Natural Resources would try to confirm that there were employees of the R & M Construction on the payroll who did not work and whose labours were charged to the particular projects; such as the two homes being built by the R & M Construction in Wabowden?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I wonder whether opposition members should continue to ask questions on matters which I say we are aware of, which are contained in affidavit and which we are going to bring answers for to the House. Every single matter that is raised in that material will be dealt with, perhaps by affidavit, and we will bring back those answers. But for the honourable members to use the question period to repeat the questions knowing that we have said this, is surely an abuse of the question period.

MR. SPEAKER: Order please. The Honourable Member for Wolseley state his point of order.

MR. ASPER: Yes, Mr. Speaker. The point of order is that the Minister is proposing in what he has just said, that there is an impropriety of opposition members asking for information that he says is under investigation. Mr. Speaker, it's equally improper for the government to avoid answering questions in this House by saying a matter is under investigation, such as hospital beds, such as Manitoba Housing Renewal speculation. So, Mr. Speaker, the point of order is this, Mr. Speaker, the point of order is this - that there is no preclusion for members of this side from asking any questions.

MR. GREEN: . . . I've never said you can't ask questions . . .

MR. SPEAKER: Order please. Order please. Order please. Order please. I do believe, Order please. The Honourable House Leader.

MR. GREEN: Just these desks and some self-restraint prevents me from going over and punching him in the nose. The fact is that I did not raise as a point of order that I could not ask questions which were under investigation. I said it is reasonable that material that I said I would bring answers for, should continually be asked for, if I indicated that answers would be brought. I did not say that it should not be asked because it's under investigation. As a matter of fact, it's not under investigation. I am investigating as Minister, responses to the material that is filed and I will bring the answers.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: On the point of order. The Minister in his . . .

MR. SPEAKER: Oh, order please. There is no point of order.

MR. CRAIK: Mr. Speaker, I raise . . .

MR. SPEAKER: Order. Well if the honourable member has one we may have one.

MR. CRAIK: I raise a point of order Mr. Speaker. The Minister is assuming in his statement with regard to the questions of the Member for Swan River, that the questions to be placed are all contained in affidavits, and this is not necessarily so, Mr. Speaker. These questions that we have been raising may or may not be contained in the affidavits that the Minister refers to, therefore the right to ask the questions, the privilege to ask the question still remains with the opposition.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Yes, Mr. Speaker, I have a question for the Attorney-General to begin with.

## ORAL QUESTIONS

(MR. ASPER cont'd) . . . . On the basis of the House Leader's answer . . .

MR. SPEAKER: Question please.

MR. ASPER: Yes, Mr. Speaker, my question is, does he have any report to give this House on the investigations that are under his control which he undertook to make on the speculation, or the allegations of speculation by members of the MHRC staff in real estate dealings?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, as soon as the investigations are completed, they will be completed shortly, the report will be referred to the Minister of Health and Social Services who has been charged with the responsibility of reporting to the House for the MHRC.

MR. ASPER: Mr. Speaker, to the Minister of Health and Social Development. Does he have any information to give this House relative to the investigation he undertook to make and have the information in three weeks, made on January 6, 1974 into the position of acute care beds in Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, the matter of beds is under constant review and study by the department. Certain programs are going forward. As I indicated not once, but a dozen times to the honourable member, it is not just a matter of beds, it's a matter of dealing and rationalizing the entire health system.

MR. ASPER: Mr. Speaker, to the same Minister. Was he then trying to simply deflate the issue in the House when he said on January 6, 1974 . . .

MR. SPEAKER: Order please. That question is argumentative and the honourable member knows it. Would he rephrase it.

MR. ASPER: Mr. Speaker, my question is, what was the purpose of his saying to this House on January 6th, 1974 . . .

MR. SPEAKER: Order please. I wonder how many times I must say - and the honourable members are aware that we must not have questions of an argumentative nature - and if the honourable members persist I must turn a blind eye. I'm sorry, the honourable member, the rules are ours - they're yours as well as mine. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, my question to the Minister of Health and Social Development is - why did he say to the House on February 6th - I'm sorry, February 6, 1974, that he expected to have a report within three weeks on the hospital bed position and that he implied at that point that it would be made available to members of the House?

MR. MILLER: Mr. Speaker, the member can draw what implication he wishes. I said there would be a study made within three weeks. It has been made; the acute care shortage which the honourable member tried to make a very great issue of, has in fact disappeared. It disappeared within days. If he had followed the newspaper stories he would have recognized that administrative hospitals indicated that in their opinion this was a political exploitation of a situation, trying to play on the fears of people. The only thing I want to deflate is his ego.

MR. SPEAKER: The Honourable Member of the Liberal Party.

MR. ASPER: Yes, Mr. Speaker, I wonder if the Minister would be good enough to table the report that he received and which he indicated he would have three weeks ago.

MR. MILLER: Mr. Speaker, I will not table that report. It's not for public consumption. It's not for the member's consumption. It's for the Minister to deal with. There's nothing secret about it. Mr. Speaker, it was for my information to determine whether or not the allegations made in this House had any semblance of truth at all, and I can tell you there was very little truth in it.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. My question is for the Minister of Mines and Resources and Environmental Management. Mr. Speaker, can the Minister indicate whether any officials of the Communities Economic Development Fund ever brought to his attention the financial difficulties concerning J.M.K. Construction and/or R & M Construction before Friday or Thursday or whenever the affidavits were put before the House?

## ORAL QUESTIONS

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, the matter was never discussed between myself and the Chairman of the Communities Economic Development Fund. I'm not able to say that I can recall any material being presented to me. I will indicate to the honourable member that I don't read every document that is put on my desk but I do not recall any such material, there was some material for me on Friday, after the allegations that were made by the Leader of the Opposition.

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I have a question for the Honourable the Minister of Mines, Resources and Environmental Management. I wonder can the Minister take under advisement and advise later - when he is checking these documents advise whether Mr. Dan McIvor had an expense account with the Communities Economic Development Fund?

MR. GREEN: Mr. Speaker, Don McIvor is a member of the Board of Directors of the Communities Economic Development Fund in the same way as John A. Mac Aulay is a member of the Board of Directors of the Manitoba Development Corporation. I would think that the same privileges accrued to each Board.

MR. MCKENZIE: Mr. Speaker, then I wonder can the honourable Minister advise the House whether Mr. McIvor, a part of his costs or his expenses were borne by R & M Construction and J. M. K. Construction?

MR. GREEN: Mr. Speaker, when the Communities Economic Development Fund does something with respect to a borrower, it generally tries to charge that work to the borrower. If in addition, since Mr. McIvor was appointed by the Communities Economic Development Fund to be on the Board of that particular company, it is quite possible that expenses could be charged by him as a Board Member of that company to the company.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker, I have a question for the Minister of Agriculture. I would like to ask the Minister of Agriculture what effect the recent announcement by the Federal Agriculture Minister with respect to packing houses paying the seven cents subsidy, what effect that will have on the small locker plant operations and small packing houses in the Province of Manitoba. Will they have to buy a license or how will this be handled?

MR. SPEAKER: The Honourable Minister.

MR. USKIW: I have no idea, Mr. Speaker.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

MR. GREEN: Mr. Speaker, I propose that we now move to the business, but just before doing so, Mr. Speaker, there was a matter of privilege as affects the entire House and in particular relations between the Speaker and the House Leaders. It was with reference to an editorial written in one of the daily newspapers. I would prefer to deal with that matter of privilege when the participants involved were all here, namely the Member for Morris, the Member for Portage la Prairie and myself. I may say that I am going to want to protect the integrity of yourself, Sir, and the members but I would rather do it when the participants are here.

I wish you would now proceed with the Orders of the Day and Bill No. 7 on second reading - no, Mr. Speaker, I would prefer that we go to the motion of the Honourable the Minister of Finance on second reading.

MR. SPEAKER: Very well.

. . . . . continued next page



SUPPLY - CONCURRENCE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance in respect to the resolution reported from Committee of Supply. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I want to take the opportunity on this concurrence motion to make a few comments, statements if you like, regarding Manitoba Hydro. It does not at this point deal with the Capital Estimates which I know we will come to, it deals, Mr. Speaker, generally with areas that would be covered in Interim or Supplementary Supply in a normal fashion. Therefore I want to take the opportunity at this time to make a--(Interjection)--Yes.

MR. SPEAKER: Order please. The Honourable Minister of Finance have a point of order?

