

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10:00 o'clock, Friday, April 19, 1974

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 56 students of Grade 4 and 5 standing of the Agassiz School. These students are under the direction of Mr. Bend and Mrs. Moffat. This school is located in the constituency of the Honourable Member for Fort Garry. On behalf of all the honourable members of the Legislative Assembly, I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions.

READING AND RECEIVING PETITIONS

MR. CLEK: The petition of the United Health Insurance Corporation Limited, praying for the passing of an Act to incorporate United Health Services Corporation.

The petition of North Canadian Trust Company, praying for the passing of an Act to Amend an Act to Incorporate the North Canadian Trust Company.

The petition of Jessie Ellen Gillespie, praying for an Act for the relief of Jessie Ellen Gillespie.

MR. SPEAKER: Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Mines.

MINISTERIAL STATEMENT

HON. SIDNEY GREEN, Q. C. (Minister of Mines, Resources and Environmental Management) (Inkster): Well, Mr. Speaker, I just would like to try to schedule a meeting of the Public Utilities Committee on Tuesday at 10:00 o'clock to hear the report of the Manitoba Public Insurance Corporation. Now I believe that that is satisfactory. The Minister is temporarily away, but I believe it is satisfactory and unless there's a change announced on Monday I would like to proceed in that way.

I'll also try to schedule a committee meeting on Thursday but I'll probably have more information on that later in the day or on Monday.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills. The Honourable Minister of Agriculture. The Honourable Member for Morris.

INTRODUCTION OF BILLS

MR. WARKENT H. JORGENSON (Morris) introduced Bill No. 47, an Act to Amend the Financial Administration Act.

MR. D. JAMES WALDING (St. Vital), on behalf of the Honourable Member for Winnipeg Centre, introduced Bill No. 48, an Act to Amend the Liquor Control Act (2).

MR. STEVE DEREWIANCHUK (Emerson), on behalf of the Honourable Member for Radisson, introduced Bill No. 50, an Act respecting Montreal Trust Company.

MR. WALDING, on behalf of the Honourable Member for Winnipeg Centre, introduced Bill No. 51, an Act to Amend an Act to Incorporate Investors Syndicate Limited.

MR. SPEAKER: Questions: The Honourable First Minister.

ORAL QUESTIONS

HON. EDWARD SCHEYER (Premier) (Rossmere): Mr. Speaker, the other day some honourable member, I believe the Member from Morris, had asked as to the possibility of having the Ombudsman appear before a Committee of the House so that he may be questioned with respect to his duties and activities. I'm able to reply now to confirm that arrangements will be made to this effect and that the Honourable the House Leader will be indicating a specific time for the meeting of the Committee on Privileges and Elections to which the Ombudsman would appear so that honourable members in that committee may put forward whatever questions are useful and appropriate.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, I should like to direct a question to the First Minister and thank him for his reply to the question that I posed to him yesterday concerning the Ombudsman, but this morning he made a statement to the effect that emergency plans were

ORAL QUESTIONS

(MR. JOHNSON Cont'd) going to be initiated by this government to insure that people who are in receipt of cheques, Unemployment Insurance, etc., that emergency plans would be developed to insure that they got those cheques. I wonder if he could outline some details as to how he proposes to do this.

MR. SCHREYER: Mr. Speaker, I'm a little puzzled as to just what statement of mine the honourable member is referring to; I didn't make any public statement to anyone this morning, including my wife, but . . .

MR. JOHNSON: Let's not hope that the First Minister talks in his sleep then, but on CJOB this morning a news report came over to the effect that he was developing emergency plans to insure that welfare, unemployment cheques would be delivered because of this strike.

MR. SCHREYER: Right, Mr. Speaker, I can clarify the circumstance. The statement of comment that the Honourable Member for Morris is referring to was made last evening. I take it it's been broadcast this morning. The circumstance or situation is that a contingency plan has been prepared. It is not without precedent. I believe on two previous occasions it has been done, 1970 and 1968. So that in the event that there is some disruption of mail service, for whatever reason, that mail, documents, etc., that have to do with the operations of the Crown and right of the Province of Manitoba will be carried to whoever they have to be carried to. Now this will not cover Unemployment Insurance cheques but it will cover Social Allowance cheques, pay cheques, and such mail and documents as relates to the Crown and the right of the province itself.

