

TIME: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

**MR. SPEAKER, Honourable Peter Fox (Kildonan):** Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 10 students, Grades 11 and 12 standing, of the St. Pierre School. These students are from the constituency of the Honourable Member for Emerson. On behalf of the honourable members, we wish you welcome.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

### MINISTERIAL STATEMENTS AND TBLING OF REPORTS

**MR. SPEAKER:** The Honourable First Minister.

**HONOURABLE EDWARD SCHREYER, Premier (Rossmere):** Mr. Speaker, I have here for tabling, although it is not under the general heading of a statement, merely for the information of the House and honourable members, five copies of the consolidated *communiqués* that were issued from **The Western Premiers Conference**.

**MR. SPEAKER:** Any other Ministerial Statements? The Honourable Minister for Mines.

**HONOURABLE SIDNEY GREEN (Inkster):** Mr. Speaker, I was asked last week about the report of the Clean Environment Commission; I indicated that I had not yet received it. At that time I had received, the day before I indicated it, it was in my mail, two copies of the Clean Environment Commission report. To table it now would mean there would be one copy on the table of the House, so I thought I would wait until there were printed copies available.

**MR. SPEAKER:** Notices of Motion; Introduction of Bills.

### ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Member for River Heights.

**MR. SIDNEY SPIVAK:** Mr. Speaker, my question is to the First Minister; it's with reference to the Western Premiers Conference. Either in the *communiqué* itself — and I haven't seen it — or after the *communiqué* was presented, information was provided that there was an interprovincial report prepared for the Western Premiers, which was the basis for certain conclusions which were referred to by the four Western Premiers. I wonder if the Premier will indicate whether that interprovincial report will be available to members of this Legislature.

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** It could be, Mr. Speaker, by way of tabling of say four or five copies and I will endeavour to do so tomorrow or sometime this week.

**MR. SPIVAK:** Mr. Speaker, I wonder if the First Minister could indicate whether he sees any contradiction between his essential position as a federalist and the positions of the four premiers with respect to central Canada and its usurping of provincial powers.

**MR. SCHREYER:** Admittedly, Mr. Speaker, there is some difference of view. It is not total, it is a matter of degree and that is why the Honourable Member for River Heights will see when he peruses the full report that with respect to a number of issues of alleged federal intrusion Manitoba does not join party with the others.

**MR. SPIVAK:** Mr. Speaker, I wonder if the First Minister is in a position to indicate who from Manitoba prepared the information for the interprovincial report, or acted on the task force that was prepared. This was, I assume, not the Ministers, but those officials representing the Ministers. I would want to know who prepared it or who, at least, consolidated the information that was provided.

**MR. SCHREYER:** Mr. Speaker, I could not give specific names just off-hand, but I could indicate in a general way that there were two, possibly three, representing, from staff, from the Department of Finance and the planning priorities, and this after some discussion with myself, and this after some discussion among colleagues.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. LLOYD AXWORTHY:** Mr. Speaker, a question of the First Minister on the same topic. In that *communiqué* it was indicated that the premiers were proposing a number of changes in the constitution and proposals they would be making to reorganize the arrangements in confederation. Can the First Minister indicate more specifically what those proposals will be and which areas the Western Premiers discussed as being subject to those kinds of Western representations on constitutional change?

**MR. SCHREYER:** Well, it is not possible to be too specific, Mr. Speaker. The general tone of what was being said was that the Western Premiers acknowledge that there may well be justification for some change with respect to the division of jurisdiction within Canada because possibly such change may have a beneficial effect with respect to solving some of the problems relative to Quebec

and Confederation but there was no possibility of agreeing specifically what those possible changes might be. Or to put it another way, Sir, we did not want to leave the impression that we were rigidly wed to the existing terms of the British North America Act and that if some changes could be made which would not in any way paralyze or impinge upon the Government of Canada's ability to manage the economy of Canada counter-cyclically and to deal effectively with energy, energy conservation, energy price, at the same time, however, some changes that would make it possible for Quebec to feel somewhat less threatened than, of course, why not?

**MR. AXWORTHY:** A supplementary, Mr. Speaker. Can the First Minister indicate what the next step is in the Western premiers developing these proposals? Do they arrange to establish any special form where they will bring together the different governments in the Western provinces to examine what these proposed changes might be and work them out in more detail and then submit them to the Federal Government and, if so, can he indicate whether there will be an opportunity in this House to have a debate or discussion concerning those proposed changes so that there can be a wider reflection of points of view and interest in the province before such a deliberation is made?

**MR. SCHREYER:** Well, Mr. Speaker, the sequence that is intended is roughly as follows, that there will be follow-up on the part of representatives of the four provinces with respect to further refining of the report that has been referred to by the Member for River Heights and the Member for Fort Rouge and that this will be taking place in the course of the next two or three months and that this will then, in turn, relate to the agenda that will be dealt with at the National Premiers' Conference in Fredericton in August.

**MR. AXWORTHY:** A supplementary, Mr. Speaker. Can the First Minister indicate in the latter part of my question whether he intends, or the government intends, to put forward a position paper for consideration by this House to engage in some exchange or debate concerning what the relative proposals might be and what the full sense of the representation of the province is considering that the government doesn't represent the total province but only a portion thereof?

**MR. SCHREYER:** Well, Mr. Speaker, I didn't understand the honourable member's last reference but, in any case, whether I understood the last reference or not, the position of Manitoba, I think, is already fairly well known. We are not in opposition to specific discussions with respect to possible changes in division of powers but we have always placed the caveat that for Manitoba to agree to any changes in the British North America Act through related constitutional articles, it would have to be demonstrable that those changes would not intrude or impinge, in turn, on the Government of Canada's ability to manage the economy counter-cyclically and to manage energy policy for the benefit of Canadians everywhere, not just in one or two regions of the country.

**MR. SPEAKER:** The Honourable Member for Fort Rouge. Final question.

**MR. AXWORTHY:** Thank you, Mr. Speaker, I would just then ask the Minister if, in the discussions with the First Premiers, in addition to developing proposals relating to the jurisdictions and the balance of powers between Federal and Provincial Governments, whether there was any discussion on proposed changes relating to the political representation of the different regions and whether there would be any proposed amendments to the organization of the Senate or other bodies to provide for greater regional representation in the Federal Government, in this area.

**MR. SCHREYER:** Mr. Speaker, the honourable member could be referring only to that grand institution known as the Senate, and if that's what he is referring to then I say to him *de minimus non curat lex*, which means, Sir, that this Legislature does not concern itself with trifles.

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. WARNER H. JORGENSEN:** Mr. Speaker, on Friday the House Leader announced the schedules for committee meetings on Tuesday and Thursday. He also announced that on Thursday the Communities Economic Development Fund would be appearing before the committee and suggested at that time that today he would be announcing what would be appearing before the committee on Tuesday. I wonder if he could now make that announcement.

**MR. SPEAKER:** The Honourable House Leader.

**MR. GREEN:** Mr. Speaker, I wish my honourable friend would not ask embarrassing questions. I had hoped, Mr. Speaker, that I would be able to get one of the other of the Crown corporations to appear before committee tomorrow but I have pretty well canvassed the lot and it's just not possible. So we will not be able to meet tomorrow morning and therefore I would like the meeting tomorrow morning cancelled. I will try to see to it that this doesn't happen again, that from now on we will have continuous meetings and maybe when we meet evenings they will hold the committee meetings in the evening, which is what proved to be so effective in previous years.

**MR. SPEAKER:** In line with embarrassing questions. Before we proceed I should like to indicate to honourable members that the supply motion has been left off the Orders of the Day. It was unintentional but it did occur and we can only say that it happened because of a printing mistake, but it is part of the Orders of the Day. The Honourable Member for Portage la Prairie.

**MR. GORDON E. JOHNSTON:** Mr. Speaker, I direct this question to the Honourable the Minister for Health. Is the Minister aware of the fact that the Faculty of Medicine is reducing their first year

student intake from 100 down to 90? And the other part of the question is: Is the Minister satisfied with the numbers and locations of the medical doctors throughout the province?

**MR. SPEAKER:** The Honourable Minister for Health.

**HONOURABLE LAURENT L. DESJARDINS (St. Boniface):** Mr. Speaker, the first question, yes, I am aware. The second question, we have had a committee on medical manpower that is sitting right now and it came as a surprise to me that this was reduced. I was awaiting the result of that committee that will deal with, amongst other things, the size of the college and the need of graduates and so on. So I couldn't comment on this at this time. I would want to wait until this report comes out.

**MR. G. JOHNSTON:** Another question to the Minister, Mr. Speaker. While the Minister is obtaining that information, could he also find out the answer to this question: How many students in Pre-Med are from Winnipeg and how many students are from urban Manitoba, and also how many foreign students are in Pre-Med courses?

**MR. DESJARDINS:** Yes, I'm sure that all this information will be coming when we get the final report because this is one of the areas that we were concerned with and we have asked them to look at it. The terms of reference are quite broad.

**MR. SPEAKER:** The Honourable Member for Roblin.

**MR. J. WALLY MCKENZIE:** Mr. Speaker, I have a question to the Honourable Minister of Highways. I wonder can the Minister advise the House of the present policy of the government re the maintenance of the public roads across the province. In other words, are these public roads maintained once a week, twice a month, or three times a month?

**MR. SPEAKER:** The Honourable Minister for Highways.

**HONOURABLE PETER BURTONIAK (Dauphin):** Well, Mr. Speaker, the policy of the Department of Highways and the government of the Province of Manitoba has not changed; it has been that way for a number of years now where the maintenance is applied whenever it is necessary to do so.

**MR. MCKENZIE:** I wonder, Mr. Speaker, can the Minister advise the House if we can expect any change in policy during this, an election year.

**MR. SPEAKER:** The Honourable Member for Assiniboia.

**MR. STEVE PATRICK:** Mr. Speaker, I have a question for the Honourable Minister of Industry and Commerce. The Minister announced small business grants for employment of extra staff, I believe last week. That's under the Job Creation Program where half of the salary for one extra employee will be paid by the government for any small businesses hiring extra staff under the Job Creation Program. Can the Minister tell the House or reply as to where can the business community apply for this grant, and how quickly is it available. Can they apply now, because I've had some response over the weekend from some people, and perhaps the Minister can indicate to the House — where can the people apply?

**MR. SPEAKER:** The Honourable Minister of Industry and Commerce.

**HONOURABLE LEONARD S. EVANS (Brandon East):** Yes, Mr. Speaker, the forms are now being printed. The application forms I trust will be available in a matter of days. There will be further announcements and advertisements in the media indicating to the business community, the business sector, where and how to apply, but in the meantime, I would invite them to phone the Department of Industry and Commerce for information. Unfortunately the forms will not be ready for a couple of days yet, but they might phone the Department of Industry and Commerce.

**MR. PATRICK:** One more supplementary, Mr. Speaker, to the Minister. Can the Minister indicate if each business is only entitled to hire one extra staff to get the grant or can they hire more?

**MR. EVANS:** Yes, Mr. Speaker, the rule is that they may hire up to three people, but we will be assessing each application as it comes, and it will partly depend on the response that we get. In other words, if we're overwhelmed with *bona fide* applications we may have to ration ourselves, given our \$3 million budget, but the regulations state that you may employ up to three people.

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

**MR. HARRY E. GRAHAM:** Mr. Speaker, I have a question for the Honourable the Attorney-General. I'd like to ask the Attorney-General if a date has been set yet for an inquest into the tragic fire in Portage?

**MR. SPEAKER:** The Honourable Attorney-General.

**HONOURABLE HOWARD PAWLEY (Transcona):** Mr. Speaker, possibly I could assure the honourable member, and avoid the inconvenience of his having to ask periodically, that as soon as I obtain that information, I will relate it to the House. I checked only a couple of hours ago, and there has been no date established, and may I assure the honourable member that as soon as I have that information I shall announce it.

**MR. GRAHAM:** Will the honourable Minister also assure us that the thirty day limit that he established earlier, will not be long exceeded?

**MR. PAWLEY:** Mr. Speaker, I don't recall just what the reference was to thirty days. I will reread the comments, except I thought that I had indicated at all times, that as soon as we receive the reports in our department, from the Police and Fire Commissioner's Office, then we'll be in a position to

announce the date. And certainly from our department's point of view, we shall certainly not linger. We will want to proceed with whatever is proper, and whatever is normal.

**MR. GRAHAM:** Well then another supplementary, and by way of clarification, I believe when the Minister first announced, he said there would be a date set within thirty days, but a supplementary. Can the Minister assure us that his department will make every effort to prod other departments of government to get the necessary reports in?

**MR. PAWLEY:** Mr. Speaker, I don't know whether I should assure the honourable member that we would do that, because in this case, it would mean prodding the Police to complete their investigation, and it has always been our practice to allow the Police to pursue their investigation without any interference whatsoever. I would sooner permit the Police to complete their investigations to provide us with the report, rather than to prod them in some way or other.

**MR. SPEAKER:** The Honourable Member for River Heights.

**MR. SPIVAK:** Mr. Speaker, to the First Minister. I wonder if he could indicate whether there has been any recent communication between his government and the Federal Government with respect to PWA and Transair in the proposed merger?

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, there may have been communication at the officials' level, I cannot say. Insofar as at the ministerial level, I have this morning been attempting to contact the Honourable Otto Lang, and for reasons of his not being in Ottawa today, it is intended that we do speak on this matter tomorrow morning.

**MR. SPIVAK:** I wonder if the First Minister can indicate whether the Government of Manitoba was aware of any suggested change in the routes of Transair which would make a purchase or merger more beneficial to a proposed buyer.