HON. SAUL CHERNIACK, Q. C. (Minister of Finance) (St. Johns): Mr. Speaker, on a point of order. I'm not clear on the item to which the honourable member would be referring. There are many items of course in the Supply Bill but I think it would be helpful if we knew which item, because indeed, Mr. Speaker, I believe that the honourable member is addressing himself to a Capital item which I expect will be open for discussion today.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I'm dealing with the general motion, second reading concurrence motion. Therefore I take the opportunity, Mr. Speaker, because I don't want to deal particularly with Capital Supply, and I'm using the generality of the motion to be able to include what I want to say at this point.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, on the point of order. We do have a motion before us, we have two of them. I believe one was passed, Mr. Speaker, I think that was concurrence in Supplementary Supply. I believe now we are dealing with concurrence on Interim Supply. I need clarification on that, I'm not sure. Is it on both?--(Interjection)--Both resolutions, Mr. Speaker, I'm now informed that it deals with both. Therefore this still deals with some Supply item, because there is a long list of supply items of course, but surely the honourable member could not be referring to let's say the Department of Highways when he wishes to deal with Hydro. Therefore, I think it would be helpful if we knew which item within all the supply items he is dealing with, surely that's part of it. Otherwise it would suggest that concurrences could indeed deal with everything under the sun including Capital.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, the specific item that most of it would have to fall under would be the Executive Council motion and I think that, Mr. Speaker, I point this out at the start of my remarks because I wanted it to be indicated perfectly well that I did wish to take the opportunity that is usually accorded on second reading. I held off comment, Mr. Speaker, in the earlier committee stage on the specific items for the specific purpose of making my comments on second reading of the bill. So the comments that I am going to make . . .

MR. SPEAKER: Order please. Order please. We are not discussing second reading of the bill but second reading of the resolution. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I want to be sure and understand here now that I do intend to make some fairly specific comments, specific only to Hydro, but ranging over primarily government authority with regards to its operation, so I trust that I have your concurrence in speaking on the concurrence motions at this time in this regard.

Mr. Speaker, I seldom take such time to write out a speech but I did so on this occasion because I feel that the items have been happening very rapidly, that things have been happening very rapidly particularly in the last week with regards to Manitoba Hydro, and particularly, Mr. Speaker, because the decisions of the government as opposed to the decisions of Manitoba Hydro have been the result, Mr. Speaker, of a Crown corporation being subject to the decisions of government but having to shoulder very much of the responsibility for those decisions be the results of it either good or bad.

Mr. Speaker, the relationships between the Manitoba Government and Crown corporations of its own making have been relatively calm compared to that between the Government and Manitoba Hydro - and I to a certain extent - exclude at this time the Manitoba Development Corporation. It has taken nearly six years for the government to comprehend the basic purposes behind the creation of a public power utility and the sensitivity of orderly development planning under external political pressures. Now they appear, Mr. Speaker, on the brink of possibly making yet another mistake.

## SUPPLY - CONCURRENCE

(MR. CRAIK cont'd)

It now seems quite probable that Mr. Schreyer's newly elected Cabinet in 1969 regarded the development plans . . .

MR. SPEAKER: Order please. I would hope the honourable member would mention members by their constituencies and not by name.

MR. CRAIK: Mr. Speaker, I should refer here to the First Minister's newly elected Cabinet in 1969 regarded the development plans of Manitoba Hydro for the Nelson River with deep suspicion and just short of a subversive act against the Government. How else would it have been possible for them to discard years of planning to listen to and act on the advice of disaffected academics and self-proclaimed experts with no knowledge of the economic or technical consequences of interfering with reasonable proposals for development. There can be no correcting of the grave error made in advancing Lake Winnipeg development well out of sequence in accordance with a plan which will never yield benefits to the Province of Manitoba. The meddling with the flooding of Southern Indian Lake and diversion of the Churchill River to the extent that it cost nearly four times as much today as similar proposals presented in 1969 is no less excusable. The government nevertheless made these decisions, the record is quite clear of their responsibility. And although the import and magnitude of the gross misjudgment may not yet be fully understood, there is not much to be gained by dwelling on the errors in themselves.

In the face of the current energy squeeze even its most rabid opponents would be hard pressed to question the original decision to proceed with Nelson development or the fundamental necessity to proceed with diversion of the Churchill River. The First Minister, in case anyone noticed, is now amongst the strongest advocates of Nelson development, including flooding of Southern Indian Lake either four feet or eighteen feet lower depending on which report you have on hand, but still an impressive 14 feet above average lake level no matter how you slice it; vindication of the former Conservative Government and Hydro's position by all means but also an indicator that the Premier can recognize a good thing. It just took a long while and a lot of public money.

It appears that Manitobans may again begin to hear strong opposition to the policies of Manitoba Hydro. The utility, now firmly under the political control of the government, has undergone considerable changes throughout the past five or six years. Development planning is carried on in governmental style complete with the lack of clarity, understanding and the professional judgment which have hampered meaningful discussion of hydro development in recent years. The intent of the developing agency can be easily disguised by the confusing terminology of power development and the public understanding of proposed developments more often confused than aided by public relation statements. Unfortunately these methods and current public beliefs about energy can be used to keep the public unaware of what may prove to be the most significant error in hydro policy since David Cass-Beggs departed as Manitoba Hydro Chairman from the Manitoba scene.

A case in point are the current inferences being made by the Government and Manitoba Hydro that Nelson development was and is somehow dependent on the value and sale of so-called firm energy to the United States. This concept is the root cause of many of the difficulties that have occurred in explaining and understanding the issue of power development and it's manifested itself in many of the highly questionable and incorrect decisions that have and are being made by Manitoba Hydro and the government. The failure to understand and take full advantage of the benefits of generating surplus energy inherently available in a hydro system designed primarily to look after Manitoba's needs and to aggressively market these surpluses to neighbouring thermal power systems is contradictory to the original concept of the Nelson development, and with the massive financial commitments to the present development scheme we have been cornered into a weak bargaining position with the United States.

The benefits of the sale of surplus energy available to a basically hydro system such as Manitoba's were recognized in the original Nelson studies and there seems little doubt that the Hydro management at the time fully understood the potential benefits of these surpluses under changing market conditions. It was planned to develop the hydro-electric resources of the province to most closely fit the province's need, controlling the rate of capital investment either by constructing additional thermal capacity or purchasing a small amount of thermal energy on a short-term basis when needed, and further reducing net operating costs through sale of probability surplus energy resulting from variability of water flow and guaranteed surpluses

## SUPPLY - CONCURRENCE

(MR. CRAIK cont'd) . . . . . available between system expansion increments. It was not intended and seems inconceivable that anyone should now suggest that capacity expansion should be planned on the basis of long-term sales to neighbouring utilities without first giving full regard to integrated system operation and surplus sales. In the confused development period beginning in 1970 some remarkable misjudgments have occurred. Projects of the highest order of benefit were delayed. Those of doubtful or even negative benefit were advanced. The value of surplus energy was rejected in project analysis and arbitrary limits based on the most flimsy data were imposed on construction projects. The net result was an increase in capital expenditures in the order of \$250 million accompanied by a net decrease in power system capability and benefits. The legacy is irreversible. These events were allowed to happen in spite of strong criticism, mostly of a non-political nature. Mr. Speaker, I would repeat that, that the opposition to the plans that were undertaken were to a very large extent of a non-political nature. However the position of the utility management following this debacle was not attractive. They were charged with finding at least \$20 million per year after 1975 to pay off debts incurred and imposed and imposing substantial rate increases for the debt retirement.

It appears that the realization of this predicament by the government tempered by their continual insistence that a transparently unsound development policy rearrangement was in the best interests of the province caused a panic situation which resulted in their approval of the advancement of installation and commitment of energy from another large Nelson River power plant, perhaps on the theory that a long-term sale probably to the United States of a large block of firm energy from this station may help offset the past mistakes. Manitoba Hydro has recently announced that a 15-year sale of 1,000 megawatts or so of generating capacity is planned to the U.S. or Ontario, but it is not known on what basis. It is apparent that capacity expansion beyond the province's need is planned, but it is not obvious whether the purpose is to partially recoup losses, break even or to actually increase revenues. It appears however that regional integration and surplus sales have not received full priority.

The position of the United States or even neighbouring Canadian utilities--when considering the U. S. and perhaps Ontario we should remember our track record with them in power negotiations has not been good--should be carefully considered by the utility before making a final commitment. First of all, those utilities south and west of us have available large coal deposits which can be developed in virtually any size increment and can be operated relatively cheaply, thus a limiting price which we may or may not be aware of is established. Air pollution and waste heat discharge standards which were not a serious problem in these areas anyway have been more or less waived by the United States by Presidential Order. So this factor is no longer a constraint on development by U. S. utilities. Even if the price of 12 to 15 mills per kilowatt hour can be obtained in the face of competing energy sources it may be too low for any long-term sales. Costs of paying off existing developments and costs of new construction may result in a break even position for Manitoba at best. However, the true value of a continuous supply of 1,000 megawatts fed into a system like Northern States Power may in fact be much greater, Mr. Speaker, much greater than 12 to 15 mills per kilowatt hour since at least part of the 1,000 or so megawatts will be retailed out of the Northern States system at a substantial mark-up by that agency. Unless Manitoba can determine a true value it should not commit any block of firm energy.