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

MR. I. H. ASPER (Leader of the Liberal Party) (Wolseley): Thank you, Mr. Speaker. My question is to the Minister of Mines and Natural Resources. Does he or does the Government of Manitoba accept as valid the analysis on the Garrison Diversion made last evening by Governor Link of North Dakota on television, wherein he stated that in his opinion from the experience he had had the Government of Canada in Ottawa was far more concerned about the diversion plans than the Government of Manitoba?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I didn't hear Governor Link make any such statement and I have learnt to distrust greatly the Leader of the Liberal Party's assessment as to any particular fact or any particular statement as to somebody else. I will try to get Governor Link's statement and try to reconcile it with the statements that he has sent us.

My information is that Governor Link was entirely satisfied that the position that I took in North Dakota when I went down and spoke there, was the position that the Manitoba Government had been taking throughout, and that position, Mr. Speaker, is entirely consistent with the Canadian Government.

MR. ASPER: Mr. Speaker, to the same Minister, so that he may carry out the undertaking he made to look at the news . . .

MR. SPEAKER: Question please.

MR. ASPER: I would simply inform him that it was on channel 8.

MR. SPEAKER: Question.

MR. ASPER: Yes, Mr. Speaker. Has the Mines Minister received any indication from Governor Link or from its own studies, the Government of Manitoba's own studies, as stated by Governor Link on television, that it is possible to do the Garrison Diversion and cut out that portion that would pollute Manitoba waters, and that while he personally opposed that . . .

MR. SPEAKER: Order please. I do not believe that it is a proper procedure to bring and convey information and then make a question upon it. I am sure the honourable member can find other times in which to debate this particular issue. There is no real urgency in regard to that particular project at the moment and it's not suitable for the question period. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, on your ruling, I would make the point that I didn't think I was bringing information, I would assume . . .

MR. SPEAKER: Order please.

MR. ASPER: . . . the Minister had the --(Interjection)-- On the assumption that he is informed, I'll ask the Minister, has he received an indication that the project of the Garrison Diversion can be accomplished without it being done through Manitoba waters and polluting the Souris River?

ORAL QUESTIONS

MR. GREEN: Mr. Speaker, the Garrison Diversion Program is a multi-phased program. The part that affects Manitoba is supposed to commence in 1979. I gather that that part is an integral part of the program. We have been assured by the Government of the United States that that part of the program will not be proceeded with; no construction, repeat, no construction will be proceeded with which will be contrary to the obligations of the Government of the United States relative to Manitoba waters.

With regard to the statement which I made in the United States, and which Governor Link said that he understood perfectly, I was congratulated on that statement the next day by the House Leader of the Liberal Party.

MR. ASPEK: Will the Minister indicate whether or not he has documents that indicate that the Garrison project can be carried out by diverting the waters southward as opposed to northward?

MR. GREEN: Mr. Speaker, the very reason that a committee was set up as between our officials and the officials of the United States was because the Manitoba Government, unlike the Federal Government, was not completely satisfied with the statement that was made by the United States. They said that there would be no pollution to the injury of persons or property; we said, show us how you intend to accomplish that result. That's why the meeting of officials was set up, and that's why it was also agreed that that would be a meeting of political people six months hence, and when I use the word "hence" I'm talking about from the date of the setting up of the meeting, to make sure that the officials know that they are reporting to someone, and to have a self-disciplinary deadline on our own assessment of the situation.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARKY J. ENNS (Lakeside): Thank you Mr. Speaker. Mr. Speaker, I direct a question to the Honourable the Minister of Mines and Natural Resources and Environmental Management. It is my understanding that the United States Bureau of Reclamation has completed a study that would investigate the specific impact of the Garrison Diversion on Manitoba and Canada. Is he in possession of that study? If so, can he indicate or will he make it public?

MR. GREEN: Well, Mr. Speaker, I did make public and distributed the copies to members of this House, not to all members, but to Parties, a copy of the Bureau of Reclamation's study. I will see whether there is an additional study now, and if there is and I can have it, then I will certainly make it public.

MR. ENNS: On a supplementary on that. Yes, Mr. Speaker, I quite acknowledge the receipt of the original large Bureau of Reclamation Impact Study, but I ask the Minister again to undertake to provide this House with the information of the specific impact studies that the Bureau is now doing relative to the possible effects on Manitoba and Canada.