**MR. SCHREYER:** Mr. Speaker, the Honourable Member for River Heights raises an important point. So far I can go only on the basis of secondhand information, but that secondhand information is to the effect that as part of the overall package that there would be the transfer of certain more profitable routes, by definition more profitable, otherwise there's no point to transferring them to Transair, that is to say to PWA in the event of the acquisition, which, Sir, does raise a number of very disturbing questions' even some bordering on the matter of ethics themselves.

**MR. SPIVAK:** I wonder if the First Minister can give any indication whether there has been an assurance given to the government that if a merger does take place, or in the discussions taking place with respect to a merger, that the jobs in Manitoba will remain.

**MR. SCHREYER:** Yes, Mr. Speaker, that is one of the salient points involved and there will be follow-up discussion on that tomorrow.

**MR. SPEAKER:** The Honourable Member for River Heights, final question.

**MR. SPIVAK:** By way of a supplementary, I wonder if the First Minister could indicate whether this kind of a commitment has been given and by whom.

**MR. SCHREYER:** Well, Mr. Speaker, that kind of a commitment has been given in broad principle, but in matters of that kind until broad principle is translated into unequivocal specific wording in written form there isn't too much point in discussing it further. So the follow-up on that commitment in principle will be taking place in the course of the next few days.

**MR. SPEAKER:** The Honourable Member for Wolseley.

**MR. ROBERT G. WILSON:** I direct a question to the Minister of Consumer Affairs related to some newspaper advertising. Is the Minister aware of any complaints his department has had about a large admission charged plant show held this weekend at the Ramada Inn? The specific complaint centred around the advertising of thousands of gifts when it's been suggested there was only a few given away.

**MR. SPEAKER:** The Honourable Minister for Consumer and Corporate Affairs.

**HONOURABLE RENE TOUPIN (Springfield):** Mr. Speaker, I was posed a similar question last week by the Member for Portage la Prairie. I'm not quite sure if it relates to the same company, but if the Honourable Member for Wolseley would have details I'd gladly check for him.

**MR. WILSON:** A supplementary. I'll supply the Minister with a copy of the ad. But my concern for the consumers is what protection that the public has against these special sales?

**MR. TOUPIN:** Again, Mr. Speaker, as I indicated to the Member for Portage la Prairie the company that was investigated had to be bonded. They had a bond for \$10,000.00. They employed approximately fourteen employees that were bonded. There is protection under the Consumer Protection Act to not only consumers but those individual businesses involved in regard to the amount that they commit.

**MR. SPEAKER:** The Honourable Member for Brandon West.

**MR. EDWARD MCGILL:** Mr. Speaker, my question is for the Honourable the First Minister relating to the discussions which took place last week in Brandon at the Western Premiers Policy Conference. I wonder if he can tell the House whether there was any discussion in the general area of federal rights versus provincial rights of the jurisdiction which should apply in air space over Canada

as between federal jurisdiction and provincial jurisdiction.

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, if the honourable member is referring to the rather broad and general question of air space as opposed to air space relating to civil aviation, then I have to say that the broader issue of jurisdiction on air space was not discussed. But if I'm not mistaken there is some litigation at or on its way to the Supreme Court on that very matter, so that we will be getting case law on it soon.

**MR. MCGILL:** Mr. Speaker, I just wonder then, does the First Minister see any basic conflict in his general philosophical position of the centralizing of rights in the Federal Government and the position being taken by the Department of Finance in attempting to determine or establish a provincial jurisdiction of right in the air space above Manitoba?

**MR. SCHREYER:** I don't know how that is at issue, Mr. Speaker. I believe that two provinces in Canada have been levying a tax on commercial aviation operations through their air space and have been doing so for several years. Whether this in some way intrudes on the Government of Canada's ability to manage the economy countercyclically or to deal more effectively with energy policy, I don't see it. But if my honourable friend has a specific point I'm all ears.

**MR. SPEAKER:** The Honourable Member for Assiniboia.

**MR. PATRICK:** Mr. Speaker, I wish to direct a question to the Minister of Tourism and Recreation. The Minister announced a couple of weeks ago some restricted travel in the Provincial Park system. In view that the Whiteshell received only a fraction of the rain that the City of Winnipeg received, can the Minister indicate if there will be opening of the parks in the Whiteshell or if there will be restricted opening, because there is some concern to people in that area.

**MR. SPEAKER:** The Honourable Minister of Tourism and Recreation.

**HONOURABLE BEN HANUSCHAK (Burrows):** Mr. Speaker, the parks will open, but the use of them will be on a restricted basis as per the existing conditions.

**MR. PATRICK:** Mr. Speaker, can the Minister indicate what does he mean by "restricted basis"? Will it be only open to the people that have cottages there or will it be open to the general public, or can he indicate just what he means by restricted?

**MR. HANUSCHAK:** Well, Mr. Speaker, there will be restriction on the making of fires, accessibility to various parts of the park as they are now. Most of the roads are open, but boaters will not be able to land anywhere on the shore where they may wish to. So those areas will certainly be out of bounds. But the normal camping areas and the cottage areas will be opened. As matters stand now it is our hope that it will be open, but that will be dependent, Mr. Speaker, on the weather conditions during the summer.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Mr. Speaker, I have a question for the Minister responsible for Environmental Management. Last Friday a senior official of his department indicated to the Manitoba Environment Council that the pollution controls on water in Manitoba were five years behind; that there was a backlog of six months laboratory work and that the ability of the Clean Environment Commission to do its work was ineffective. Can the Minister now indicate what steps he is taking to correct that situation as described by one of his officials?

**MR. SPEAKER:** The Honourable Minister for Mines and Resources.

**MR. GREEN:** Mr. Speaker, without accepting the interpretation of Mr. Ward's remarks, let me say that we in our department always feel that we are not doing well enough and must continually try to do better.

**MR. AXWORTHY:** Well, Mr. Speaker, in that continuing interest of the Minister to do better, can he indicate to the House if the government is yet able to establish any water quality regulations for the province as this is one of the major deterrents to establishing proper pollution controls in the province?

**MR. GREEN:** Mr. Speaker, the gentleman who spoke has those parameters directly in his department and they are working very hard to do them. May I say, Mr. Speaker, that the calculation of how many years behind we are does not mean that we are behind other places. As a matter of fact I am sure that Mr. Ward would say that our department is much ahead of other departments, or shall I say, above the average of other departments in Canada.

**MR. AXWORTHY:** A supplementary, Mr. Speaker. Aside from the fact that Mr. Ward and the department are now working on them, as Minister of the department can he indicate whether he is prepared to take the responsibility at this time to proclaim those kinds of regulations and when they may in fact be ready, so that in fact the Clean Environment Commission can do the job it's supposed to do?

**MR. GREEN:** Mr. Speaker, the Clean Environment is doing exactly the job that it is supposed to do, and may I say in this connection, Mr. Speaker, that we are ahead of all other jurisdictions in Canada vis-a-vis the operations and manner of procedure of our Clean Environment Commission. And, Mr. Speaker, there will be from now until hell freezes over, areas in which regulations are still in

the process of formation and are being presented for conclusion and revision to the Clean Environment Commission. That process will be a continual process.

**MR. SPEAKER:** The Honourable Member for Fort Rouge, a final question.

**MR. AXWORTHY:** Well, Mr. Speaker, a final supplementary. If that is the definition of when we can expect it, can the Minister indicate when he expects hell to have a thaw so that we can get those regulations out?

**MR. GREEN:** Mr. Speaker, I really think that the honourable member, in asking me that question, would be the same as asking me when I expect him to be a reasonable person.

### ORDERS OF THE DAY

**MR. SPEAKER:** The Honourable House Leader.

**MR. GREEN:** Yes, Mr. Speaker. I would like to proceed to the Adjourned Debates on Second Reading. I want to indicate to honourable members that we will not be calling No. 62 today so that we are dealing with the Adjourned Debates on Second Reading and then Supply.

**MR. SPEAKER:** Thank you.

### ADJOURNED DEBATES - SECOND READING

**MR. SPEAKER:** Bill No. 5. The Honourable Member for Birtle-Russell. (Stand)

Adjourned Debate, Bill No. 13. The Honourable Member for Pembina.

**MR. GEORGE HENDERSON:** Stand, please.

**MR. SPEAKER:** Bill No. 39. The Honourable Member for Gladstone.

**MR. JAMES R. FERGUSON:** Stand, please.

**MR. SPEAKER:** Bill No. 50. The Honourable Member for Flin Flon.

**MR. THOMAS BARROW:** Mr. Speaker, I do wish to speak, be it appropriate.

**MR. SPEAKER:** Bill No. 50. Very well we'll leave it adjourned in the Honourable Member for Flin Flon.

Bill No. 51. The Honourable Member for Fort Garry.

**MR. L. R. (Bud) SHERMAN:** Stand please, Mr. Speaker.

**MR. SPEAKER:** Bill No. 56. The Honourable Leader of the Opposition. (Stand)

### BILL 57 — AN ACT TO AMEND THE MANITOBA TELEPHONE ACT.

**MR. SPEAKER:** The Honourable Minister for Consumer and Corporate Affairs. The Honourable Minister is closing debate.

**MR. TOUPIN:** Mr. Speaker, several members have spoken on Bill 57. In closing debate, I would like to deal with some of the comments made in regard to Bill 57.

I believe that a lot of — I shouldn't say a lot — but certain members have overlooked several points in Bill 57 in their criticism. I would like to deal specifically with some of the concerns raised by the Members for Fort Garry and Fort Rouge and I might say, Mr. Speaker, that many of the concerns raised by these two members seem motivated more by a desire to attack the Manitoba Telephone System than to debate intelligently . . .

**MR. SPEAKER:** Order please.

**MR. TOUPIN:** . . . the merits of orderly interconnection programs for the province of Manitoba.

Now, Mr. Speaker, the major points overlooked by the members opposite were these: First, I would emphasize that Bill 57 is an effort to find a middle course, the golden means through which consumer choice of terminal equipment and protection of the financial and technical integrity of MTS can be accommodated. Members opposite seem to accept that this House has a responsibility to ensure that MTS network is not damaged technically or financially by uncontrolled sale of telecommunication terminal devices. The simplest way, Mr. Speaker, to meet this responsibility would be to put a complete ban on the attachment of consumer-owned devices, an approach that has been taken in the past by telephone companies in Canada. But this approach has proven to be cumbersome and in certain cases unfair to some members of the public. So what we are proposing here, Mr. Speaker, is a compromise in which the interest of individual consumers and the interest of telephone suppliers may be adjudicated by an independent regulatory body.

Mr. Speaker, this represents a significant potential for liberalization of interconnection in this province. If members opposite had done their homework and found out what exists in other jurisdictions, they would know this and know also that this province is leading the way in attempting to implement measures to deal with the issue before us.

A second point overlooked by members opposite is that this bill will provide an important measure of protection for the consumer who purchases any telecommunication terminal device. At the present time, a number of department and specialty stores in this province market terminal devices, ranging from plain black telephones to more sophisticated gadgets. There is no onus, Mr. Speaker, on the vendor to tell the customer whether or not a device can be legally attached to the MTS

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network. Indeed, the advertising for such gadgets usually indicates that there is no problem in this regard. I've seen one advertisement for a telephone provided by one of our good corporate citizens which says, "Just plug it in and use." Of course, under the MTS tariff, which has been in existence for many years, network addressing devices cannot simply be plugged in and used. The result, if MTS enforces its tariff, is that the purchaser of the telephone can be left with a piece of hardware that's good for nothing except a paperweight. But under this legislation, Mr. Speaker, the vendor will be required to inform a potential purchaser whether a device can be attached and the customer will be protected from buying something that he cannot legally make use of.

Thirdly, Mr. Speaker, members opposite appear to have conveniently forgotten the process that has already taken place with respect to this bill. They give the impression that there is some plot afoot in the executive offices of MTS to take over control of all telecommunication terminal devices in this province. What they ignore is that the telephone system, in an open-handed way, has already submitted itself to public hearings on this matter before the Public Utilities and Natural Resources Committee. These hearings were advertised and held last January and members of the public, as well as terminal equipment suppliers, had an opportunity to comment on the general issue of interconnection and hear the Manitoba Telephone System position on this matter. I remind honourable members that there is nothing in this proposed legislation that was not dealt with in some length before the Committee. That committee recommended legislation and the legislation has been brought before the House. How much more open can we be?

Mr. Speaker, I felt I should re-emphasize these points because they had become somewhat lost in the cloud of rhetoric which arose from the Member for Fort Rouge and the Member for Fort Garry.

Now Mr. Speaker, the Member for Fort Rouge seems to be extremely worried about the impact on individual privacy inherent in the reporting provisions of this legislation. I would first like to indicate to the honourable member that if he had read the legislation carefully he would know that the reporting of terminal device sales would be the exception rather than the rule. The necessity to report will only apply to devices which are not authorized for connection or are authorized subject to certain conditions. It will not apply to those devices including the whole range of acoustically coupled devices which Manitobans can today attach legally to the MTS network, nor will it apply to any devices which may subsequently be approved for attachment as a result of ongoing certification procedures. What we are saying in this legislation, today Manitobans can attach a certain number of devices, tomorrow Manitobans can attach those same devices without any conditions but if they want to attach additional devices there may be conditions and the reporting procedure may come into play.

Mr. Speaker, I see no other way that the bill can be made to work. A recording mechanism of some sort must be kept, indicating what customers of MTS have and what terminal equipment so that the technical and financial integrity of the system can be protected. Without this, Mr. Speaker, I would pull the bill.