Secondly, long-term commitments must be evaluated in terms of the cost of accelerating the entire future development and the effects on provincial borrowings. Considering the alternative of marketing surplus energy the larger the system supplied and the stronger the interconnection the less significant the reliability of energy supply becomes and the more significant total energy output becomes. There have been suggestions that this trading of energy and strong interconnections would somehow tend to make Manitoba dependent on its neighbours for electrical energy supply. The fact is that Manitoba is in the unique position of having the only substantial supply of hydraulic energy in midwest North America and thus could achieve a dominant position as an energy trader if a policy of developing a hydro system within the province capable of meeting provincial demand or better still regional Canadian demand for this energy form is followed. The risk in proceeding in this direction and tapping a basically hydraulic system for total available energy at any given time is nil, because capacity to meet the province's needs will have been put in place. Any surplus energy available from the system as a result of variable water flow is thus available for sale or better at the cost of transmission

## SUPPLY - CONCURRENCE

(MR. CRAIK cont'd) . . . . only. Storage and/or thermal capacity must be retained or available to meet the provincial load in times of low flow. The policies now proposed tend instead to make Manitoba dependent on its neighbours, not for supply but for markets. Any capacity put in place in excess of the province's needs immediately places the province in a tenuous bargaining position, given present regional structures, and negates temporarily a great deal of the market which would be available for surplus from a hydraulic system, thereby establishing a greater price differential between a continuous supply and a variable supply of energy. The length of development sequence for this alternative is not appreciably greater than with a firm sale and therefore seems to be of no advantage in committing any firm power to the U.S.

To illustrate the bargaining position further, if Northern State Power realize that they can obtain a continuous supply of 1,000 megawatts at long term wholesale prices, they will be more likely to express immediate interest than they would in the proposition that Manitoba could supply, an interruptable or scheduled surplus energy supply, and would indicate that they are prepared to pay a greater price for the continuous supply. However, the costs to Manitoba of providing a continuous supply are substantial and the net return subject to market pressures. Thus Manitoba stands to lose control of part of its power system and stands to be out-manuevered by U.S. negotiators. This is not to say that Canada should not deal with the U.S. on matters of energy; it is merely an attempt to at this time understand what we are selling so we won't get burned again.

The Federal Government hopefully will recognize its obligations through the National Energy Board to approve international power sale agreements, although the Federal Government has to this point failed to intervene in the development and export of electrical energy in Manitoba - despite, despite, Mr. Speaker, a special obligation to review in detail plans for export in return for Federal financing of transmission facilities in Manitoba, as well an obligation in meeting the overall federal responsibility in approval of international agreements. Mr. Speaker, what I'm saying there specifically is that the National Energy Board has never in the past gone contrary to provincial aims and, Mr. Speaker, have in fact not lived up to their obligations to certain agreements with regards to imposing their rights - and I name particularly here the transmission facilities' agreement with regards to the Nelson River which were overlooked, Mr. Speaker, no less than three years ago.

It would appear that Manitoba Hydro has already fully committed the construction of major power facilities beyond the province's needs and is well along in negotiations with the United States for the export of firm power without any appreciable discussion or disclosure of their plans to the public, the Legislative Assembly or the Manitoba Hydro ratepayers. It is doubtful that the utility can be detoured from this course of action, Mr. Speaker, this reckless course of action. There are no signs that it can elevate itself again to the original concept of Nelson development, that is, to develop a power system economically to meet Manitoba's needs or regional Canadian needs, and to negotiate the short term sale of surplus energy available out of a provincial or regional system to U.S. or other utilities.

Mr. Speaker, those are my comments that I expect will have to be interpreted because many of them are of a technical nature, They are comments, Mr. Speaker, that I think are important to go on the record. Mr. Speaker, I want to say in final summary that what I have said here is that Manitoba has to some extent, a very large extent, painted itself into a corner with regards to a strong negotiating position on the sale of its electrical energy outside of its own borders. That position would have been very much stronger, Mr. Speaker, had the original plan for the Nelson River been followed; had that original plan stayed away from Lake Winnipeg, with the exorbitant costs, Mr. Speaker, the exorbitant costs that are now catching themselves up.

Well, Mr. Speaker, I have sat here and gave what I felt was a fairly serious comment, and out of the total time I have spoken the Minister of Finance, I say, Mr. Speaker, has deliberately kept up his chatter in his usual sly manner to make sure - to make sure, Mr. Speaker, that he didn't have to listen to it nor didn't want to listen to it and was going to make awfully sure that he was able to run interference from anyone else listening to it. Well, Mr. Speaker, I want to put this on record as well because we are getting very familiar with his antics and let's make sure that we know, Mr. Speaker, that these are the antics that he pulls whenever he chooses to do so - so if that's the type of House he wants to conduct that's fine. I've finished Mr. Speaker.

## SUPPLY - CONCURRENCE

MR. SPEAKER: The Honourable Minister of Finance state his matter of privilege.

MR. CHERNIACK: Yes, Mr. Speaker, you have heard the Honourable Member from Riel make a statement about my actions in the House in the last length of time in which he delivered himself of his written oration there. And I would say, Mr. Speaker, that that is a criticism of you in that I have not left my seat and I've been under your jurisdiction throughout the period, and I'm not aware that anyone has called my activities to any attention, possibly because I had no one beside me for any length of time - and just the moment before the honourable member shot off at a tangent, I was being addressed by members of the Liberal Party to whom I responded very quickly I believe. If that he found offensive, he should look behind him and think about the people who circulate around behind him and make as much noise as anybody else in the House.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, as I said earlier we're becoming quite accustomed to the Minister's usual tactics, and I think that they should be documented. However, I understand his good reason for not really wanting to, you know, listen to it. I understand it completely, because he has shown an abject irresponsibility on all the financial matters of Manitoba Hydro ever since he has taken office, whether he's been there continuously or taken his sabbatical during the crucial periods when decisions were being made. I can't say, Mr. Speaker, with any degree of confidence that I might have said when the First Minister first took his Cabinet position that I might, I think, Mr. Speaker, have granted to him a man who has shown great responsibility in opposition, and I think in his profession. I can at this point, Mr. Speaker, say on the experience of the disaster of Manitoba Hydro alone and the requests that are before us, that he has in any way vindicated any trust that may have been placed in him in 1969 when he took his office, and I think he has good reason, Mr. Speaker, to sit and turn a deaf ear to the comments that are made from the benches opposite. I think, Mr. Speaker, that the comments that have been made by other people more qualified than I to judge these things, and I'll refer here specifically to men such as Mr. D. L. Campbell, who have presented their case and history has borne them out; others who outside this House have spoken with greater authority are going to be borne out, particularly with regards to the inability, Mr. Speaker, the unaccountability of the actions of this government in financial matters. And the largest single one, Mr. Speaker, the largest single one, is the inability to look after the best interests of Manitoba from a financial point of view.

I want to finish, Mr. Speaker, my comment by saying that I do not lay at the feet of Manitoba Hydro the blame for the largest mistakes that have been made, Mr. Speaker. I expect that they're trying to work their way out of a very difficult situation at the present time. Some of those people at Manitoba Hydro that are in critical positions may wish to assess their own positions to determine whether their integrity is at stake, Mr. Speaker, in attempting to recoup the losses that have been incurred on them by the decisions of a government following 1969 - aided and abetted, Mr. Speaker, by their chosen guidance, namely Mr. Cass-Beggs, who's no longer here, Mr. Speaker, to answer for the mistakes that were imposed by his decisions.

I want to reiterate again that the First Minister in his statements - saying that the decisions that have been made and the requirements for a rate increase were always in the making, because it was a large project - are not correct. They are misleading; I think that the Manitoba people have been deceived and maybe they will continue to be; I think there is a matter of deception involved. I think that the government has to take the full responsibility for the deviations from the original plan. The plan is not as it was originally conceived, and the First Minister is not correct in saying that what we're experiencing now is what was in the cards from the beginning, that's well documented, Mr. Speaker. But more, even more important - and the question that has to be answered and explained by the government, is why their statements made not even more than twelve months ago were so far wrong; and why their statements made two years ago were so completely wrong; and why they now attempt to hide behind the smokescreen of saying that all of these decisions were in the development scheme from Day One, because they were not, Mr. Speaker. The changes lie entirely at the table of this government. And the increased Hydro rates, which we understand are going to be announced this week, are to a very large measure, Mr. Speaker, a result of the front end loading that was incurred on this entire development project by the period of three years of

## SUPPLY - CONCURRENCE

(MR. CRAIK cont'd) . . . . bungling that went on - and the bad decisions and hasty decisions based on bad information that were made, Mr. Speaker, and which we are now saddled with and almost in a position of never being able to overcome except in the next twenty years.

Mr. Speaker, that's my comments on this matter at this time and I thank . . .

MR. SPEAKER: Order. Order please. The Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Speaker. I'd like to make a few comments on the motion before the House. And once again, Mr. Speaker - the Minister's not in his place - but we find ourselves faced with a bit of distortion of the facts, a little distortion of actually what is going on. We are faced today with a ballot on the feed grains marketing vote, which I'm sure was designed to be misleading to the grain producers of the province. I don't think at any time or any place did the Federal Minister indicate that wheat would be taken out of the Canadian Wheat Board. And the amount of wheat that basically is used and traded in the Province of Manitoba through individuals or through the Manitoba Marketing Board whereby they take their one cent levy, I think is very minimal - and I think that on the ballot, if the Minister wanted to be fair, he could have put "wheat used for feed". Now the accompanying letter does state that this may be the case, but I think the general inference to be gathered from the ballot is that you are voting for the fact that wheat will also be taken out of the Wheat Board. Our party at no time has signified this. We have firmly stood behind the Wheat Board and the marketing of wheat, but we do feel that there should be a freedom of choice in the marketing of our oats and barley, and we feel that there should be a free interprovincial movement of this grain. We don't have to go back too many years to find ourselves in a position, in 1971, whereby there was no quotas practically and where our grain was selling - our barley was selling for roughly 35-40 cents a bushel, our oats for about 20-25 - and to feel that we have to be so hung up on supply-management and control of everything, to me is - just doesn't stack up at all. Our Minister of Agriculture seems to have to be involved in something all the time. First, he was involved in the rape seed vote; he spent full page ads against the producers - I don't know, using the public treasury to do it. Today again, he's off on another tangent. He's - a whole full page ad again - the beef cattle vote, the same thing. And I would hope that he gets the usual results with his promotion on this one, and possibly he'll start using a little common sense and apply himself as a Minister of Agriculture developing markets for our produce and furthering the interest of the farmers instead of working against them.

And a few of the facts that are not known, Mr. Speaker - he seems to infer that if this vote goes - or if the Federal Minister's program goes through, that there will be a major change in the marketing of our grain. I would like to point out, Mr. Speaker, that in 1971, out of 370 million bushels of oats that were marketed, 37 million bushels were marketed through the Canadian Wheat Board and 333 million bushels were outside. In barley I would like to say that there were 550 million bushels of barley marketed in the same year 1971-72. The Canadian Wheat Board handled 289 million, and the remaining 270 million were sold outside of the Board. Now it's indicated by these figures, a great percentage of our grain moving outside of Board jurisdiction now, consequently why is it so important? The second question, if domestic market feed grains are taken away from the Canadian Wheat Board, do you wish a provincial agency, marketing agency, to do the job? Well, the figures that I've just quoted Mr. Speaker, signifies the amount of grain that's being handled - why should we be forming another board? I would like to ask at this time what has the Manitoba Agricultural Marketing Board done? They have collected one cent from every bushel of grain that's been sold; it's provided jobs for a few more hangers-on for the NDP party, and it's served no purpose whatever to further the industry of the livestock feeding in the province.

It's very enlightening to see that we have one member in the front row across the way, and we have no members sitting in the second row. Mind you I realize, Mr. Speaker, that we have no farmers over there and we realize that they have no interest in agriculture; their representation in the House shows why. --(Interjection)--Well, I will say that the Minister of Mines and Resources is very seldom out of his seat, he's very attentive. Maybe we haven't got this much to say, but what we have to say we are going to say it - and if we feel that we have been taken advantage of, which I think that this ballot is out and trying to promote this aim, we certainly will be fighting against it.

Another fact - the Member for Ste. Rose stood up and waved his arms at great length about the beef vote, whereby it was being rushed through - the date on this paper is March 14th,

SUPPLY - CONCURRENCE

(MR. FERGUSON cont'd) . . . . you have to have your answer in by March 29th - where's anyone going to get another chance to present an alternate view? Possibly if the ballot had been fairly worded it wouldn't be necessary, but this ballot certainly takes an awful lot of explanation. I was in a curling rink this morning for about 10 minutes and the comments about this stacked ballot were just - well, the farmers are not going to buy it.

Now, I don't think that I want to say too much more about this, Mr. Speaker, but I do want to give the Minister fair warning that we will certainly be out explaining that this, the market in the feed grains as we see it - and it will be done in as fair a manner as we can do it, and we will not be slamming a position and rushing a vote through like the Minister is trying to do. Thank you.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Is it Ways and Means now? Mr. Speaker, I move, seconded by the Honourable Minister of Mines, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Ways and Means for raising of the Supply to be granted to Her Majesty.

MR. SPEAKER: I'll put the question first.

QUESTION put; MOTION carried and the House resolved itself into a Committee of Ways and Means for raising the Supply to be granted to Her Majesty.

COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: Two resolutions before the House:-

Resolved that towards making good the Supply granted to Her Majesty on account of certain expenses of the public service for the fiscal year ending the 31st day of March, 1975, the sum of \$196,940,950, being 25 percent of the amount of the several items voted for the department as set forth in the main estimates for the fiscal year ending the 31st day of March, 1975, lay before the House at the present session of the Legislature be granted out of the Consolidation Fund. (Passed)

One more resolution. Supplementary Supply:-

Resolved that towards making good certain further sums of money granted to Her Majesty for the public service of the province for the fiscal year ending the 31st day of March, 1974, \$3,482,000 be granted out of the Consolidated Fund. (Passed)

The Committee rise and report. Call in the Speaker.

Mr. Speaker, the Committee of Ways and Means has adopted this resolution, has directed me to report same and asks leave to sit again.

MR. SPEAKER: The Honourable Member for Logan.

IN SESSION

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to move, seconded by the Honourable Member for Rupertsland, that the report of the Committee be received. (Agreed)

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I'd like to move, seconded by the Honourable the Minister of Mines, that the resolutions reported from the Committee of Ways and Means be now read a second time and concurred in. (Agreed)

MR. GREEN: There's another one - there's another one.

MR. SPEAKER: Do you want these read now?

Resolved that towards making good certain further sums of money granted to Her Majesty for the public service of the province for the fiscal year ending 31st day of March, 1974, the sum of \$3,482,000 be granted out of the Consolidated Fund.

Interim Supply: Resolved that towards making good the supply granted to Her Majesty on account of certain expenses of public service for the fiscal year ending the 31st day of March, 1975, the sum of \$196,940,950, being 25 percent of the amount of the several items voted for the department as set forth in the main estimates for the fiscal year ending the 31st day of March, 1975, laid before the House at the present session of the Legislature, be granted out of the Consolidated Fund. (Agreed)

The Honourable Minister of Finance.

## INTRODUCTION OF BILLS

MR. CHERNIACK introduced Bill No. 28, an Act for granting to Her Majesty certain further sums of money for the public service of the province for the fiscal year ending the 31st day of March 1974(2); and Bill No. 34, an Act for granting to Her Majesty certain sums of money for the public service of the province for the fiscal year ending the 31st day of March, 1975. (Agreed)

MR. CHERNIACK: Mr. Speaker, on a matter of Order now, the bills are ready to be distributed, and if honourable members are so inclined, we can go into second reading. On the other hand, if honourable members - or any one of them - wish to withhold leave, then of course it will then stand as notice and appear on the Order Paper. I don't know, is it tomorrow, Mr. Clerk? The second reading would be when, if we don't get the unanimous consent?

MR. CLERK: I'll have it on the Order Paper tomorrow.

MR. CHERNIACK: It would be on the Order Paper tomorrow.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, we'd prefer to go on, as the Minister has indicated, into second reading - and if anything, hold back Capital Supply until after the committee meets tomorrow morning until we have the MDC information.

MR. CHERNIACK presented Bill No. 28, an act for granting to Her Majesty certain further sums of money for the public service of the province for the Fiscal Year ending the 31st day of March, 1974 (2) for second reading.

MOTION presented.

MR. SPEAKER: Right. The Honourable Minister of Finance, because if he doesn't speak now, he'll have given up his right to speak for the first time on the bill, except in closing. The Honourable Minister of Finance.

BILL NO. 28

MR. CHERNIACK: Well, Mr. Speaker, frankly I don't think that it is necessary to deal with this in any length at all. But I did want to draw attention to honourable members of a printing error which appears - now then, we're dealing with Bill 28, I believe - which appears in Bill 28 - I'd like to draw honourable members attention to that. On the second page of Scheuule "A" the departmental number for Colleges and Universities Affairs is printed as Roman Numeral VII - when honourable members will realize that the one before that is also seven - the correct number should be Roman Numeral XVI. Now, I did give a preliminary review of this earlier when I filed Supplementary Supply, and any direct questions that may be asked of me, I can try to deal with them again under Committee of the Whole.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Rock Lake.

MR. ENARSON: Well, Mr. Speaker, I would like to make a few comments in regards to this bill, as it relates to the amounts of money that the Province of Manitoba is spending, and I would like to relate further comments to the Department of Agriculture. My colleague from Gladstone was referring to a recent letter accompanied by a ballot that was sent out to, I would hope, the most eligible farmers allowed to vote. But, Mr. Speaker, I want to deal with this matter first and add on some further details, Mr. Speaker. And I would like to indicate in relating to this questionnaire, I want to say that the Minister of Agriculture has once again demonstrated his capacity to mislead and distort the facts insofar as the farmers of this province are concerned. It seems as though he is not able to handle his own responsibilities here in the Province of Manitoba, but continues to interfere in the areas of federal jurisdiction and I might add that his colleagues in Ottawa are in support of much that is going on insofar as the legislation, as it pertains to farmers in Manitoba and other parts of Canada is concerned.