You know, Mr. Speaker, the name, address and telephone number of most MTS subscribers are listed for all to see in the telephone directory and I fail to see how a listing within MTS, indicating whether these subscribers are assessing the MTS network, with a customer-owned terminal, can really be considered as an invasion of anyone's privacy. After all, Mr. Speaker, if the Member for Fort Rouge were to go to the MTS phone store to pick up an extension telephone to take home with him, MTS would certainly want his name, address, telephone number, so they could send him a bill. Why should he expect that we not require this from any customer selling equipment, whether it be from Radio Shack or other companies selling such equipment? Unless, of course, Mr. Speaker, he wanted to avoid paying his bill.

Mr. Speaker, the Member for Fort Rouge also made comment about the MTS tail wagging the government dog, or some such comment in connection with this bill, and wondered who was making policy. Well, Mr. Speaker, I would simply indicate that in the case of interconnections, this bill was dealt with by the Committee of Public Utilities and it is now being dealt with by this House. Policy, Sir, is being made where and by whom it should be made, in this House by the elected representatives of the province.

Mr. Speaker, the Member for Fort Garry, was more restrained in his remarks on Bill 57, but he was not less uninformed on the system of accountability proposed by this bill. The honourable member claims that under this bill, Mr. Speaker, the Public Utilities Board role is, as he put it, and I quote, "Mere window dressing in this exercise and the Manitoba Telephone System has all the clout and it holds all the cards." —(Interjection)— Of course. This is nonsense, Mr. Speaker. The fact of the matter is that the legislation provides, in conjunction with the Public Utilities Board Act of Manitoba, for the Utilities Board to be an independent arbiter, an impartial interface between the Telephone System and the customer. This is a fundamental aspect of the legislation and in suggesting otherwise, the Member for Fort Garry imputes deception on the part of government. The Public Utilities Board has always been an effective interface between the public of Manitoba and the Telephone System and under this legislation it would continue to be so. MTS would not have the

arbitrary power, as the Member for Fort Garry has suggested, to determine what instruments may be attached to its system and lines.

The Member for Fort Garry has suggested that devices may only be approved for attachment to MTS lines if MTS so proposes in its tariff. Thus, according to the Member for Fort Garry, MTS could defeat the intent of the bill by simply refusing to file a tariff or to include certain items in its tariff. Well, Mr. Speaker, I would merely point out to the Member for Fort Garry that the MTS tariff is a public document, available for perusal by any member of the public and that MTS is subject to Utilities Board review, not only for what is in the tariff but also for what may be left out of the tariff. If MTS were to try and frustrate the intent of this legislation, Mr. Speaker, in the way described by the Member for Fort Garry, they would be brought up very shortly before the public. The Honourable Member for Fort Garry knows that, Mr. Speaker.

The Member for Fort Garry went on at great length about this bill but in reviewing his remarks, I find that it was mostly rhetoric generated by his misunderstanding of the role and responsibility of the Public Utilities Board in this matter. He did, however, Mr. Speaker, voice some other specific concerns and I would like to deal with those. The Member for Fort Garry expressed horror that the bill provides, as he put it, and I quote, "A supplier of telecommunication devices who keeps those devices near a telephone shall be conclusively deemed to have connected those devices to the telecommunication equipment of MTS." I would point out to the Member for Fort Garry that, as he already knows, this provision is virtually identical to the one that has been in the existing MTS Act for two decades and was put there, I assume, to catch acoustically coupled devices. I think, however, that this matter would more appropriately be dealt with in committee when the bill is before committee and when we do have legal advisors present. I am open to review in regard to this section before committee as well as other sections of the bill.

The Member for Fort Garry, Mr. Speaker, has suggested that this bill has been harmful to, and I quote, "reputable suppliers in the private sector," who, according to him, have worked in close liaison with MTS within the framework of existing legislation for many years. Mr. Speaker, this bill works no hardship upon those reputable suppliers and, indeed, may be a boon to them in that it will provide a mechanism whereby they can market their products and have them used in conjunction with the switch network in an orderly fashion.

But again, Mr. Speaker, I expect we will hear many concerns that these suppliers, represented by the Member for Fort Garry, have when the bill goes before the committee. Some suppliers have already made representation to the Public Utilities on this matter. Their main point was that they support the Federal Government's terminal attachment program and hope that the MTS tariff will be drawn up to recognize developments under this program and, Mr. Speaker, MTS indicated to the committee that they support the Federal Program and expect that their tariff will be altered periodically to reflect the program.

I am pleased to note that, despite his many comments to the contrary, the Member for Fort Garry is prepared to support the bill on second reading so that it can go to committee. I am sure the committee will be pleased to partake of the new found expertise of the Member for Fort Garry on this complex issue and be prepared to listen to any changes the member or any other members may propose to improve the legislation.

Mr. Speaker, I really can't understand some of the comments made by the Member for Wolseley and the Member for Birtle-Russell, especially the Member for Birtle-Russell, Mr. Speaker, when he indicates that under this administration, the Telephone System is being used as a political arm of government. Mr. Speaker, without specifying what he meant, it was allowed to remain on the record that we, as a government, are able to use some component of MTS whether it be the computer bank, whether it be the Telephone System lines themselves for the benefit of our government. Mr. Speaker, I would certainly encourage the Honourable Member for Birtle-Russell to be a bit more precise when he talks about interference by any level of government through a Crown corporation. I find it a bit strange because a high-level employee of the MTS is running for the Conservatives in Transcona and his theme is that he wants to return to private enterprise. He, of all people, working for a Crown corporation wants to return to private enterprise. That's political interference, Mr. Speaker, where we have a high-level individual from MTS running in the next provincial election as a Conservative and wanting to return to private enterprise. Mr. Speaker, have we interfered? Have I or the chairman, or the Member for St. Vital talked to the honourable member indicating that he should not run in the next provincial election? Have we asked the Chairman of MTS, Mr. Speaker, to run for the New Democratic Party? If the Honourable Member for Birtle-Russell has such indication he should make it known. He should make it known to the people of Manitoba. But when he was asked, Mr. Speaker, by the Member for St. Johns, I believe, to be more specific he had nothing to say and yet his statement, you know, remains on the record, nothing to indicate of political interference.

Mr. Speaker, I am convinced — although we are open at committee stage to review certain sections of this bill — I am convinced that in principle the bill will be an instrument to serve the public better and that includes private industry that wants to make their services and devices available to the



public. I think it will be a type of control that is needed to protect consumers. Thank you.

**QUESTION put, MOTION carried.**

**MR. SPEAKER:** Bill No. 59. The Honourable Member for Swan River.

**MR. JAMES H. BILTON:** Stand, Mr. Speaker.

**MR. SPEAKER:** Bill No. 61. The Honourable Member for Gladstone.

**MR. FERGUSON:** Stand, Mr. Speaker.

**MR. SPEAKER:** Bill No. 64. The Honourable Member for Roblin.

**MR. MCKENZIE:** I beg to have the matter stand, Mr. Speaker.

### **BILL (NO. 68) - AN ACT TO AMEND THE SOCIAL SERVICES ADMINISTRATION ACT**

**MR. SPEAKER:** Bill No. 68. The Honourable Member for Rhineland.

**MR. ARNOLD BROWN:** Mr. Speaker, this bill makes reference that no person shall operate a foster home or a group foster home, an institution or a childrens' boarding home, a pre-school facility or any other child facility, a family day care home, or a group day care centre without first obtaining a licence.

We believe that it is desirable that the people who are running institutions such as this should have a licence, should have some kind of a standard that these establishments should be going by. But the bill makes absolutely no mention of what these standards are to be. We would very much appreciate it if we could take a look at the standards that these people will be asked to adhere to and we sincerely hope that the Minister is going to have a set of these standards available for us when the bill comes before the Law Amendments Committee.

With these few remarks, Mr. Speaker, we are prepared to let the bill go to committee.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Well, Mr. Speaker, I beg to move, seconded by the Member for Assiniboia, that debate be adjourned.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable House Leader.

**MR. GREEN:** Mr. Speaker, I move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

**MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair for Tourism, Recreation and Cultural Affairs and the Honourable Member for St. Vital in the Chair for Legislation.**

### **COMMITTEE OF SUPPLY**

#### **ESTIMATES - TOURISM, RECREATION AND CULTURAL AFFAIRS**

**MR. CHAIRMAN, Mr. William Jenkins (Logan):** I would refer honourable members to Page 59 of their Estimates Book. Resolution 107(b)(1) Provincial Park System, Management Services (1)(a) Salaries \$752,300, the Honourable Minister of Tourism, Recreation and Cultural Affairs.

**HONOURABLE BEN HANUSCHAK (Burrows):** Yes, Mr. Chairman, shortly before the Committee rose last week the Honourable Member for La Verendrye asked a number of questions and I had indicated at that time that I would reply to them today.

His first question dealt with the matter of length of leases, particularly if one transfers his cottage to another and that acquiring only the balance of the unexpired portion of the lease puts the transferee of the cottage in a difficult position in terms of negotiating and arranging for the financing of it, and so forth.

Where a lease is assigned because of sale — sale of the building — it's true that it is for the remainder of the unexpired portion but if the purchaser wishes to renegotiate a new lease, we're prepared to discuss the terms and arrangements with him. So the option is always open to negotiate a new lease. Because otherwise the law, as I understand it, as it applies to leases in general applies in the case of parks, that if one buys anything subject to a lease, one buys it subject to the terms of the existing lease and buys the balance of the term that that lease is designed to run.

I'll agree with the Honourable Member for La Verendrye that winter sports are gaining prominence and appeal. I think the honourable member will note as we go through the Estimates of my department that my department is mindful of this and a tremendous amount of work has been done in order to accommodate the winter users of some of our park and recreational facilities.

Honourable members may recall that I said that a master plan is being formulated and not that a master plan has already been formulated. It is in the process of being developed and it's a lengthy and complicated process which will not be completed for at least another eighteen months. We intend to keep the public, the park user, lodge owners, and others informed and allow them to participate in the plan development. The master plan will set out the proposed uses for the areas particularly looking at

the under-developed areas at the present time. Now, because at this point in time we have not had an opportunity to enter into the type of public debate that we want to, therefore I cannot indicate the details of the specifics of the plan. Because, in the end, that will be to a very large extent determined and influenced by the outcome of the public dialogue that we hope to have.

Now, it's true that insofar as the recreational and park needs of the Winnipeg community, that the Whiteshell is one of the most accessible parks in terms of distance; it's the closest one. However, I think it would be unwise if we were to concentrate all our resources on the development of the Whiteshell and neglect other areas of Manitoba. As important as the Whiteshell may be to those from Winnipeg and living east of Winnipeg, Hecla Island Park is equally important to the people of the Interlake and Spruce Woods to the people in the west central and the western part of the province. So, therefore, in any park development, improvement, that is done, funds must be appropriated on some fair and equitable basis to look after all the park areas of the province and thus meet the needs of all the people of the province rather than just one group.

The Honourable Member for Rhineland had also asked me, with respect to Hecla Island Park, the costs of the development of that park. The total cost for Gull Harbour Lodge, as I had mentioned — and this, of course, was dealt with in the previous resolution and passed — \$4,162,000.00. The marina facility, \$296,500 — that's ours and not Renewable Resources. The golf course, \$998,700; the campgrounds, \$457,800; road construction, that has not been completed yet but the present estimate is \$900,000 plus or minus. I'm sorry, that is in the Department of Highways Estimates, not ours.

Now, insofar as other infrastructure — because this I believe is the main road through the park — other roads that would be our expenditure, \$275,300; beaches, \$575,700; utilities, \$554,200.00. So the total figure is \$9,694,900, including the lodge and the causeway but excluding the \$900,000 road.

Now, Renewable Resources are building some marina facilities for their ferry system and we have no costs on this.

I believe that that answers the questions of the honourable member.

**MR. CHAIRMAN:** The Honourable Member for La Verendrye.

**MR. BOB BANMAN:** Thank you, Mr. Chairman. First of all, in the figure that the Minister just gave us for the road construction. I have been following the tenders that were put out by the Department of Highways just this past couple of months and I notice that the one for stocking and regrading for a short section of road there was \$700,000 and then gravel, there was another tender let this past month for another close to \$100,000; it means \$800,000 just for that and I guess the figure that the Minister gave me for \$900,000 would not include any of the causeway work other than the work that is being done right now to upgrade the facility, I would imagine.

**MR. CHAIRMAN:** The Honourable Minister for Tourism.

**MR. HANUSCHAK:** No, it's just a piece of road from the causeway, the three miles across the marsh.

**MR. BANMAN:** Would that be the tenders that were let by the Department of Highways this past month?

**MR. HANUSCHAK:** Yes, that was done in the past few months, tendered by Highways.

**MR. BANMAN:** Several weeks ago I asked the Minister in the House, during the question period, again some questions with regard to the area just north of the Whiteshell and taking in part of the Whiteshell, that will be sort of a wilderness area; I understand sort of a restricted travel area. This particular park is under the jurisdiction of the province. Then, there has been a group that is very actively engaged with the Minister of Renewable Resources, trying to promote the creation of a federal wilderness park which would take in the area just north of here, I understand. I wonder if the Minister could tell us how much input the Department of Tourism is having with Renewable Resources in the development of these two wilderness areas. I would just like to ask the Minister if he feels these aren't very close together. In other words, if we're going to go to a wilderness area and designate a certain area, that we want to have restricted travel, we want to have airplanes fly over it at no less than 5,000 feet and a limited number of landings as far as tourists are concerned, I wonder if he could tell us if these two projects are in conjunction and if they are being correlated in any way by the department.

**MR. HANUSCHAK:** There is very close dialogue between my department and Renewable Resources on the Atikaki Park and not only has there been close liaison with Renewable Resources but also Parks Canada, all of which are in on this and they are generally in the same area. The honourable member is quite correct, that it is a matter of rationalizing the allocation of space for different uses, to make certain that a wilderness area will serve the purpose that a wilderness area ought to serve and at the same time allow for the type of use and enjoyment of the neighbouring area, that people want to make of a provincial park, of a recreation area. So, in doing this type of planning, I repeat again there is close liaison and it is our hope that all groups will be accommodated and that we will have designated areas within that part of the province to serve the various purposes that the people of Manitoba want; the wilderness area as well as the purpose that the Whiteshell Park serves

now.

**MR. BANMAN:** I wonder if the Minister could inform us whether, in the development of the Whiteshell master plan, they are taking into consideration the natural park area just north of there which has been created by the province. In other words, will this be part and parcel of the development plan of Eastern Manitoba indicating the possible establishment of Atikaki along with that? It would give us a comprehensive look at the whole east . . . actually we are looking at almost all of Eastern Manitoba that is accessible by road. I am wondering if the Minister will be bringing that kind of proposal forward for public debate and also for the people in the affected areas to give their side of the story and provide proper representation to the department; to make sure that the people in that area are contacted and that their concerns are heard.

**MR. HANUSCHAK:** Yes, Mr. Chairman, there is no doubt about it, that we will have to look at the entire area, we will have to look at the resources that we have within that area in terms of natural resources. We will also have to look, not only at Atikaki Park, which is part of the national park proposed and we will have some input into that, into the Federal Government's planning of it. And then, of course, in looking at the Whiteshell we cannot overlook Nopiming Park which is intended to relieve some of the pressure and the load on the utilization of the Whiteshell Park. So we will have to look at the entire area and give the public an opportunity to comment on the entire park area in Eastern Manitoba. And also we would want to have the opportunity and I am certain that we will have the opportunity to comment upon the Federal Government's use of land in Eastern Manitoba for park purposes, because all of that has to be proceeded with in some organized integrated fashion.

**MR. BANMAN:** Yes, I wonder if the Minister could tell us at what status is Nopiming Park as far as the provincial government is concerned. Is it an established natural park area? To what extent has it been designated such, as a natural park area and what direction is the province moving with regard to that particular park? That's my first question.

The next question is: I mentioned Friday before we adjourned the House, I would like to know if there is any possibility of opening some more lakes just north of West Hawk. And I understand, talking to people in that area, that at not too great an expense some of those lakes . . . there could be roads built at reasonable cost to provide access to several lakes. Now, is there any move afoot to make further expansion so that more cottage lots could be opened up and maybe more campgrounds could be opened?

I would also like to point out to the Minister that by no means are we isolating the Whiteshell and want to leave other areas not developed. The Minister knows that the majority of people that are using these facilities are people that come out from the city on the weekend, and since there's a large concentration of people in Winnipeg, we're looking at 600,000 people, and I think, much to the chagrin of us rural residents, Winnipeg seems to be growing and the rural areas are declining in population. We wouldn't want to see that, but that's a fact that's happening you are going 'so to have to be providing recreation facilities for these people.

I'd also like to point out to the Minister, and I would like to ask him, whether there is any move afoot to provide better services for the residents of Thompson with regard to Paint Lake? Will the department be asking either the Highways or Renewable Resources to increase the road network up there, to provide more cottage lots for people in Northern Manitoba? It seems a shame that we have such an abundance of parks and natural waterways up there — we've got a lot of land which basic use should be recreation, and probably could be developed in that manner, and I'm wondering if there is any move to allow northerners the right to probably lease some land, and build a cottage close to a lake, so that they can enjoy the natural beauties and the quiet resting places of the lakes of Manitoba?

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

**MR. HANUSCHAK:** Yes, Mr. Chairman, with respect to Nopiming Park, the park has been designated as such about a year ago, and the boundaries of it are defined. Work has commenced; an access road is being built into the area and, in fact, I'm told the access road is completed into Nopiming Park and planning

Now is now under way for it's development. insofar as opening lakes north of Westhawk, it's unlikely, in fact it's quite certain that there will not be any further cottage expansion in the Whiteshell. That area will be retained in a natural state.

Cottage areas are being opened farther north at Beresford, Long Lake, and Wanipigow. And also I think honourable members should bear in mind that in light of the master plan that's being developed, and in developing it, we certainly will. . . you know, cottage expansion will certainly be a very important factor, a very significant factor within the plan, and that is whatever course of action we may choose to take or propose for the public to consider that we may want to take.

Paint Lake in the Thompson area: We are presently looking at cottage expansion in Paint Lake, Setting Lake, and studying lake sites in the Thompson-Gillam area. As honourable members may know, that despite the fact that if one either looks at a map of Northern Manitoba, or flies over the north, there appears to be plenty of water, but not all bodies of water are suitable for development for recreation purposes and park purposes, cottages, and so forth. So we're presently looking at the lakes that would be suitable for that type of use, both in terms of their own suitability, and also from

point of view of accessibility at a reasonable cost, because that is another problem that has to be contended with in the north, as I would suppose in just about any recreation area of that kind.

Then of course, we would also want to keep in mind the fact that at the present time, there are roads, some roads which may have been built for other purposes, that we could use, and which would provide access to some of the lakes, and that in turn would reduce the cost still further, of developing those recreation areas.

So anyway, to sum up, we are looking at the expansion, the cottage expansion in the Thompson area, not only Paint Lake, as the honourable member has mentioned, but also other lakes, and studying the lake sites in the entire Thompson-Gillam area.

**MR. CHAIRMAN:** The Honourable Member for Roblin.

**MR. McKENZIE:** Mr. Chairman, I have a couple of questions to the Minister. I wonder — I was going through the traffic attendance in the campgrounds in Roblin constituency and I note, while these are only 1975 figures, the Asessippi Park is down about a 1,000 from the year before, Duck Mountains are down considerably from the year before — is there any specific reason for these drop-offs in attendance in those two Parks?

**MR. HANUSCHAK:** None that we are aware of, Mr. Chairman.

**MR. McKENZIE:** I wonder if the Minister could give me some idea of the master plan for the Duck Mountain Provincial Park. Is there further development that can be contemplated in the immediate future or is it just going to rest for the time being? The same thing I'm wondering about the Asessippi Provincial Park, which is closed up during the winter months, and the staff are on there all winter, and I don't see why it can't be open for snowmobiling and ski trails, and things like that, as it's an ideal ski location. The hills and that would be beautiful for people that like to ski.

**MR. HANUSCHAK:** We'll be ready to move on the winter use of Asessippi Park next year. So it's being developed for that purpose now, and not only would it create employment in the area, year round employment for the staff in that general area, but also provide a recreation facility for the people.

Insofar as the master plan for Duck Mountain area, Asessippi, that is presently in it's final stages of preparation, so I should be in a position to make some statements on it in the next few weeks.

**MR. CHAIRMAN:** The Honourable Member for Wolseley.

**MR. WILSON:** Under this section on dealing with the parks in the Whiteshell, I wonder if the Minister could further give an indication when he talks about absolutely no cottage expansion in the Whiteshell, because it seems to me what he has done is, he's created an "elitest society" because basically most cottages now in the Whiteshell are up over the \$20,000 mark. It would seem to me that a lot of people may not be from a large income family, but they certainly would be able to do what they did in the old days, build a cottage to a certain standard, and over a period of ten years finally put something up. It seems to me when you build a four-lane highway, at a great expense to the taxpayers, and you're able to cut down the travelling time to the Whiteshell to under two hours, then it would seem to me that it doesn't make sense not to look at the possibility of opening up another lake. I realize you're very proud of your record that you've turned the area into an area of no expansion, but I wonder if the emphasis is not going just a little bit too far when you have sort of a non-flexible attitude.

I welcome his talk on the Paint Lake in the Thompson-Gillam area, I think that's a good situation, but I wondered if the Minister could expand upon basically his concept of why this Whiteshell master plan is still being formulated, because I'd like to read into the record, a resolution from a convention that just took place from the Tourist and Convention Association, in which they deal with parks and their concerns. Now here's the people who represent every aspect of the tourism industry pleading with the government to do something, and we wonder what the government intends to do about the resolutions? One talks about the whereas, the Parks Department of the Department of Tourism is developing plans for wilderness, and other zones in existing Provincial Parks, and for all appearances will seriously affect present established uses of various. . . .

**MR. HANUSCHAK:** From whose convention are these resolutions, New Democratic Party or Conservative? The honourable member didn't indicate?

**MR. WILSON:** These resolutions are from a non-political convention, which represents the tourism industry in Manitoba of which the Minister is a member. The seventh annual convention took place at the Niakwa Hotel, April 5th and 6th of 1977. I believe Mr. Danyluk was there representing the Minister. So they're concerned and they talk about, "And whereas complete development plans should be made public prior to the finalization so that public hearings can be held at which those affected and those interested can make representation thereon." I'm digressing for a minute. What they mean is that we want to create a permanent resident concept where people will go into an area because they know some sort of long-range type of situation, they then can turn around and they can look to the future rather than dealing on rumour and speculation' rather than have those in the know be able to profit from the ups and downs of the market based on rumour and fact, it would seem to me that these public hearings would certainly be fair.

The resolution goes on and says: "And whereas full disclosure and public hearings will avoid the unsettling effect of a rumour resulting from development planning and decisions out of the eye of the public." In other words they are saying, if you have it open, if it's in a discussion form, you not only help those who have been long-time residents of a particular area, therefore you don't have those on the inside of a particular government department to those that can, as it happened in B.C., pass along information that may be profitable to a group that has not spent any of their lifetime in the area and certainly should have no reason to profit from plans that could be formulated between the department and the people who have a vested interest, and even those that are interested in tourism. That's the type of resolution.

Another one called Resolution No. 6, they're talking about the leases of Crown land have over the years become shorter. "And whereas short-term leases for commercial purposes are not conducive to capital investment, development in proper commercial financing" — digressing for a minute — what they're talking about is there's very few banks or financial institutions and I don't know if this Minister's department does what they do in Alberta, but I believe Alberta has 5 percent financing or whatever. But the Minister certainly is not going to have outside financial people come in and want to help to build an updated facility.

Certainly we know, for instance, in the area of Grand Beach there's no hotel there. There doesn't seem to be any commercial development that's new, of major consequences in the last, maybe even five or ten years. So the result is that the area is not one people are looking to to spend three and four weeks of the summer because of the fact that slowly the capital investment has not been there because of the lack of co-operation between government and the private sector, and when you get into 30-day leases for commercial purposes, I think that's going a little too far.

So they are saying, "Therefore be it resolved that the Minister of Tourism be requested to review the basis upon which leases of Crown land are granted with the view of increasing the term of leases making such other changes as may be necessary to ensure a proper commercial basis upon which tourism development can take place." So that's basically self-explanatory, those two dealing with parks.

One which possibly deals with parks again and also maybe with tourism, so maybe I could leave it is the area of getting a uniform highway sign and a uniform park sign and whatever, to put it in the situation that we have up in Banff.

I wanted to ask the Minister also — I realize I'm firing a number of questions at him, but I thought I'd get them out of the way — in this concept of the future of the Churchill development up there, he talked about it in introducing his Estimates, it seems to me, don't the native people have a policy that north of 53 that they want a say in any particular development? What discussions has the Minister of Tourism had with the native people pertaining to 50,000 square miles or something of park that they are going to build? Have the native people in the north been consulted regarding that particular aspect?

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

**MR. HANUSCHAK:** Yes, Mr. Chairman. The Honourable Member for Wolseley asked me a number of questions related to the resolutions passed about a month ago by the Travel Convention Association. These resolutions have not, at this point in time, reached my office although I understand that my department has received them but I have not had an opportunity to study them. But I propose to do so very shortly and will respond to the Travel and Convention Association after having had an opportunity to examine them.

But if I just may make a general comment or two about some of the concerns of the Travel and Convention Association, if there is concern at the present time — is this merely rumours. Rumours may be going around that this may be done or that or the other, or about certain developments taking place in the Whiteshell. Well that is one of the purposes of the master plan, one of the purposes that the master plan will be taken to the people, to those that will be primarily concerned or will be primarily affected by it. That is, to dispell whatever rumours may presently exist or which may have been generated, and indicate to the people exactly and specifically what it is that the government has in mind and proposes to do.

Now, insofar as the length of leases, there has been no variation in the length of leases, commercial or otherwise. The Parks Branch administers some 300 commercial permits and leases and more than 6,500 cottage lot permits and leases across the province. Some commercial operators have operated or are operating on an annual permit, but attempts are being made to bring all commercial operations under a long-term lease arrangement specifically to give the operator some security of tenure, for the very reason that we are to answer the very type of concern as expressed by the Honourable Member for Wolseley. I am not aware of any instance where my department has not co-operated to the fullest extent to arrange suitable leases, to assist the operator in securing financing. In fact, in many cases special leasing arrangements are made for this specific reason.

Now as far as Grand Beach is concerned it is not anticipated to have any major commercial development there because it is quite apparent that Grand Beach will be primarily a summer use

park, that is the beach and the immediate lake area, which therefore shortens its appeal and attractiveness to the people only down to a few weeks as opposed to other parks wherein when we have fishing and hunting which extends the term during which parks are used. So, therefore, the season will be far too short at Grand Beach to justify any major investment.

As far as the Churchill Park is concerned, the park is in a proposal stage at this time, and it will be open to public hearings as will be other park plans, and what is being proposed even up to this point in time we have not done and we have not, in isolation — there has been consultation with the residents of the Churchill area and I am pleased to say that they have been most sympathetic to this development for some time. Then as the plan crystallizes and takes on a more concrete form and we have something more definite to present to the people of the Churchill community, that will be done. Everyone within the Churchill area will have an opportunity to respond to and comment upon the plans that we will have formulated for the Churchill Park.