I want to read some of this, Mr. Speaker, some of the questions here. His latest venture into misinforming farmers as he did on the rape seed issue, Mr. Speaker, is contained in a letter which he sent out to Manitoba farmers asking their support for his views on the marketing of feed grains. There are a list of enactures he's contained in the letter he has sent out to farmers. No. 1: The question, that eastern Canada has traditionally been the largest market for western feed grains. The answer is, Mr. Speaker, the largest market for western feed grains has been in western Canada, and not in eastern Canada. I would like to say, Mr. Speaker, that in regards to this matter there has been some considerable dispute insofar as our marketing's concerned in this province. The Minister of Agriculture has - and by the way, I asked a question today, if he could inform this House as to what organizations that he had



## BILL 28

(MR. EINARSON cont'd) . . . . . approached before he decided to send out this ballot, and the answer he chose to give me, Mr. Speaker, and as far as I was concerned, it was not - the question was not answered, but rather he chose to say that it has been an ongoing process of dialogue between his department and the Department of Agriculture for the last many months. I thought my question was most specific and to the point. And I was referring to a question as related to the ballot that is being sent out. I'm fully aware that he has been in consultation with Mr. Otto Lang and the Minister of Agriculture in Ottawa, and apparently not meeting with much success insofar as his efforts are concerned. And what I wanted to know was, and I think if the Minister is in contact and knows what the farmers are thinking in Manitoba, he does have official farm organizations in this province which he could contact and probably various commodity groups. But in view of the answer he's given me, I took it, Mr. Speaker, that he didn't consult any of the organizations. I just more or less had to accept that. I believe, Mr. Speaker, I'm correct in saying that of the total amount of coarse grains that are produced, only three out of ten bushels are handled through the Wheat Board and some say that it could be even less than that. So what are we so concerned about?

The second question, Mr. Speaker, that involves in this whole matter, if it will be more difficult for the Canadian Wheat Board to estimate the amount of grain available for export at any particular time, and therefore the Canadian Wheat Board will have to be more cautious in making sales commitments. I would like to say in answer to that, Mr. Speaker, that they've always been doing this in spite of the fact that only three out of ten bushels of feed grains are marketed through the Wheat Board. Now, there may be some excuse, but as far as I can gather from the official statistics, this is the case.

My third question - the third question here is the marketing of western grains, both for domestic use and for export, became a national policy in 1949, when the government of Canada asked the governments of the three prairie provinces to pass legislation supporting the Canadian Wheat Board. The legislation referred to was to include oats and barley under the Board, which hitherto had controlled the marketing of wheat only. In the same paragraph it states the legislation is still on the statute books of Manitoba. What he does not state, is that in 1961 the Canadian Wheat Board passed a regulation allowing the sale of off-Board grains. I think this is an important thing to know, Mr. Speaker, and in particular for the farmers of the province, when the Minister is sending out a ballot of this kind. The government of Manitoba conducted a referendum on November 24th, 1951. Actually in question to this, the referendum in question was held in 1948, asking farmers to indicate if they were in favour of including oats and barley under the Canadian Wheat Board. Part 2, Mr. Speaker, of this ballot implies that the Canadian Wheat Board has control of marketing of all feed grains, which is not true. The question, Sir, No. 1, suggests that all wheat, oats and barley are marketed through the Board, which is false. For examples, I want to say, Mr. Speaker, in the crop year 1971 - 72 out of a total of 648 million bushels of wheat marketed in that year, 612 million bushels were marketed through the Canadian Wheat Board, and 71 million bushels were marketed outside the Board. Out of a total of 370 million bushels of oats marketed in 1971 - 72 crop year, 37 million bushels were marketed through the Canadian Wheat Board and 330 million bushels outside the Board. I think, Mr. Speaker, these are figures that would bear out and are very important for the farmers of Manitoba to know before they mark this ballot. I want to carry further, Mr. Speaker. Out of a total of 550 million bushels of barley marketed in 1971 - 72, the Canadian Wheat Board handled 289 million bushels and the remaining 270 million bushels were marketed through the Canadian Wheat Board. I would like to add, Mr. Speaker, question No. 2 is just as misleading because it implies that the Canadian Wheat Board handles all of our domestic market.

My colleague from Gladstone mentioned the fact that the Minister had used the news media to advertise the rapeseed vote. I say, Mr. Speaker, that he has once again used the press to advertise something that he hoped that he would be able to convince the farmers that the Minister of Agriculture knows better than any farmer in the Province of Manitoba. The

(MR. EINARSON cont'd) . . . . question was asked, "what was the cost to the taxpayers to put an ad of this kind in The Co-operator?" Well, Mr. Speaker, he mentioned a hundred or two hundred dollars. I can say, Sir, from my experience in election campaigns knowing recently what it cost to put just a very small ad in one corner of a page, that it would cost at least ten times that in order to get his point across. I want to say, Mr. Speaker, when we're talking about the amounts of money that is being passed through this Legislature that the Minister while taking the method he's using to advertise some things that are going to affect the economic well-being of every family farm in the Province of Manitoba, that I want to suggest to him that he would be better advised before he expends this amount of money on this kind of advertising that he had a closer contact with the people in the rural area.

I want to say, Mr. Speaker, there's another area that has become very contentious and people are wondering - he talks about a stay option in the rural areas of Manitoba. And I've asked questions about the home economists who are now going to lose their jobs some of them in the rural parts. They're going to expand the areas in which they have to serve, and I want to say, Mr. Speaker, that it's going to be a kind of service that's going to deteriorate. I don't know whether the Minister of Agriculture is having trouble with the rest of his colleagues of the front bench in trying to hold his end insofar as his responsibilities are concerned to the rural people of Manitoba, but it would indicate to me that when the Minister of Health talked about the core area of the City of Winnipeg, seemed to me are going to dictate insofar as the services are concerned as they pertain to our home economists. And I want to say, Mr. Speaker, that I speak for the rural parts in this area, because I've had many phone calls, and they are concerned people, of just where are we going when we allow the government or the government is going to take out these services that have been vital and important, because their task has been difficult enough in the past without having to make it more difficult as they are going to do in the future.

I just want to make one other comment, Mr. Speaker, in regard to this whole feed grains issue. The Minister said he's had a dialogue with the federal counterparts, he's been so concerned of the Wheat Board being maintained as a sole marketing agency for our wheat, barley and oats, that I'm wondering just how successful has his Coarse Grains Marketing Commission been operating in Manitoba. I think this is the area which the Minister is more concerned with and wants to camouflage it, Mr. Speaker, by the publicity that he's been trying to get, and has probably attained through the press with his confrontation with the Federal Minister who is responsible for the Wheat Board and also the Minister of Agriculture. I would have thought, Mr. Speaker, had the Minister of Agriculture in this province been doing some vocal thinking on the cattle situation and the prices that the farmers are getting who are selling cattle now and the losses they are taking, this is a more serious matter, Mr. Speaker, I think than worrying about the marketing of our oats and barley, because he has already established the minimum prices they're going to get for their grains, and I think that if he's going to save not only for the farmers of this province, but I want to say, Mr. Speaker, and I can't emphasize too strongly, that the actions that are being perpetrated by the Federal Government and this Minister of Agriculture in Manitoba through his Coarse Grains Commission in Manitoba are going to have a detrimental effect to the city people in all parts of this province. They talk about the high cost of meats right now, but I want to suggest to you, Mr. Speaker, that six months, eight months hence you might look back in Hansard and read when I say that the cost of red meats is going to be a good deal more than it is right now, because of the actions of both governments that they have taken in the past. I suggest, Mr. Speaker, that this is a very important matter and the Minister would have been well advised if he'd had more concern and given some direction to the Minister of Agriculture in Ottawa insofar as trying to solve the serious problem that the cattle producers and the hog producers are facing in the feeding of their livestock. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, I have some very brief comments to make on the second reading of this Act. The comments I have to make arise out of a statement that was made by the Honourable Member for St. Matthews - I'm sorry he isn't here - the other night when he was speaking, when he referred to the city as being to blame for the lack of public housing or the continuing of public housing in the City of Winnipeg area. Mr. Speaker, I, to say the least think that's a very unfair accusation and it's a one-sided accusation and the member should have realized that the city was only asking - when they were working with the government regarding public housing in Manitoba that the city was not to blame for the continuation

## BILL 28

(MR. F. JOHNSTON cont'd) . . . . of public housing nor were they blocking it in any way shape or form as the Member from St. Matthews has said. Really it's another case, Mr. Speaker, of the government and government members believing that everybody's out of step but them and unless you agree 100 percent with what they are doing that you are wrong, and you'll always be wrong, you always were wrong, and it just keeps continuing and continuing. They don't believe that anybody has any experience other than them regarding urban development or subdivisions or anything of that nature. Mr. Speaker, the reasons the city were not in agreement with all the public housing projects that were put forth by the Provincial Government was very simple; as simple as the fact that when you have large housing developments you have to have proper zoning, and if areas are zoned in such a way, Mr. Speaker, that they will have the best land use, requests for changes to zoning usually have to have questions arise as to whether you have enough schools available, whether you have the population density of an area proper. But the government chose to say the reason we don't have more public housing is because the city is blocking it. And the city has every right, every right to ask the Manitoba Public Housing Corporation to abide by the rules and regulations which are laid down by the city. We all well realize that there is a shortage of housing, but you don't accomplish it by just using a strong arm and pushing upon the city what you want and what they might not want.