**MR. WILSON:** Yes. Continuing on, it seemed to me though that when the Minister stood up and said there would be no cottage expansion in the Whiteshell area, and then alternately he talked about the construction of 22 cottages in addition to the 29 cottages or cabins that he'd built last year or whatever, it seems to me that on one hand you have the government building all these cottages plus a 9.69 million dollar hotel and complex at Hecla . . .

**MR. HANUSCHAK:** No, no, that's wrong, that includes our parks.

**MR. WILSON:** . . . well, yes, the park. The figures that the Minister read out, the \$9.7 million we'll say, to round out figures, I wonder where the justification for the priorities. I mean, speaking selfishly and probably as the average Winnipegger who wants to leave for a week's vacation or for a few days and has grown up in a particular situation where he has got used to going to the Whiteshell, and to see the demand and the costs of cottages and that just go out of sight with no justification pertaining to the materials that are in the cottages, it has become an elitist society in the Whiteshell. You just can't afford to go there or to purchase a particular cottage. So the result is you look for other areas and you have the government close the door despite the fact that we waited all these years to get a four-lane highway. Then you've got another single lane highway going up to Gimli and the government spends the \$9.7 million, with a concentration hopefully, as he says, of people going up there, and where are the safety features in that type of thinking, going up into a particular area and taking away from the Gimli area which I understood is suffering a bit as itself.

I realized, as I say, the other day I wanted to slip this in, the other day I asked the Minister a question pertaining to the viability and justification for spending that money, and I was given an ad out of a particular paper where the Manitoba Development thing was having a 30-member seminar for a week up there. The ad seemed to be paid for by the government encouraging 30 people to stay there for a week. This is the kind of thing that I am just wondering if there has been any directive. The Minister never said yes and he never said no.

But besides answering as to the justification for no cottage expansion in the Whiteshell and then getting on to Hecla which he gave us his figures, I am interested in the whole Hecla picture because that is an awful lot of money. I just wonder what that could have done for the tourism industry in Manitoba, just to get a part of that action. That would have been really something.

I'm just saying when you have the \$9.7 million or thereabouts, and you have the government spending ads in the paper holding courses and holding seminars and holding . . . was there a directive went out from the Minister's office to help make this huge investment pay for itself? Because again he never answered yes and he never answered no. So that is my concern of the thought of the lack of expansion in one area and the government building a monument in this other particular section far in excess of whatever our former Conservative Government envisioned for the area, and having all that money up there, and I am just wondering without that government propping up, what is going to happen to that?

I notice in the particular report here that the Minister talked about all these things being accepted with enthusiasm by the public and especially the vacation cabins. I'm just wondering, if the Minister admits in this particular report that there is an enthusiasm for vacation cabins, then what justification has he got for not opening up at least one more lake in the Whiteshell for the demand that is there? Because what you have done, as I repeat myself, has created this type of elitist society that those cottages are just out of sight to the average working person.

**MR. HANUSCHAK:** Well, Mr. Chairman, firstly the honourable member speaks or makes reference to the four-lane highway as if it was a highway built primarily or exclusively and solely to a resort area, to a park, but it isn't. It is part of the Trans-Canada Highway, which is designed to serve not only tourist but Mr. Chairman' the interprovincial traffic, automobile and the heavy truck and everything else. —(Interjection)— The Honourable Minister of Mines reminds me that it doesn't go to the Whiteshell. It's close but the Whiteshell area is north of that.

Now the honourable member suggests that we should open up one more lake. I had indicated that, firstly ' the utilization of the Whiteshell area in terms of cottage owners are concerned, has pretty well reached the saturation point. So therefore, I am sure that the honourable member would be the

first to agree, that we wouldn't want to do anything which would destroy that beauty spot which we now have to enjoy and which could be destroyed through over-utilization. Hence, I must remind the honourable member again the need to prepare a master plan for the entire area and then plan accordingly, rather than proceed on an ad hoc basis by selecting one lake at a time, whatever lake one may think of whenever and proceed in that fashion, because if we were to do that then the honourable member would criticize me, and properly so, for developing areas for cottage development without a proper plan.

Now the honourable member also asked me last Friday whether there is a directive from me, from my office, to government departments and Crown agencies, to use the facility at Hecla Island Park, namely, Gull Harbour Lodge, and I did reply to his question then. I said to him at that time that we no more encourage or attempt to persuade government departments and various agencies to use Gull Harbour Lodge than we encourage any government department or Crown agency to make use of the facilities at the International Inn. The ad doesn't say — well, perhaps the honourable member would like to read the portion of the ad that he is referring to that he seems to imply is contradicting my statement.

**MR. WILSON:** The heading of the ad is "Economics for Executives sponsored by the Economic Development Advisory Board and Continuing Education Division, the University of Manitoba." It says that the fellows go up there, 30 people go up there for a week and the seal is the buffalo, it looks to me like it's a government ad. I may be wrong. If it isn't the government, then it's just one of the type of clippings that has mysteriously . . . and the very fact that many of the Ministers of the Crown that I have talked to on the other side have stated to me that they have been up to Gull Harbour. That's what I'm saying; I'm saying that it just seems to me that the Minister stood up and read very glowing figures but I can't get that feeling despite the fact the whole area . . . I'm certain if the public were to know that that particular area was worth \$9.7 million more of them would go up there. Maybe the Minister then wouldn't have to . . . I suggest, and I say I may be wrong, that wouldn't have to be propped up by all these government meetings and seminars and government funded. —(Interjection)— Well, it's fine to say that a lot of these organizations are autonomous but they're still supported by taxpayers' dollars and that's basically what I am saying, it just seems to me that there is some kind of direction that is making these government related or government sponsored things go up to Hecla Island where I remember the former, well, the Minister of Public Works used to have them all held at Gimli and other areas.

**MR. HANUSCHAK:** I'm sorry. Mr. Chairman, the honourable member implied that there was some direction from me to universities, to other government departments, to Crown corporations, to hold their conferences and seminars at Gull Harbour Lodge and the honourable member said that's not what that ad says so I asked him to read the relevant portion of it which states that, that I am the one giving direction. He hasn't read anything yet, indicating that. —(Interjection)— He hasn't read anything. He's the one who said that that's what the ad said. So, I asked him a very simple question — to read that portion of the ad which states that the Minister of Tourism, Recreation and Cultural Affairs urges the following groups to meet, to convene, to hold their conferences at Gull Harbour Lodge and the honourable member read nothing of the kind.

Secondly, Mr. Chairman, I must repeat again that government departments and agencies are at liberty to meet wherever it is convenient, is best for them to meet, that best suits their purposes, the purposes for which the conference or convention is called for and that is where they meet. On occasion they met at the International Inn and on occasion they probably meet at a hotel owned by another private corporation, the CPR, and on other occasions, they may have met in other hotels and other places of accommodation for meetings. They've met at Falcon Lake and they've met at Brandon; they've met at Clear Lake and at Gimli and, on occasion, I gather that they meet at Gull Harbour Lodge.

Now, the honourable member seems to be of the impression that my colleagues from Cabinet spend their time regularly at Gull Harbour Lodge. I haven't canvassed my colleagues but I would suspect that very few, very few of them have been at Gull Harbour Lodge and I will remind the honourable member again that my colleagues are not . . . They will find it difficult to get a reservation at Gull Harbour Lodge particularly if they want to go on a weekend. And if one goes on a weekend, Mr. Chairman, one would not find very many conferences being held there then because it's just primarily being used for family use. Families go down to use the swimming pool, sauna, the gym, the exercise room and other recreational facilities, depending on the season, tennis courts later on, golf' swimming, etc. —(Interjection)— The honourable member was speaking about Gull Harbour Lodge, so, what I am saying is that the honourable member may find it difficult to get accommodation at Gull Harbour Lodge, not unless he wants to take time off from the House to go there and, even then, there might be a problem.

Now, another comment about lots for cottages. Most of the areas presently developed have or are on the verge of reaching their saturation points in terms of utilization for cottage areas and hence

new areas have to be opened up. In the Whiteshell area, that has to be part of the overall master plan. In the meantime, I want to remind the honourable member again that this summer we plan on making an additional 300 cottage sites available — some north of Riverton, some in the Bissett area and other parts of the province.

Now, if the honourable member feels, getting back to . . . no, I don't even want to answer that question of the honourable member now, because he had an opportunity to discuss the operations of Gull Harbour Lodge under a previous resolution which he agreed to passing. So, therefore, I don't want to raise that matter now. I could tell him some more things about the type of business that it attracts but there might be a more opportune moment to respond to that question, perhaps under my salary, and I don't want to answer it now because then it will be a violation of our own rules, Mr. Chairman, if I attempted to.

**MR. WILSON:** Well, just to finish up, very conveniently though, the Minister has sprung the \$9.694 million on us today, the figure, the breakdown, — and of course the Member for La Verendrye did ask for it — but I am interested in now . . . Okay, we've got to try to support this thing, we've got all this money in there; now, what are we going to do with these . . . In one area you have frozen cottage expansion; in the other area, frankly, you said you're building 22 cottages at Grindstone Park which is in that general area. Is that right?

**MR. HANUSCHAK:** In that general area, yes.

**MR. WILSON:** Can the Minister indicate the cost of these and what they are going to rent for because if I'm the average citizen and I'm going to be forced to pay \$40,000 for a cottage at West Hawk Lake or at Falcon, then maybe I had better look to renting instead of trying to buy if the government is going to build all these cottages in all the provincial parks around the province?

**MR. HANUSCHAK:** The 22 that we are building' they will be for rental and I don't know if we have established a rental rate at this point in time but those that we now have are renting in the order of \$17.00 to \$19.00 a day, depending on the type of cottage facility. So, I repeat again, that the 22 log cabins are for rental and at Grindstone Point there will be some 160 cottage lots available for building.

**MR. CHAIRMAN:** The Honourable Member for Minnedosa.

**MR. BLAKE:** At \$19.00 a day?

**MR. HANUSCHAK:** This is 1977 — yes, \$19.00 a day, yes. In 1933, they probably could have been a week for the same price.

**MR. BLAKE:** Maybe the Minister might just clarify one point and tell us how many miles the cabins at Grindstone Point, or the lots that are going to be opened at Grindstone Park, are going to be from the Hecla Island development. That is by road — I realize you can cross by water but I just don't know what part of the mainland they are going to be on. But that's just an aside question further to the discussion that's just concluded. I'm sure there's very very many miles there. You'd have to come around back down to Riverton and back up so Hecla Island really is not going to be much good to those people on the other park.

**MR. HANUSCHAK:** Sixteen miles off the Hecla Island road.

**MR. BLAKE:** Off the Hecla Island road or from Hecla Island Provincial Park? I want to know how many miles those cabins are going to be from the park, like from Gull Harbour and the golf course.

**MR. HANUSCHAK:** Sixteen miles from the causeway.

**MR. BLAKE:** And how many miles from the causeway to the golf course?

**MR. HANUSCHAK:** Well, there's about . . .

**MR. BLAKE:** About 16 more. So, it's about 30 or 40 miles from the cabins.

**MR. HANUSCHAK:** Yes.

**MR. BLAKE:** All right. That's what I was trying to establish. Mr. Chairman, I wanted to just ask the Minister how many cottages have been built at Bakers Narrows behind the lodge facility that I understand the government is now going to operate on their own, or are they going to lease it out this year, how many cabins were built there; the cost of those cabins and what the daily rate of them is going to be?

**MR. HANUSCHAK:** . . . more to be built this year.

**MR. BLAKE:** The cost?

**MR. HANUSCHAK:** They are running about \$22,000 a piece and that's a fully furnished cabin.

**MR. BLAKE:** And the rate per day would be . . . ?

**MR. HANUSCHAK:** We haven't determined the rates yet.

**MR. BLAKE:** I was just wondering, does the Minister feel that he can rent these cottages out at a reasonable rental figure and get a reasonable return for the cost of constructing cabins?

**MR. HANUSCHAK:** I would hope so, Mr. Chairman.

**MR. BLAKE:** Is the lodge facility going to be operated there by the Provincial Government or is it going to be leased out to a private entrepreneur?

**MR. HANUSCHAK:** We are presently making arrangements to lease it out for the summer.

**MR. BLAKE:** It will be put up for tender.



**MR. HANUSCHAK:** Yes, Mr. Chairman. Well, we would call for proposals.

**A MEMBER:** Is that different than tender?

**MR. HANUSCHAK:** As a matter of fact, well, we call it a tendering system, we did call for tenders and there was no response, so now we're trying to work out an arrangement with some local prospective operators for the operation of it.

**MR. BLAKE:** Just another comment, Mr. Chairman, while we're on that item. There are many many cabins up in that area that are fairly modest. The Member for Wolseley was talking about the cost of the cabins in the Whiteshell area and they really have gone beyond the reach of the average person. I wonder if he has considered . . . the locations up there are not choice locations and yet people are very happy to build a cabin on them as long as they have some access to them and very many of them, they have access only by water and yet they are happy to build a cabin there, modest though it may be, and proceed to enjoy it for many many years. I just wondered if he has considered that when they're considering opening up different areas in the north. They don't have to open up an area like the Whiteshell to keep the people in the north reasonably happy, as long as they've got a location to build a cottage on. I am thinking of the Thompson area where the local residents are pressing hard for areas to build their own cottages, not so much to bring tourists in but for places to build their own cottages.

**MR. HANUSCHAK:** Yes, much.

**MR. CHAIRMAN:** The Honourable Member for La Verendrye.

**MR. BANMAN:** In the opening remarks of the Minister, he mentioned the number of log cabins they had built and that they are charging roughly \$19.00 a night for them. I wonder if he could tell us what the capital cost of building one of these log cabins is? Was that the \$22,000 figure that he mentioned before or was it less than that?

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

**MR. HANUSCHAK:** It was about \$22,000, fully furnished.

**MR. BANMAN:** Well, I wonder if the Minister could provide us with the number of cabins that they had built last year, what their occupancy rate was.

**MR. HANUSCHAK:** The occupancy rate, I believe I mentioned in my opening remarks, ran at 66 percent during this past season.

**MR. BANMAN:** When the Minister mentions the last season, does that include then the winter months or is he selecting a certain season, for instance, the summer season or the recreation season as we know it now?

**MR. HANUSCHAK:** Well, they're not winterized, Mr. Chairman, so that's during the normal summer season.

**MR. BANMAN:** So we're spending \$22,000 for a cabin and we're renting it out for about three or four months at 67 percent occupancy. You know, Mr. Chairman, I wonder if the Minister could further elaborate in what kind of direction we're going with this type of state-owned cabins. I wonder if the Minister could tell us how many more are in the works for this year and if the cost of \$22,000 is a constant cost as far as the ones that are to be developed this year. Now, did I understand the Minister correctly that these cottages for \$22,000 are not insulated? Is that right?

**MR. HANUSCHAK:** Well, they're log buildings and hence, that's about all the insulation one would expect to have. But they are not in areas that are where people would tend to go in the wintertime. I did mention in my opening remarks that ten additional cabins are being erected at Ironwood Point and these will be made available for rent during 1977, as will seven log cabins at Bakers Narrows near Flin Flon.

Now, insofar as the cost of summer accommodation that is built by the province, a log cabin is one kind. I should also remind honourable members that we have in our campground at Hecla Island, we have a cottage-type or a cabin-type of facility, built relatively inexpensively, a plywood structure, there is a name for it, is there not? We call them low-rent cottages which we rent for something in the order of \$9.00 to \$12.00 a night, which is of modest construction. It provides shelter from the elements and clean, comfortable shelter and priced, as I said, \$9.00 to \$12.00 a night. I personally had inspected them and it strikes me as being something that we would want to take a close, hard look at and if we should expand or go farther in the direction of providing living accommodation in our parks that that ought to be the type of facility that we ought to be looking at, particularly in areas where there may be very little, if any, demand for winter use of the cottage. The one at Hecla Island is quite adequate and I must also add very popular.

**MR. CHAIRMAN:** The Honourable Member for La Verendrye.

**MR. BANMAN:** Just so we get our figures straight here, Mr. Chairman. Roughly what we're looking at, a log cabin that has cost the province \$22,000, we're realizing roughly about \$1,000 a year rental out of it. I think if you project the figures if we are looking at a 12-week season and you're looking at 67 percent of that, you're looking at roughly about \$1,000 rent for a \$22,000 cottage which means that if you're just taking the money at 10 percent we're losing \$1,200 there already and that doesn't include any maintenance or depreciation, or anything along that line.

I'm wondering if the Minister could tell us if there is any repayment, as far as these cabins are concerned, or has this money been taken out of general revenues and has been given to the building of these lots without any repayment as far as the Tourism and Recreation is concerned.

**MR. HANUSCHAK:** There is no provision for the repayment of the cabin.

**MR. BANMAN:** So every time we build a cabin like that we can anticipate about a \$1,200 loss as far as interest in a year, and then I wonder if the Minister could tell us what kind of maintenance is required. There is a certain amount of maintenance, I would imagine, as families are moving in and out, and depreciation of course because there is wear and tear on the cottages, and upkeep. I wonder if he could tell us if the department has any figures with regard to what it costs to operate one of those a year as far as employees are concerned.

**MR. HANUSCHAK:** Yes, Mr. Chairman, I can answer that. Now, when I mentioned that there is no repayment of the capital, no more than there is on many other facilities provided by the public, during our term of office in government and for many many years prior to our becoming government and in many jurisdictions throughout the world.

It should be recognized that the cottages that we have built is really part of a social program to provide people with an opportunity to rent suitable summer cottage accommodation at a reasonable cost. So therefore, that being so, the level of the rent that is charged has been set at such a level as to recover our maintenance and operating costs.

So if the honourable member did some calculating on his own as to what 60 percent occupancy for a summer period at \$17.00 - \$19.00 a night would yield, so that's roughly the maintenance and operating cost.

**MR. BANMAN:** Well, I wonder if the Minister could inform us if this has had any impact on the cabin owners, or the people that are involved in the tourist industry in the different areas as it presently is set up. In other words, what is happening here is we are going to a subsidized summer home type thing. I'm wondering if there is any criteria as far as financial considerations are concerned that people who have a certain income are going to be paying more for these subsidized homes, or if it's open to the general public no matter what their tax returns or that is. That's number one.

The other thing is: Has there been any feedback from the tourist camp operators in the different areas? I notice that the Minister had tendered for the lodge up at Bakers Narrows and nobody wanted to touch it. Is that an indication that the operations just aren't viable and that this could be causing problems for the camp operators in the area? And I'm wondering if we would start spending this kind of money, \$22,000, for upgrading the facilities as far as overnight campers are concerned, and we talked about that before on Friday, and the Minister is probably well aware that when it comes to Falcon Lake or West Hawk that many of the people that want to spend a weekend there send their wives out . . .

**MR. CHAIRMAN:** Order, please. The hour being 4:30, in accordance with Rule 19(2) of our House rules, I am interrupting the proceedings of the Committee for Private Members' Hour and shall return to the Chair at 8 p.m. this evening.

## PRIVATE MEMBERS' HOUR

### RESOLUTION NO. 13

**MR. SPEAKER:** Private Members' Hour. Today we are on Private Members' Resolutions. The first resolution is Resolution 13. The Honourable Minister for Mines.

**MR. GREEN:** Mr. Speaker, it's difficult to recreate the atmosphere under which I adjourned this resolution, or at least when I took the floor to speak on this resolution, because it all related to the manner in which the Government of Manitoba has proceeded with its hydro development program. And it was that aspect of the matter which I intended to address myself to.

In sitting down today I got out my resolution and noted that it says almost nothing about hydro development in the province of Manitoba and I therefore wondered whether this particular resolution sparked the debate that I was listening to, or if I'm wrongly recalling the debate.

In any event, my recollection was that all of the matters relating to Hydro were being discussed under this resolution and in that respect, Mr. Speaker, I'm not going to do more than to repeat what has become common knowledge to so many people in the province of Manitoba that I wonder that it is still a subject on which such emotions can be aroused and on which there is so much dispute, that insofar as the Manitoba Government's position *vis-a-vis* the provision of hydro electric energy is concerned which this resolution indicates there should be leadership in. In 1966 the Government of Manitoba and the Government of Canada together with Manitoba Hydro decided to proceed with Nelson River development. And the development of the Nelson River involved several components, amongst which were included the regulation of Lake Winnipeg, to provide water for storage purposes, particularly during the winter time, the diversion of water from the Churchill River to the Nelson River, and the building of a transmission line to carry the electricity so generated from Nelson

River waters from northern Manitoba to the more occupied populated parts of the province, and also of course to provide it for the industrial facilities in northern Manitoba.

Now, Mr. Speaker, somewhere along the line the plan was altered on the basis that Lake Winnipeg regulation could be delayed — not eliminated, but delayed — if the Churchill River Diversion was elevated to a level of 30 feet beyond its normal levels to a height of approximately 769 feet which would have meant, Mr. Speaker, the complete inundation of the present community at South Indian Lake and the necessity of completely relocating the 700-odd people who live in that location to another place.

Now, Mr. Speaker, if that was the firm position of the government and Manitoba Hydro and a position that they were willing to proceed with, and one which they felt that Hydro had properly researched, and that they had considerable support for, I imagine that that program would be in place today. But let us remember, Mr. Speaker, that that's not what occurred that the then Minister of Mines and Resources said that he was going to conduct hearings to see whether the Churchill River Diversion should be proceeded with. And when the hearings started out, and when the content of the hearings did not commend itself to the Minister, the Minister said two things: one, that no matter what the decision at the hearings will be we are going to proceed with the program; and the second thing that he said, which was entirely contradictory, is that the Hydro would have to prove its case beyond a reasonable doubt.

Now, Mr. Speaker, this created an intolerable situation for the public of the province of Manitoba, for the administration of Manitoba Hydro, and for the government. And the honourable members know what the history is. They talked about ineptness; they know what the history is. The Conservative administration then came into the Legislature because of the ineptitude which they had displayed *vis-a-vis* Manitoba Hydro, which they had thoroughly embarrassed by holding a hearing which they said was not going to have any effect, and then by being in the position that Manitoba Hydro could not proceed because proceedings had been started in court as a result of the Minister having aborted the hearings.

So what was the remedy? Mr. Speaker, let us be clear at this point. The present Conservative Opposition has decided to abandon any rules *vis-a-vis* the treatment of a Crown corporation. They now say, Mr. Speaker, that the Board of the Crown corporation must be besmirched, that we must blacken the names of W. Parker, of Mr. Hoogstraten, of everybody else who sat on the Board of Directors of Manitoba Hydro, and made the decision to proceed as they have now proceeded.

Not being satisfied with that, Mr. Speaker, they say that all the existing engineering staff of Manitoba Hydro must be slandered and have their integrity challenged because they are proceeding with a program which they in good conscience think is the most economical way of proceeding.

Now, Mr. Speaker, it used to be the common acceptance of politicians that they could be blamed; that one could blame the government and that the government would have to answer and try to justify its position. The honourable members can look historically at the previous debate on this question. Nobody on that side of the House, neither the Liberals nor the New Democrats then in opposition, ever criticized the administration of Manitoba Hydro.

I would say, Mr. Speaker, that I was one of the most vociferous critics of permitting the government to pass a bill in this House to proceed with the Churchill River Development at 769 feet and with not allowing any value to the resource values. What we did, Mr. Speaker, is not say that the Hydro people have botched it, we said that the government had a responsibility to go to the Hydro people and tell them that in assessing the viability of any program they were to take into consideration the economic values and the tourist values, the wildlife values, of anything that was being affected by this program. But at no time did we bring into disrepute, or attempt to bring into disrepute, the name of Mr. Fallis, the name of Mr. Dunc Jessiman or anybody else who sat on the Hydro Board. We did criticize the government, which I assume, and I have never pleaded to the contrary, is the right and responsibility of a political representative.

But what happened, Mr. Speaker, at that time is that the government brought in a bill to grant a licence, which is an administrative act, and they wanted us to pass that bill without giving to the Legislature any of the documentation upon which the granting of that licence was based. And an election ensued, Mr. Speaker, and to tell my honourable friends, as I have repeated on so many occasions, that that was not the reason for the election defeat will not change their minds on this question. They think that the decision as to fight the question of whether South Indian Lake should be raised to 769 feet and the plight of the Indians who lived at that particular location was the problem that the Conservatives faced. That wasn't their problem, Mr. Speaker, and the former Leader of the Liberal Party, the former Member for Wolseley, found that out soon enough when the stop, look and listen campaign boomeranged in his face and he was beginning to fight the 1973 election on that basis, and then saw disaster staring him in the face and kept quiet and still wound up with three members effectively elected in the House. Three members effectively elected; one had to resign because the contravert was coming and the other contravert did come.

So they elected three members, because I don't count the election of the Member for Wolseley. Because he knew he was improperly elected and the Member for St. Boniface was improperly elected.

So that wasn't the reason for the election problem. The problem was that the government, the previous Conservative administration, did not handle the matter in such a way that Manitoba Hydro could properly proceed with its program and proceed with a sensible program. And what happened after the election, Mr. Speaker? Not one person on our side of the House said that they would not proceed with the high level diversion of South Indian Lake if that turned out to be the best way of proceeding. Only one group said that; that was the Liberals that said that. The Liberals without any documentation whatsoever, without any report — they didn't even get a three-page report — said that if they were elected there would be flooding at South Indian Lake and they would proceed with a, interestingly enough, Mr. Speaker — maybe fools walk where angels fear to tread — low level diversion of the Churchill River Diversion, which was subsequently repudiated by their own Leader when the time came that it was being done, and Lake Winnipeg regulation.

The Liberals — Doug Campbell's Party — in the 1973 election said Lake Winnipeg regulation. Now I admit, Mr. Speaker, they said it on no grounds whatsoever but they did say it.

The New Democratic Party was elected and what did we do, Mr. Speaker? The members of the Opposition are so surprised when we keep our promises. We said we would ask for Hydro to make a review and we would tell them to include, in their review, the resource values that would be lost by proceeding with the high level diversion. And what happened, Mr. Speaker, is that Mr. David Cass-Beggs, an outstanding engineer in Canada . . . An outstanding engineer in Canada, Mr. Speaker, one of the only people whom the Hydro people said — our Manitoba Hydro people said — that we will not be subjected to a review by anybody but David Cass-Beggs is acceptable because he is one of the most respected engineers in this country. And you know who respects him most, Mr. Speaker? The Conservative Party. And I'll show you how. Because David Cass-Beggs came in and prepared a report which indicated that we could delay immediate procedures on the basis of studying whether Lake Winnipeg regulation would be valuable and whether studying the Churchill River Diversion. . . . That's the three page report that the Tories are always referring to. But, Mr. Speaker, their own program, which they now advocate as being the one that we should proceed with, owes its existence to the Cass-Beggs Report. If that program is such a fine program, the program which says that you should flood South Indian Lake to 754 . . .