Mr. Speaker, the Member from St. Matthews chose in his few remarks the other night to blame the city because the public housing was not going right. In fact I don't have it in front of me but I think he used the reference that they were an unfriendly group in this respect, and also that is unfair. They have been given their jobs to do on environment in the City of Winnipeg and that is their responsibility. And it's not unlike, Mr. Speaker, when we had Metro in the City of Winnipeg, when we had Metro and municipalities in the City of Winnipeg, and cities, and the applications for rezoning were to come through to Metro. It wasn't unusual for a city or a municipality to go down and represent themselves before the Metro Government to debate whether this was the proper application for the land or should this be rezoned and more so express the wishes of the people of that area. And this is really what is happening as far as the city is concerned. Rezoning has been applied for in many cases and they are representing the people in the area, they're also representing good development in the area. Now if the government would come forth and say, well you know you're wrong and we're right and prove why, this would be all right. But it is my understanding in even the things I read the government doesn't think they have to prove themselves right, they don't have to do that, they don't have to go through the procedures that everybody else goes through--(Interjection)--That's right. They are right by divine right. And we have found that many of the areas where they have been asked if they've made the studies regarding schools, etc., have not been properly done. They haven't had to do what other people do to have a development.

So, Mr. Speaker, I rose on this debate, this particular one because it was close to when the member made the statement, and say it's an unfair statement and I believe that the reasons for the public housing not moving as fast as it is is the government is seeing some of the error of their ways the way they are doing it, and as usual are trying to find somebody else to blame. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I have a few comments I'd like to put into the record before we pass along Bill No. 28 which grants the government certain sums of money for the public service of the Province of Manitoba.

And I first of all, Mr. Speaker, must express my great concern to this government for having completely overlooked those people who suffered severe flood losses in the Cowan area last year when a petition was duly filed to this government with all their names on there. I think it's been in every Minister's office. I don't know why the government continues to overlook it. It got kicked around and it got kicked around but nevertheless those people suffered that loss at Cowan due to no fault of their own. The run-off from the Duck Mountains was of such a nature that this water came streaming down out of the mountain, I believe it was on the 15th or the 14th of June, and there they were, water up to their knees. The Minister of Agriculture and staff of the Department of Water Control were out there and saw the losses, assessed the losses, took a look at it, they didn't do anything about it. The Cabinet met in Dauphin and the people from the area went there and appealed to the Cabinet to give us a hand, to pay at least part of our compensation for the loss that we have suffered from this flood. And

## BILL 28

(MR. McKENZIE cont'd) . . . . what happened, Mr. Speaker? They get turned down thumbs down, no money at all. And yet here we have the Minister of Finance this afternoon asking for the granting of considerable sums of money. I must express my great concern and regret that somehow when you can afford and find this kind of money for the people of Manitoba, why can't you find it for them all.

I suppose, Mr. Speaker, that the reason is a political one because I happen to be the MLA of those people up there. This government is not considered to be interested in anything that I do or I say or the people that live in the constituency that I represent. And of course those allegations came out loud and clear in the election campaign once the First Minister got on the hustings; we all know what he said about me and the people that I represent.

So with those regrets I would certainly like to put it on to the record that the Honourable Member from Swan River and myself have done everything possible. We've had resolutions passed to the Local Government District, we've had resolutions from the people, we've had a letter from Mr. Whelan, the Minister of Agriculture in Ottawa and said certainly he'd share anything over a million dollars. The Federal Government has never backed down on issues such as that, but this government, Mr. Speaker, never saw fit to even, I suppose, send a letter of "I'm sorry" to those people out there, that were in water up to their knees the night that I was there and I'd . . . the next day but I did go and visit.

The other thing, Mr. Speaker, and I want again the government to be more specific than they have been, as we're facing I daresay one of the heaviest run-offs this coming spring that we have seen for years and years and years. I happened to be in the Duck Mountain area on Sunday and I saw an old trapper there that took a can, filled it with snow, melted it down, it's almost one-third water, the snow, the water content that's in the snow in that general area I can't vouch for all the province having that count of water but even half as much as that, that's going to be a tremendous run-off. So we're going to have all kinds of people that are going to be flooded, and I certainly hope that the Minister or the government will stand up real quick and give us some answers to the many questions that have been raised already about flooding because we're going to have all kinds of water. Are you going to flood the people downstream? Are they going to be flooded on the Assiniboine? And if you are, what preparations are you making? Are the sandbags in there? Is the equipment ready to go? What's going to happen again to these people at Cowan again? Are they going to be flooded again? Have you got the equipment ready? Are you in there and diking? Has anything been done to dike those rivers or dam those rivers from last year?

Mr. Speaker, I suspect nothing, and yet the government is asking for the expenditures of these sums of money and, Mr. Speaker, as long as I've been in the Legislature I've never voted against a measure of this nature as long as the government looks after all the people of the province. So with great regret I find it very difficult to support a government when they ask for moneys but are not prepared to look after all the people. So I hope, Mr. Speaker, that in the next few days - and we may not have many days - that we are going to get some specific answers what this government's going to do about the heavy run-off that inevitably we're going to have it. Are you prepared to meet the challenges and the tragedy that is likely going to happen, or are you just going to sit back and do like you did at Cowan last year: let the people walk around in the water, let them pay their own compensation, and that's the end result? We had an example of that on the Assiniboine below the Shellmouth Dam, twice now that those people have been flooded - no compensation of any kind. Lots of letters, lots of people running back and forth, but nobody put anybody in anybody's pocket.

I'm wondering also, Mr. Speaker, if the government has alerted the people of this province to get their grain to market and sent out those kind of directions and tell them what to expect.

The other point, Mr. Speaker, in this motion, resolution, is the one that I can't understand a government such as this government, Skinner's Nursery - Skinner's Nursery. The Minister of Autopac doesn't even know it exists and that shows the knowledge of the average Minister of the crown that they've got over there. There's a man that's an honorary Doctor of Laws of practically every university in the northern hemisphere, Dr. Skinner, the late Dr. Skinner and the Minister of Autopac shakes his head in amazement - he never heard of him, never heard of him.--(Interjection)--Well, Mr. Speaker, he has now since I've drawn it to his attention, but as I spoke he didn't. But nevertheless, this government has been given an

## BILL 28

(MR. McKENZIE cont'd) . . . . opportunity, Mr. Speaker, the nursery is there, the man is an honorary Doctor of Laws of almost every university in the northern hemisphere for the plants that he's been able to breed and grow right on that nursery. And so they made an application to this government to try and continue to keep the nursery there with the stay option plan that the Minister of Agriculture has always been talking about, and man, if you want stay options, there is the place for you. You can employ, 30, 40 people. It grows all the shrubs, the trees are all there - everything's there. All they want is the government to give them a little encouragement to keep the nursery open, and you know what happens, Mr. Speaker? The Minister of Agriculture moves it on over, I think the Minister of Tourism got it; he got it. Then it went over to another Minister, then I think the First Minister had it. I think four or five Ministers have had a look at that since they took office in 1969.

MR. SHERMAN: It's like a contagious disease, Wally.

MR. McKENZIE: At least that many have had a look at it. Thumbs down. Thumbs down. And yet on the other hand, they talk about stay options. There's a chance to keep one of the real interesting archives of rural Manitoba in this province and keep it there forever. It took Dr. Skinner the better part of a lifetime to build it and it's there. Well why not let's keep it? Why not practice what you preach - the stay option policy. Why don't you practice it and put some money up and help the family . . .

MR. SPEAKER: Order please.

MR. McKENZIE: Certainly he'll sell. We could keep part of it in his honour; we could build the arboretum which they're talking about and which they presented to you in your brief. That arboretum could be build for next to nothing, because the trees, the shrubs, it's all there. Mr. Speaker, they can't see that far with their stay option policy. No they can't. It's the same with their no-fault principle in Autopac. Man, that's another - that's a real good one, stay option, you know, and no-fault. Two beautiful coined words that they--I'd like the Minister, when we do get around to discussing his . . . I think I'll give him 200 examples where the no-fault principles should apply. I wrote him one today and I wrote him one the other day, supposedly. No fault in insurance in this province? Mr. Speaker, that's a laugh. That's a dream. The same thing with their stay option in Agriculture.

So, Mr. Speaker, I'm very unhappy with the way the government has handled the matter of Skinner's Nursery. They have turned it flat down - not up, down. They don't see no sense in developing that nursery or keep it there, so I don't know what's likely going to happen. I imagine the whole thing will likely be ploughed down. I would hope that the government would show more knowledge about a man honoured around the world, Dr. Skinner, as I said earlier who holds this honorary degree in Doctors of Law at most universities in the northern hemisphere, born in this province, built that nursery in this province. There it sits, and the government turns their back up, their thumbs down, the Premier goes out and tells the people, because McKenzie is the MLA we're not going to spend no money out here. The same with my friends at Cowan who were flooded last year, flooded, and the reports are all here. I've got the copies of the letters. They turned it down.

So, Mr. Speaker, with great regret I raise these comments in the House this afternoon because I think that the government is being very unfair to those people that I raise - there may be others but there's two specific examples of cases where taxpayers' money could have been spent and spent well, and you'd have got a great return and it wouldn't have cost that kind of money.