**A MEMBER:** 854.

**MR. GREEN:** 854, excuse me. If that is a great program, the one that would have saved us \$600 million, where did that program come from? It wasn't in existence in '69. It wasn't in existence when the Conservative Party was proceeding to 769. It came, Mr. Speaker, as a direct result of the Cass-Beggs Report, because the Cass-Beggs Report came in the fall of 1969 and the Underwood-McLellan Report, which Mr. Spafford was party to, came, commissioned by Cass-Beggs' document.

Mr. Speaker, in the law we have a thesis that you can't approbate and reprobate. You cannot both approve of a document and then throw out the part that you don't like. But that's what the Tories will do. They will approbate the results of Mr. Cass-Beggs' recommendation, because there would be no 854 document which was the Underwood—McLellan Report, without Mr. Cass-Beggs' recommendation and yet, they would reprobate the very source upon which that document was based. And it wasn't a three page document. The Underwood-McLellan Report was a multi-thousand dollar report. The Crippen Report was a multi-thousand dollar report and after these two reports, the Manitoba Hydro Task Force proceeded to spend many more months in considering the matter and then came out, Mr. Speaker, with the Task Force Report, all of which documents, contrary to what happened under the previous administration, all of which documents were laid on the table in this House, put to the . . . of anybody wishing to see what they contained and the program was then proceeded with.

And what was that program, Mr. Speaker? What was that program? The program was the very program that was agreed to in 1966 between the Conservative Administration, Manitoba Hydro and the Government of Manitoba which said the components of the Nelson River Development were to be the Churchill River Diversion, Lake Winnipeg Regulation and the construction of a transmission line to take the power generated from these sources to the user.

And Mr. Speaker, you know, I got up in this House during the Budget Speech debate and it was suggested that this government use political pressure on the engineer of Manitoba Hydro to tell them what program they were to come in with and that as a result of that, Manitoba Hydro has wasted \$600 million and I said that if that could be shown, Mr. Speaker, I could not continue to be a member of this government. And what document is now used to show it? What document is now relied upon to show it.

I have seen, for four years running, the administrative people of Manitoba Hydro being subject to the most intensive and unfair cross-examination as to their procedures in this question. I have heard Mr. Leonard Bateman, who I have never known to be a New Democrat, who has always been a loyal civil servant and a distinguished engineer in this country, say that that was not the government's plan,

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that was our plan. Despite that, Mr. Speaker, and with all holds barred, that not only do we attack the government and that we try to discredit them, if that does not succeed, we attack the Board of Manitoba Hydro and discredit some of the most distinguished people in the Province of Manitoba. — (Interjection)— Professor Hoogstraten, he wasn't on the board at that time, it was the man in the chair. And Duncan Jessiman was on the board during the period that that was being considered and Bill Parker was on the board when the decision was made. — (Interjection)— Well, Mr. Speaker, you know, the Member for Pembina is quite prepared to try to blacken the reputation of these people and if that doesn't work, Mr. Speaker, they will go further and they will blacken the reputations or attempt to blacken the reputations of all of the fine engineering staff that is now employed by Manitoba Hydro.

I say to my honourable friend, the Leader of the Opposition who is in the House, he said that it is not uncommon to criticize Manitoba Hydro, that the members of the government were some of its most vociferous critics. I repeat, Mr. Speaker, he can go through every page of Hansard. I was probably as hard a critic of the Churchill River Diversion scheme as presented by the Conservative Administration as anybody in the House. Not once did I criticize the integrity of the Manitoba Hydro Board. Not once. And he can look for it. Did I criticize the competence of Manitoba Hydro engineers. That's something, Mr. Speaker, that those people have to resort to in order to make a case.

What I did do, oh yes, I criticized my honourable friend. I criticized a government that said they were going to have a hearing to determine how to proceed and then, in the middle of the hearing, say that this hearing is a farce. It will not have any bearing on how we proceed. I criticize my honourable friends for coming into this House and asking the legislature to take them off the hook and performing administrative acts, Mr. Speaker, which they did not have the guts to perform themselves. And they did it, Mr. Speaker, without even making available the information upon which that administrative act which they had lost the competence and the virility to proceed with. That administrative act, Mr. Speaker. We said, if we are to join in governing this province as members of the government rather than members of the legislature, are we not entitled to the information upon which the decision is based. And they said no, Mr. Speaker.

It's interesting to know how the 1969 legislative session ended, it perhaps was a coincidence, perhaps it was not. We were in Committee, Mr. Speaker, examining Manitoba Hydro and a Mr. Bowman was one of the people who appeared before the committee presented by Manitoba Hydro to whom we could ask questions. I asked him, Mr. Speaker, "Have you read this report, Hedlin Menzies Report, 'Transition in the North?'" And he said, "Yes." I said, "Has it affected your decision?" He said, "Yes." So I said, "Read the report," because that's the only way we could get it, Mr. Speaker. They had refused to put down the report. I said, "Read it." And the chairman ruled that he did not have to read the report. We challenged his ruling. It was to come back in the House, Mr. Speaker, that afternoon. When we got back in the House at 2:30, I happened to be at the University because it was Graduation Day, but when we got back in the House the chairman's ruling was never dealt with. But then the First Minister of this province, Walter Weir, got up and said that the Writs of Elections had been issued and we are proceeding and then the people . . .

So, Mr. Speaker, I took this charge seriously. I indicated I wanted to hear about it. I indicated that I could not stay with the government if it were true, but on the flimsiest possible suggestion and at the expense of blackening and besmirching the reputations of honest people in the province of Manitoba, the Tories have not made their case and I intend to fight it out, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for St. James. If he speaks will be closing debate.  
The Honourable Member for Radisson.

**MR. HARRY SHAFRANSKY:** Thank you, Mr. Speaker. The Honourable Member for St. James introduced this Resolution on behalf of the Honourable Member for Riel who, again I can say I hope that he will be joining us soon. It's been some time, it was about April 11th. Somehow in the intervening days of what the resolution, of what the Honourable Member for Riel introduced and what he talked about and what had been actually discussed in the debates by the Honourable Member for St. James. And the debate that was carried on by the Honourable Member for Fort Rouge, there are a lot of things indicated, you know, and in his usual habit the Honourable Member for Fort Rouge used all kinds of little phrases that he hoped was going to catch the Press' attention and he diddled and daddled and fooled around, playing with tinkertoys, kiddie cars and all kinds of little *clichés* and he was trying to create an impression of something that he was saying. I don't really know if he really made any sense; however, that was his usual approach.

I did look over some of the comments made by the Honourable Member for St. James and he did refer to some of the ideas that were — I don't know if he could really begin to interpret what the Honourable Member for Riel had intended, but it did seem to me that he did interpret some of the intentions of the purport of the Resolution No. 13 which he introduced on behalf of the Honourable Member for Riel on April 11th.

Well, Mr. Speaker, we have gone astray in many ways on this resolution because it is a fairly wide-ranging resolution and you can approach it from many many ways. I'm glad to have just heard the

comments of my House Leader, the Honourable Minister of Mines and Resources, relate the history of some of the things that have happened since 1969 in the attempt of the Conservative Official Opposition to try to besmirch Manitoba Hydro, besmirch the character of Manitoba Hydro senior staff engineers, besmirch the names of Manitoba Hydro Board and its members in their various tactics especially in the charges that Manitoba Hydro wasted some \$605 million of taxpayers money.

Mr. Speaker, I have set out to ask questions of my Leader in the hope, because of my lack of expertise in these methods used in the House, to try to bring out some facts, some relevant facts and to refute the charges that were made by the Official Opposition. I'm glad to see that, at least I feel that I have succeeded in one respect, that I no longer hear the Leader of the Official Opposition go about the country and continue the statements that he had made originally on his speech when he spoke on the Speech from the Throne. There has been some change because in Committee he had tried to continue his particular tactics and asking the chairman of the Manitoba Hydro various approaches to try to get the chairman to indicate that somehow there was some credibility to his charges and he was refuted in every case, and he stated, no, he was not challenging the integrity of Manitoba Hydro staff and at the same time, next word would go back and do it again.

However, Mr. Speaker, the one thing that I do feel, that the Official Opposition is ready to admit, even though they have not indicated publicly that they were dead wrong in all of their charges because there has never been a case to build up their particular position. Because, as the House Leader indicated, the case that the Leader of the Official is basing it on is that which they had established in 1969 and that is mainly what they were going to flood South Indian Lake to 869 and for some period of time, the Leader of the Opposition had disappeared, and they were supposed to have — nothing happened. Suddenly the things that this government caused to happen by the fact that Doctor Cass-Beggs was after the government to take a look to see if there's an opportunity for some alternatives, if there was time, and he was asked to look at all of the studies that had been made up until that time, and he came up with a report upon which further studies were contingent. And there were various avenues opened. Manitoba Hydro, eventually a Manitoba Board, approved upon the recommendations of the senior staff, whom I consider the most competent people in the North American Continent, in Canada at least, very competent engineers; that we selected that type of agreement that was signed by some of those people who are now such critics, signed in, I believe, 1966 or 1965. They they were signatures to the type of development that was going to take place, as far as the development of the Nelson River. That it was just simply a matter of proceeding, first of all, either with the Churchill River or the Lake Winnipeg regulation.

**MR. SPEAKER:** Order please. Will the Honourable Member for Morris state his point of order?

**MR. JORGENSEN:** Mr. Speaker, I know that there is a considerable amount of latitude allowed in debates of this nature, and I was a little bit concerned when the House Leader was speaking, about whether or not we were on the right resolution, and having checked the resolution, I draw your attention to the five points that are contained in the resolution, and I wonder if the debate that is now going on, is in any way related to that. If the honourable member or you yourself, Sir, can find some way that it is related, I have no objection to the debate continuing, but I was just wondering if we should permit it?

**MR. SPEAKER:** Well I read the last part of the Resolve: provide more adequate financial assistance or incentives for research and development in the field of energy conservation utilization. And, at the beginning is: Therefore be it resolved that consideration be given to the advisability of formulating a policy that would . . . Put those two together, and I don't know what else you have to discuss except energy policy, how it was created, what it's going to do, and what you are going to do in the future. If the honourable member doesn't like that interpretation, he can challenge it.

**MR. JORGENSEN:** Mr. Speaker, I didn't rise in order to. . .

**MR. SPEAKER:** Order please. The Honourable Member for Morris is on his point of order.

**MR. JORGENSEN:** I didn't rise to confront you, nor do I confront you now, Sir, I was simply asking for your views on it. You've given them to me, and I thought that they could have been given without the sarcasm that I received from your remarks.

**MR. SPEAKER:** Unfortunately I have to say this, I don't usually get involved with a member when he raises a point of order, but the one person that has been involved in listening to the debate on this resolution, happens to be the Chair. I have listened to members of this side, and members of that side, and to my estimation, if the honourable member had kept his chair continually as I have for this debate, he'd have been aware of that. The Honourable Member for Radisson.

**MR. SHAFRANSKY:** Mr. Speaker, I appreciate the concern of the Honourable Member for Morris, but these were just my introductory remarks with regard to the resolution as it has been dealt with, because I don't really know whether the approach that the Honourable Member for Riel would have used, that they were quite in tune with the remarks made by the Honourable Member for St. James. I know they are both engineers, I understand, but I don't think that they really agree on the same fields of expertise, or maybe they might be, but I don't think that they were quite in tune in the way their

approaches would be made.

However, there are, I notice, various comments made by various members, but I do intend to deal specifically with the resolution, so if the Honourable Member for Morris would be patient, I notice that the resolution by the Honourable Member for Riel had dealt with some particular five points. I am going to try to deal with those particular points in my own fashion, my own way. But before I do that, I would like to indicate one of the things that has been my concern for some period of time. It is that when we talk about the question of energy conservation, the whole issue of energy conservation is one thing that I feel all of us have not really approached the whole issue in a rational way. You know in Manitoba, and I'm going to be critical of my colleagues, and I hope the heck that they accept it in the vein in which I might make these comments. I put those points down somewhere. . . oh yes, did you steal them? I'm sorry, Mr. Speaker, I've got them.

Mr. Speaker, I think some of the things that I felt would be better approached, and a better idea to deal with the whole question of energy conservation . . . We find today that there is no concerted approach to the whole question of energy conservation. We have the Minister of Public Works, who has established — and I'm sorry I missed seeing that Solar Energy Sun Collector, the better term is Rain Machine, because, as someone indicated, we hope that we can open up more of them, because it will bring more rain, but some of you members had the opportunity to look at a Solar Collector. I walked up there one day and talked to a few people. It's rather an interesting experiment. However, it is done under one particular phase of the government, the Department of Public Works. The Department of Public Works also has some cars, electric cars, which I think you know is a good idea. The City of Winnipeg has some — you know they are not always proving out to be the best system, but the one thing, I will give credit, is that you have to experiment, and you have to be able to try out various things to see, maybe there is some solutions to our problems of energy as ever-depleting sources, at least the fossil fuel energy sources.

We have the energy council in the Department of Industry and Commerce' and I assume that they also have great concerns and ways on how to assist people in the Province of Manitoba, how they could conserve energy, how they could improve their consumption of electric energy, how they can conserve costs, etc. I know that they do that job very well. I know that our Premier has a very deep, and very sincere and abiding interest in the whole question of energy, and it is his one concern. We also have Manitoba Hydro which is charged with producing electricity for the needs to meet Manitoba's requirements, and somehow I cannot reconcile all of the people. . . You know Manitoba Hydro also have an electric car that it's testing to see if it's possible to establish various rechargeable stations, etc., but it is an experiment.

The fact is, there's all of these people trying, at least doing something, but my concern is the fact that somehow these things should be established under either one branch — put together so that there's a concerted effort made to look — rather than having Manitoba Hydro charged somehow with trying to conserve energy, how to save; rather than the Department of Public Works, which is charged with providing services to the people who happen to be within these buildings, etc., that there should be some group of people who would provide that type of information to the consumer. How best to utilize whatever energy they use, how best they can improve their buildings under construction, etc.

I would, Mr. Speaker, hope that we could sometime look at the whole question of establishment of a branch — I don't know which department it would fall in, in fact I would advocate that it should be a branch by itself. It should be a branch by itself, specifically to look after the interest of the consumer. In Hydro, when people talk about the concern that was made by the opposition about demand billing, etc., that they could come to this department, to be explained to them, etc., here is what is happening, and there's action and attempt that this group of people put together. I'm sure that we have those people — we don't need to go anywhere else outside or hiring any new staff. I'm sure that there are the experts in the various departments to put them together, and they would provide that type of consumer oriented branch that deals with the interest of the people directly.

Now, Mr. Speaker, the resolution deals with some five particular points, and the measures to encourage energy conservation suggested in the resolution, are very — one thing about it — piecemeal. I've tried to outline to you what I feel should be the approach that . . . it should be put into a department if it really comes down to it that would be consumer oriented. It might be even under the Department of Consumer Affairs, but they would have a branch that is directly concerned with energy conservation.

But this resolution is very piecemeal and are not likely to resolve in any appreciable increase in a trend towards energy conservation that has been emerging in response to increases in energy prices. Now there are five particular points I would like to deal with. Well, four of them.

The first point — prohibiting assessment of energy conserving construction improvements would provide a relatively small, , on less than 2 percent our annual property taxes, paid at the cost of increasing the complexity of the municipal taxation system and a further eroding of the principles on which such taxation is based. Now since the savings in heating costs resulting from such construction improvements are already considerably more substantial perhaps equal to about 10 to

20 percent of the property tax bill annually. This tax exemption would virtually have no effect on construction practices.

And No. 2, prohibiting assessment of renewable energy collecting devices is a proposal that has merit, but the main obstacle to the widespread use of such devices is their high capacity, or rather capital costs. It is unlikely that such a measure will have any effect on energy conservation in the foreseeable future.

The third point. The provincial sales tax on insulation materials. We've dealt with it in the Budget. An energy conservation products can be estimated to contribute less than one percent or 1/10 of one percent to the construction cost of dwelling units. So it is difficult to see how such a measure would leave any impact on energy conservation practices, but the fact is this is already a fact.

And four, regarding incentives for upgrading of the existing buildings and the incentives of research and development in the field of energy conservation. Such proposals are currently being developed by the Energy Council. Therefore, Mr. Speaker, I would like to move, seconded by the Honourable Member for Emerson, that the proposed Resolution No. 13 be amended by deleting all the words after the word "Whereas" and substituting the following:

"AND WHEREAS the Federal Government has refused to extend on a national basis to all provinces, support for energy conservation measures which it is financing in the two Atlantic provinces.

"AND WHEREAS this lack of federal support the Manitoba Government has taken positive steps to affirm its readiness to co-operate in a national Energy Conservation Program,

"THEREFORE be it resolved that this government be commended for its leadership in energy conservation by means of solid and practical programs including:

1. Its continued efforts to make available sources of plentiful renewable energy to present and future generations of Manitobans, thereby reducing Manitoba's reliant and dwindling supplies of non-renewable energy sources from outside the province.

2. Its shift in automobile licensing fees to a schedule based on vehicle weight thereby providing a positive incentive for Manitobans to purchase lighter more energy-conserving vehicles.

3. Its encouragement of research into an experimentation with alternative sources of energy and new uses for renewable energy sources such as the solar heat project taking place right on the roof of this Legislative Building which honourable members had the opportunity to see the other day.

4. Its elimination of the Provincial Sales Tax on all insulation material for use in residential construction of a noncommercial nature and its announced intention subsequently to monitor insulation prices in the hope individuals will receive an incentive in the form of lower cost to increase the energy conservation in their own homes, and that has been already announced under the Budget.

5. Its announced intention to eliminate property tax increases arising from the installation of equipment to utilize solar energy for home heating purposes and to reimburse municipalities for the revenues they do not collect for this reason, thereby providing a further powerful incentive for individuals to undertake this form of energy conservation in their homes, and

6. Its newly announced special provincial load programs under which \$1,000 repayable over 20 years will be made available to those homes owners who wish to improve their insulation."

**MOTION presented.**

**MR. SPEAKER:** The Honourable Minister of Mines have a point of procedure?

**MR. GREEN:** Yes, a point of order, Mr. Speaker. I am afraid that I may have been the cause of some embarrassment to you, Mr. Speaker, which is unnecessary because I now have gone back to the previous debate, and although the question of the Hydro program was certainly referred to, it is not the debate which I thought I had picked up the motion on, and I would certainly not have made the entire speech on the Hydro Development Program had I realized what had taken place before.

The other resolution dealt with, I gather the prices of Hydro on recreational centres, and therefore I will have misled you, Mr. Speaker, in a manner which I did not intend to, and I think . . .

**MR. SPEAKER:** Order please. The Chair was not misled by anyone. The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Mr. Speaker, I had originally spoken on the resolution presented in the name of the Member for Riel, so I would like to thank the Member for Radisson for an opportunity to take a second run at this particularly important issue, because I think that there have been a number of statements and comments made by various members



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that certainly stand for some reaction and commentary. No more so than the statements from the Member of Radisson himself.

I must confess, Mr. Speaker, to being almost ready to have a certain seizure of apoplexy when the Member for Radisson began to address his remarks on conservation because it began to sound vaguely familiar and it began to remind me that it was exactly the kind of resolution that we had presented in this House before that the member had voted against. When we had talked about the fragmentation in the different areas of energy development, that we had to have an energy secretariat or a council in the province, and I confess, Mr. Speaker, that I was prepared to acknowledge the tremendous cathartic effect an impending election must have, because the Member for Radisson was about to give us that Saul from Tarsus routine ; as he was proceeding down to that new revelation he was going to change his religion, change his ways, certainly change his opinions. Unfortunately, Mr. Speaker, I guess somewhere along the way that revelation disappeared. The light that had smote his eye for a moment was quickly extinguished and all of a sudden he reverted back to form where it was simply a matter of repeating what the Government Research Commission had handed to him to read up before in the way of a kind of

an eviscerating resolution counteracting it. But it's too bad, Mr. Speaker, because he was on the right track. There's no question that he was on the right track when he suggested and in fact said that the basic problem with energy policy in the province is that we don't have one. In fact, one of the difficulties in the whole conservation area is that there isn't a comprehensive conservation program. He couldn't be more right, because that happens to be true. I would even suggest, Mr. Speaker, that the conclusions he was beginning to draw were also the right ones, and that is that we have to draw together and pull together the different bits and pieces in the government that we are presently trying to dabble in these areas, and pull them together in a much more conservative way so the consumer would have better protection.

But, Mr. Speaker, he backed away from what was the obvious conclusion, and I suppose it was only necessary if he was going to maintain any friendship with other members of his caucus and have to deal with them on an ongoing basis. But let's not dismiss, Mr. Speaker, the fact that the Member for Radisson almost spoke the truth, almost came close to drawing the right conclusion which other members opposite have refused to draw for the last two years which is, they have not been prepared to adjust themselves to energy conservation policy in any concerted effective fashion. In fact, Mr. Speaker, the reason I got to my feet was the member is a member of the board of Hydro, he has an opportunity I presume, in that position, to make some comments and recommendations about how Hydro could be proceeding in the conservation area. I would simply ask him to consider if that is his concern. I will take him at his word that that is his concern.

Let him consider a couple of other things that the government or Hydro themselves might be doing. First, is a basic fundamental change in their pricing policy. Presently, if you look at the way their hydro rates are set in the Province of Manitoba, it in fact encourages waste. They tend to give lower rates for higher volume users as opposed to providing a rate system that would provide a differential and therefore encourage a conservation ethic to be put into place. It would seem to me that one of the tremendous opportunities that every province has in the area of conservation is again to look at the whole question of utility pricing and to begin to see if we can provide differential pricing so that those who are prepared to, on a common formula where certain standards are set, to use less than that, to reduce it. Also Hydro could be moving on this whole question of the bulk metering of apartment blocks which is a tremendous waste of resources. There are a number of conservation measures that could be taken by Manitoba Hydro itself, to provide for the implementation of a conservation program.

Furthermore, Mr. Speaker, as we mentioned in the Budget speech, one of the basic problems in developing alternative energy sources such as the use of complementary solar units on houses, is not going to be solved by having an experiment on the top of this building. What really is required is a very specific series of advisory services for home users to help them determine what in fact could be placed in their individual homes. What kind of solar heating arrangement would be available for hot water heating, for complementary electrical heating that could be applied at their home now. All these programs that came in the Budget are of no use because people don't know how to use the technology. It would seem to me that again the proposal of having a form of energy audit would be of some necessity to ensure that people would make use of the new technology. They can't make use of it if they don't know what it is. It would seem

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that again one of the major initiatives that could be taken to provide for a conservation of more expensive energy resources, where they could do the kind of energy audit on individual residences so that there would be both an assessment of where energy loss is taking place in each of those residences that in fact, Mr. Speaker, when we talk about lost opportunities, that the Government of Manitoba is spending \$22 million this year on a job creation program. What would have happened in that job creation program, if they had hired their students to do the kind of energy audit inspections that could have been undertaken in this province? The kind of training that has gone on in the universities, the interesting experiment that the University of Waterloo and Guelph have undertaken in Ontario show that once a standard format is arranged, that that kind of work can be done, house by house, and then certain advice can be given so people would know what kind of insulation, what to do with their weather-venting, what to do with foundation work, what kind of heating system and what alternatives are available to them.

So again we are setting up a job creation program with lots of make-work activities and yet we avoided and missed one of the primary opportunities that might have afforded to us to do that kind of very critical evaluation assessment to provide for home owner conservation on an individual basis. There is no question that there is going to have to be a number of individual efforts and that the make-work program would have provided the opportunity to provide that advice, that under the training of Manitoba Hydro, there could have been a pretty good team of university high school students trained to do that kind of energy audit that we have proposed. But again, Mr. Speaker, that kind of thing hasn't taken place.

It is a matter of everyone in this House agreeing about the need for conservation. It comes down to who is prepared to really go at the problem in a very comprehensive, effective way rather than simply dabbling in it. I would suggest that even the commendations that we are asked to vote for under this amendment to the resolution where we can agree with them, we simply say they are really very short-shrift partial measures which are not really tackling the real difficult problems that should be tackled to ensure that there is proper energy conservation. Again, there is very little here to do with providing alternatives in the area of public transit.

Before we leave it, Mr. Speaker, I did want to clarify one matter that was raised by the Minister of Mines and Natural Resources in his speech because this resolution also talked about how to make sources of energy available and he was trying to set the record straight. The Minister of Mines and Natural Resources has demonstrated over the years a fairly selective memory and a selective vision about what the record really is. I think it is important to recount what really the record is of this party and why it took the stand that it did take. Going back to the original discussions in the late 1960s concerning the proposed Churchill Diversion project as it was introduced by the Conservative Government of that time, the Minister is dead wrong when he said there were no reports available upon which some judgments could be made. There were reports available; people were looking at the project in 1969 and I saw those reports.

The one question that they raised was this, they said that there were two major problems that should be considered — this was 1969, mind you — one is that the engineering related to diversion is an unknown. We are working in an area in which there is no established expertise in Manitoba Hydro itself. They were going to an area which the kind of development they had undertaken in southern Manitoba had not prepared them for and there were many questions raised by the engineers that had been hired as consultants at that time concerning the potential problem of diversion *per se*. They suggested that the use of water resources in a diversion project would have the impact of affecting permafrost and would provide for cave-ins in the diversion. What has happened four or five years later, Mr. Speaker? Those cave-ins have occurred. The channels are not firm and a large amount of money has been spent on remedial work to make the channelling more effective. Now those kinds of things no one knew, no one could predict exactly but they said that was a question that was raised. They said be very careful about it because you are moving into an unknown area; you have to be very careful about the whole diversion project *per se*.

The second point that was raised was about the potential that the high level flooding had for northern Manitoba and for the communities. And they said that again raises a tremendous question, which we still don't have the full answers to, as to what the northern impact is going to be of the major flooding of Manitoba. Even lower level flooding, we still are unable to determine at this stage what the full scale consequences of that will be.

Thirdly, it is suggested that the alternative was to use the Churchill itself as a power

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site and not have to do the diversion. At that time they said, I believe, that the estimated cost was only between 7 and 12 percent higher than what it would be under the diversion. Now, Mr. Speaker, 7 and 12 percent higher on 1969 figures would be a bonanza now. If we had only been able to spend 7 or 12 percent higher than those original figures, then the Province of Manitoba would be 50 percent better off than they are now considering the tremendous cost overruns that have occurred since that point in time.

**A MEMBER:** Mr. Speaker, I wonder if the honourable member would permit a question?

**MR. AXWORTHY:** No, I really don't have that much time. I would ask it at conclusion.

**A MEMBER:** What I wanted was the name of those reports.

**MR. AXWORTHY:** Well, the reports were prepared and I can't recall the name, but I will get the name of the reports for the honourable member when we resume the debates. I can say that one of the officers was Robert Newberry from the Faculty of Engineering at that time who had done so many environmental impact works on the whole question of channelling and diversion and he's a well-known expert in that field, consulting several other governments of it.

**MR. SPEAKER:** The honourable member will have an opportunity to continue his debate the next time we get to it.

**MR. AXWORTHY:** Yes, thank you.

**MR. SPEAKER:** The supper recess having arrived, I am now leaving the Chair and the House will resume in Committee of Supply at 8 p.m. with the Deputy Speaker in the Chair.