MR. SPEAKER: The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Thank you, Mr. Speaker. I'd like to make a few comments at this time and I'm quite surprised that the government, particularly with the number of urban seats that the government holds, and if I was a backbencher, particularly an urban constituent backbencher of the government, I'd be pretty sore at this time. When you look at the estimates that we are approving, or the quarter estimates, when you look at the final figures for such things as transportation grants, under Highways for cities and towns and villages, they're up 7 percent yet the over-all estimates for the province are up in the order of 12-1/2 percent, yet in the very area where the population is growing and expanding and people are coming in from the rural areas, where we have the problems with transportation costs and the maintenance of villages and towns, they can only find 7 percent. Yet, on the other hand, they don't seem to have any trouble finding \$1.25 million for a company that creates two jobs in the

## BILL 28

(MR. MINAKER cont'd) . . . . City of Winnipeg. So if I was a backbencher on that side I'd be very concerned, and being a representative of an urban constituency I'm very concerned, because it looks like the statement I made many years ago when I remember the Minister of Finance, who was then the Minister of Urban Affairs, in the Civic Centre in St. James, telling us how good the new city concept was going to be for the city at large, he made the statement it would not be more efficient, but he said how good it would be, and at that time I said that it was the biggest snow job that had ever hit the City of Winnipeg since the March 1966 blizzard, and now it's coming home to light. Not only that, but if you look under the Urban Affairs Department, the transition grants are down 40 percent for the City of Winnipeg, and it's beyond me how one can establish when a transition grant ends and when it begins. We have a situation in the City of Winnipeg at the present time where we're still trying to have the amalgamation of the police force, one of the main services of this city, and at the same time the transition grants are ending.

MR. CHERNIACK: Mr. Speaker, just on a point of order . . .

MR. SPEAKER: The Honourable Minister of Finance state his point of order.

MR. CHERNIACK: I'm wondering what bill the honourable member is speaking to. I think we are on Bill 28. I'm wondering whether he's speaking on 34.

MR. SPEAKER: The Honourable Member for St. James.

MR. MINAKER: We're talking on Bill 28. Anyways, Mr. Speaker, then one starts to wonder what the thinking of this particular government is, particularly with the people in urban areas in the towns and in the villages, and they have their famous tax credit plan which they keep talking about, of giving back the money to the people. Yet one starts to wonder just what the government is trying to do, because when you look at the Urban Affairs Department or you look at the areas of estimates for the people living in the cities, they are diminishing or they are not keeping up with the over-all estimates for the rest of the province. So if I was a city member or an urban representative on the government side, I would start asking questions and I'd ask them pretty quick, to find out from my colleagues, what are they doing? What are they trying to prove?

It would appear, Mr. Speaker, that they are trying to starve out the urban dweller. This is what it would appear to be. Weaken him, weaken that urban government so that they will come with their hands open and then we will be able to dictate to them what they can do. One of the members in the back row, on the opposite side, Mr. Speaker, said the government's been doing that for years. I can vouch for that as a member of the City Council for six years and particularly in the last three years, that the government had been doing it for years, for the last three years.

No, Mr. Speaker, I sometimes wonder if the government really wants people to own homes, particularly in the urban areas, because they keep bringing back that tax credit plan, but the funny part is in the area I represent, when the tax credit plan was given back it didn't make a hill of beans difference because the taxes still had gone up, so I suggested we should be looking at reviewing those estimates for the urban areas and take another look, particularly the members on the government side who represent these areas. I would think you're going to have some answers to give to your constituents because surely, I know I will have some explaining to do why we can't get more money for the people in the towns and in the villages, and it surely does not keep up with the estimates and it surely does not keep up with the amounts of revenues that will be coming in from the various gross taxes that the government will inherit this year, particularly in this inflationary time. And with those few comments, Mr. Speaker, I hope that the backbenchers on the government side who represent the urban constituencies will talk to their fellow colleagues to see and find out what the intention of the government is, particularly for urban areas.

MR. SPEAKER: The Honourable Member for St. Matthews.

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, I had no intention of talking in this particular debate but the Honourable Member for Sturgeon Creek made some statements that I found it necessary to respond to.

I really am puzzled by the Honourable Member for Sturgeon Creek at times. He is a man who generally likes to stand up and shout to the rooftops about what he stands for, and he's generally a man who doesn't stand for deception, for subterfuge, he likes to hit from the shoulder and so on, but now he stands up as an apologist for the City of Winnipeg and for the

## BILL 28

(MR. JOHANNSON cont'd) . . . . systematic procedure they have used over the past few years in destroying our public housing program in the City of Winnipeg. You know, I could understand if the member would say that he opposes public housing and that he would defend their position on that basis, but he's saying that the city isn't--I didn't catch his earlier comments but I gather he was saying that the city wasn't responsible for stopping our public housing program, it was the province that was responsible. And I don't want to mislead, I hope I am interpreting him properly.

Now I find that really incredible, really incredible. In 1971 we carried out a vast public housing program including family housing and senior citizens housing - about two-thirds of it was senior citizens housing - and the total number of units we started on was about 4,270 in 1971. Now suddenly in 1972 and '73 we couldn't build a damn thing for family housing in the City of Winnipeg, and you're saying that we are responsible? That it just wasn't built because we didn't want to build it? Mr. Speaker, that's just so much garbage. That housing, which is desperately needed, the Member for Fort Rouge is now pointing out the need for that housing. That housing would have been built if it were not for the deliberate destruction of that family housing program by the City Council. And, Mr. Speaker, Mr. Speaker, we planned, together with CMHC, to build probably 3,000 units of family housing in the City of Winnipeg over those two years, roughly 3,000--I'm not sure of the figures but that's an approximation. Those 3,000 units would have provided housing for 3,000 low income families. Those 3,000 units would have created vacancies in other housing that could be used by other low income families. Those 3,000 units would have had an effect of decreasing, to some extent, the upward pressures on housing that were forcing rents and prices of housing up.

Now, Mr. Speaker, we wanted to build that housing - there's no question about that. The reason that housing was not built was because of systematic opposition by the City of Winnipeg. Now what's the result? The result is that roughly 3,000 units weren't built. If we were to try to build those 3,000 units today, we'd have to build them in a market where material costs, land costs, interest costs are all up. It would cost us probably 15 or 25 million dollars more today to build those houses than it would have cost us a year or two ago, and that is to the credit of the City of Winnipeg. And how did they do it, Mr. Speaker? How did the City of Winnipeg succeed in doing this? Did they do it by open opposition which would--you know, I could give them at least a little bit of credit if they had been willing to stand up and openly oppose our program, but they didn't do that. They didn't even have the guts and the courage to openly oppose our program. They did it by a system of subterfuge, by a system of delay, by a system of doing nothing, and you can't build in the City of Winnipeg, really, without the co-operation of the city and the result was, without that co-operation we didn't get that family housing built.

Now, Mr. Speaker, you know, the province did make an effort to co-operate with the city and approaches were made to the city when the new government was coming into being, and the Minister for Mines knows this very well, because he was the Minister at that time of Urban Affairs and he was involved in the whole procedure. We held a meeting, a meeting was held with representatives of the city, the Mines Minister and representatives of MHRC on January 14th, and the purpose of the meeting was to outline a joint approach on housing policy, a joint approach by the city and the province, and I'm quoting here from a report made on that meeting by Earl Levin, who was at that time the City Planning Director, and at that meeting Mr. Green and the manager of MHRC indicated that they would be prepared to consider an arrangement whereby the city would formulate--now listen to this--the city would formulate the housing program and select the locations for housing projects. The Honourable Member for Sturgeon Creek was just telling us that MHRC wasn't abiding by its proper zoning requirements. Here we offered them the right to formulate the housing policy and select the sites.

MR. WALDING: What do they do?

MR. JOHANNSON: Yes. And we agreed that we would then proceed to build on those sites, going by city guidelines, and we would manage them within the context of a general policy, jointly decided upon. The city councillors at that meeting indicated that this arrangement would be acceptable to the city. The city councillors indicated it would be acceptable. The report also indicated that the province was concerned, the province was concerned that the indicated program would have the kind of volume that the province wanted. For 1972 the province wanted to build about 1,850 units in the city. We wanted to maintain this volume and we were concerned with timing so that this volume would be built. Do you know what happened

## BILL 28

(MR. JOHANNSON cont'd) . . . . after that, Mr. Speaker? Nothing. Virtually nothing. The city delayed and it delayed and it delayed through various techniques, and nothing happened. Nothing was built in the way of family housing for 1972, virtually nothing for '73. And why? Well, the reason is obvious. Because the city didn't want it to be built.

The member indicated that MHRC projects weren't meeting zoning requirements. There was a project in Tuxedo, Mr. Speaker, on Doncaster, involving--this is one component of a planned building group involving 34 condominium units. Now, Mr. Speaker, condominium units aren't public housing, they're privately owned. Do you know what happened, Mr. Speaker? That condominium had been cleared by city zoning, had cleared city zoning requirements, and yet the permit wasn't issued by the city and the permit issue went to Environment Committee, I believe, it went to the Community Committee, and it never, it never received approval for a very long time. That condominium project still hasn't been built. And when it is built - and by the way, the design is beautiful, it's a beautiful project - when it's eventually built it's going to be a nice project but it's going to cost us a great deal more and it's going to cost the people who buy those units a great deal more because of the City of Winnipeg.

Now, Mr. Speaker, this is what has happened with this program. The Mines Minister is fully aware because he's been involved in some of the attempted negotiations with the City of Winnipeg, and if this sort of thing goes on, the low income people in this city are going to continue to suffer the problems they're presently suffering, and the opposition, the friends of the opposition on the City of Winnipeg Council, will be the people who are to blame.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. In entering into this debate I do so simply because I think that thus far on this issue of housing, which I would say to begin with I'm interested it has appeared this way, nothing is more dangerous than to deal in half truths, and that's been the trouble with the debate so far, that we haven't really been assessing a serious and important problem in terms of the full evaluation on all the factors and instead have become--it's become more about two kids yelling at each other as to who is to blame that it didn't happen. I think that is no way to develop a housing policy, to start laying blame on whether it's the city or whether it's the province is to blame. The fact of the matter is that the real issue is that we're not building sufficient quantities of low income housing in either the family or the senior citizens group to properly supply needs, and I don't think it does anybody any good to engage in this kind of acrimony when in fact the problem is still there and there is no solution being provided. So let's deal with some of these truths.

To begin with, the problem of not being able to build public housing, particularly in suburban areas, is not an exclusive problem in the City of Winnipeg. It is occurring in almost every single city in North America. And so to be able to point out that somehow it's these guys who are wrong or those guys, what you're simply pointing out that there are underlying and basic, sort of human, social and economic reactions to the existence of public housing, some of which is built on proper economic analysis - and in this case the Member from Sturgeon Creek has a half truth in his analysis, because there is a concern in many of the suburban municipalities and there was, about the added costs that would be encountered as a result of bringing in large numbers of families with a large number of school children, and the kinds of costs they may incur and the way it would affect property taxes in this area. But that is not the only truth because also part of the truth is that there is just some--always has been and will continue to be some implicit and explicit biases against the existence of public housing. That's also part of the reason, and I don't think that we're in a position here in this Chamber to delve into the psychology as to why that kind of prejudice arises. But unquestionably it does, and it has occurred in this city as it has occurred in every other city. I don't think that there is any public housing program that hasn't encountered that.

MR. JOHANNSON: Will the honourable member permit a question?

MR. AXWORTHY: Sure.

MR. SPEAKER: The Honourable Member for St. Matthews.

MR. JOHANNSON: Yes. There are also in the City of Winnipeg poor people, for example, who are on welfare, scattered throughout areas of private housing. Would the honourable member not admit that in each of these areas totally--well this relates to the question about bias or animosity towards public housing projects--wouldn't the member admit that within these areas totally of private housing there is a bias towards any person on welfare who happens to be located within the neighbourhood?



## BILL 28

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: No, Mr. Speaker, that is not exactly true. There may be individual biases but I think - and if the Minister is interested we could add to his reading load for the week by giving him studies that have been done in the City of Winnipeg and in other cities, which indicate that particularly when you build large family projects, usually on the order of 150 units or above, immediately you create very significant divisions and very significant chasms in the community that it goes - it begins on the local level where there becomes a kind of a projectitis approach, that somehow you begin to divide the community into rich or poor, that you begin developing -- and it's not the fault of the people who live there, it becomes part of the social division that occurs, and it's perhaps the most damaging areas where it has occurred. The Member would only have to speak to his Premier who has in his own constituency, is in the schools themselves, when you have in the schools of Winnipeg and in . . . people who say, "Those are public housing kids and those are the other kids," so that the kind of division occurs right across the board.

Now my point that I'm trying to make is that we should take recognition of the existence of that kind of problem, and it is certainly I guess improper to rail against human frailty and rail against human emotion, but by simply condemning it you're not going to end it. And the question is this: that if in fact that kind of opposition existed, then it is only legitimate for city councillors who represent those areas to express the concerns to their own constituency. That's what a system of government is all about. And I think that a councillor of city government would be remiss if in fact he was not responsible for properly expressing the widespread concerns which have occurred in large number in many areas in the City of Winnipeg. You can't somehow dismiss them and say, well, it's the councillors who are being at fault. In many cases the councillors are just doing their job just the same way as we're supposed to do our job. And that is to represent the concerns of people. And whether you or I or the members consider those concerns to be legitimate, I think it is very obvious that they do exist and have existed and will continue to exist.

Now the concern that I have is that this provincial government made no effort whatsoever to take account of those concerns, that opposition, and to find alternative solutions or other kinds of answers to the problems. That is the real problem, that the kind of thing that is now happening where for example in the Province of Ontario, where they recognize that there is a specific problem related to the development of public housing, they recognize that that is not the only way to supply low income housing or low cost housing, that there are other alternatives, there are other financial mechanisms, there are other ways of doing it, and that those should be legitimately tried so that the program would not come to a grinding halt as it has.

Now let me point out another factor. When you say it's the City of Winnipeg's fault, well I have to question, for goodness' sake now, why has the program in rural Manitoba declined so radically? I mean, let's even assume for a minute that you're right - and I don't think you are . . . Why all of a sudden have we stopped building housing in rural Manitoba? Because we have. Because the total number of units built last year by Manitoba Housing is less than 600 units, of which most of them are senior citizens units and which most of them are outside the City of Winnipeg. Well, that happens to be true and I've asked several times in this House to get that document and we've asked the Minister responsible for housing to come forward with his report, and we've asked to sort of get some information, which so far we haven't received, so if I'm wrong then show me. That's all I want. Show me. Just give us information because we've been asking for it.

Now the other thing we asked for, and I think this is a very important point, you claim - pardon me, the Member for St. Matthews claims and I've heard the Premier claim the same thing, that the City of Winnipeg has deliberately held up a number of applications for zoning variations or for subdivision agreements or for development agreements on different respects. The fact of the matter is - and again I stand to be corrected and I would like to be corrected, because we again have asked for information. How much land does the province now have which is fully registered and fully titled and available for the building of low income housing inside the City of Winnipeg and properly zoned? Because it's an indication that they do have land that they could build upon right now if they wanted to. Now if I'm wrong, again, we asked in this House two and a half weeks ago for the information as to which land does the Province

## BILL 28

(MR. AXWORTHY cont'd) . . . of Manitoba, has it acquired in the last two years? What is going to be done on that land? How much did you pay for it, and what kind of legal status does it have?

MR. GREEN: . . . if the honourable member will permit me a question.

MR. AXWORTHY: Certainly.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Would the honourable member consider it legitimate for the City of Winnipeg to stop housing on land held by the province which is properly zoned?

MR. AXWORTHY: Mr. Speaker, I don't know if the Minister and I read the same City of Winnipeg Act, but under that Act if any developer, including the province, is able to properly be within the laws and the bylaws of the City of Winnipeg as set out, no one can stop him from building.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Would he then consider it an impediment to the province for the City of Winnipeg to tell the province that we should not build public housing even in areas where it is properly zoned if the other residents object?

MR. AXWORTHY: Well, to come back to reply. It is certainly totally within the rights of the City of Winnipeg to give you that advice and to tell you that. They have every right to do that because they're a legitimate government. Now whether you take their advice or listen to them is your own business because legally you can go ahead. If you wanted to you could go ahead. So --(Interjection)-- Well the point is you asked me the question, you got an answer. Legally you can go ahead. There is nothing there to stop you. Now if you want to show the, if as a responsible government you show your responsibility by listening to the concerns of the City of Winnipeg, then I give you some credit for that. But again let's come back to the major point that should be in this debate, the fact is that it serves no one in any way for the Province of Manitoba to dig its heels in on one side of a case and the City of Winnipeg to dig its heels in on the other side of the said case, because the only people who suffer are the people who need housing. And it is no good to be petulant or to say it's someone else's fault or to lay the blame on some other authority, when the fact of the matter is that real alternatives are available, there are other financial mechanisms and arrangements and forms of housing and forms of tenure of housing, that this province could have introduced, and that is the kind of thing that we should have had happening. And he might even say, Well look; eventually we've got to convince the City of Winnipeg and the citizens of the city of the rightness of the cause of public housing. But that may take some time. You don't change sort of basic inbred feelings overnight, but in the meantime why weren't you doing something else? Why weren't you finding other alternatives? Why weren't you experimenting, using the supplement system, using the non-profit system, using the co-op system, finding other ways of putting up volume of housing in the City of Winnipeg so that the people who shouldn't be suffering when they were suffering now, wouldn't simply be caught between the kind of conflict between the Minister responsible for housing and his officials. And I would like to point out, by the way, before we end the hour, that the Member from St. Matthews put the onus upon City of Winnipeg officials. I would ask him seriously to examine the behaviour and attitude of some of the officials of the Province of Manitoba in their dealings with the city, because in some occasions and in many occasions, they did not exactly approach the issue with all the sweetness and light that could have been brought to bear, because they approached it with an . . . and an aggressiveness and in many cases as a total . . . that who was wrong? It was the other guys who were wrong because we're right, which comes back to a fundamental attitude that affects this government throughout.

MR. SPEAKER: Order please. The honourable member will have an opportunity to continue later. The hour being 5:30, I am now leaving the Chair to return at 8:00 o'clock.