MR. GREEN: Yes, Mr. Speaker. Certainly if such studies are received, if they are available to us, they will be available to members of the House and the public.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I believe last week some time the Honourable Member for La Verendrye had asked a question bearing on the matter of local government finance and school costs. I took the question as notice and am able to confirm today that in the last few weeks as school board budgets have been finalized and reported to municipal councils, and brought to the attention of the province, it has become evident that there will be a significant increase in mill rate. In keeping with the province's desire to provide as much possible assistance that can be arranged in order to minimize the impact on real property taxation, we have decided to commit an additional \$8 million to the property tax credit program for 1974, inasmuch as this is the most expeditious mechanism at this point in time to effect real property tax relief. Accordingly the maximum property tax credit entitlement is being increased by \$50.00, and the minimum is being increased by \$50.00, which makes it possible to increase the amount that is advanceable on the municipal tax bill that will be sent out this spring and early summer by \$50.00, so that it will go from \$100.00 to \$150.00. To be technical, I should explain that there will be a \$1.00 and \$2.00 variation, so that \$150.00 is the minimum entitlement which will be advanced, all of which will be advanced on the property tax bill to resident home owners. In some cases, it will be \$151.00 because of technicalities having to do with the Income Tax Act. The moneys needed for this measure of real property tax relief at the local level will be financed through the Special Loans and General Emergency Fund or by deficit financing, whichever is required in the circumstances.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I want to follow up on the questioning of the Minister in charge of Water Control in regard to the Garrison Dam, which is not a new . . .

MR. SPEAKER: Question.

MR. WATT: Yes I'm coming to the question, Mr. Speaker. My question is to the Minister again, which I posed a couple of weeks ago, was, if there was anything documented that would guarantee that the residue from the construction of the Garrison Diversion into the waters of Manitoba, if there was anything concrete between the United States and Canada on this issue.

MR. SPEAKER: Question please.

MR. WATT: On a point of privilege then, Mr. Speaker. I agree with the Minister that he has . . .

MR. SPEAKER: Order please. This is not a debating hour, this is the question period.

MR. WATT: I'm not debating. I'm not provoking a debate; this is non-political. I'm simply saying that I agree with what the Minister . . .

MR. SPEAKER: Order please. It is contrary to the procedures to make statements or to make a very lengthy preface. Now if the honourable member has a question, would he put it succinctly please.

MR. WATT: Then I again put the question to the Minister. Has he got anything documented between the United States and Manitoba, between North Dakota and Manitoba, that will guarantee that the residue from the Garrison diversion will not be poured into the Souris River, or the Mouse - it's a bilingual river.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, there may be some misunderstanding in this connection, both by the honourable member and the Leader of the Liberal Party. The proceedings that have been taken have been taken under the auspices of the Government of Canada because it is an international matter. The Government of Canada took proceedings at the instance of the Government of Manitoba.

We sent a letter to the Government of Canada in January of 1970 advising them as to the effects of the Diversion, and we had to follow that up a year later with the Government of Canada with another letter to the Government of Canada, which subsequently resulted in a diplomatic note being sent by Canada to the United States. The United States then sent back a note in February of '74, I believe, to Canada not saying that the diversion would be stopped but that is in writing documented, and under the circumstances, and I am by no means able to say exactly what will occur, but as firm as international obligation as one can obtain, I believe, has been obtained by the Government of Canada to the effect that there will be no construction on any phase of the Garrison diversion which will be in violation of the United States treaty obligations to the Government of Canada.

MR. WATT: Mr. Speaker, not on the Garrison Dam, on another point. At present the Town of Melita in a heavily developed commercial area in the flats are now under water, and the reports last night and this morning from Minot are that the water will increase rapidly and extensively, and I'm wondering if the Minister is aware of what is happening out there, and what his department propose to do with it.

MR. GREEN: Mr. Speaker, I gave a flood report yesterday and I did ask for one this morning. I'm aware that there are serious problems in various parts of the province. I probably will have a report by this afternoon, and with the leave of the honourable members although it won't be a question period, I'll distribute it.

The flood fighting and emergency measures action is being handled through the auspices of the Minister of Urban Affairs under whom EMO is operating, and the First Minister yesterday indicated the plan of actions that have been taken. I'm not immediately aware of what plan is being utilized in the Melita area but if the First Minister has that information now I assume he'll get it, otherwise I assume he will deal with the question in such a way as to satisfy the honourable member.

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

MR. J. PAUL MARION (St. Boniface): Thank you, Mr. Speaker. I'd like to direct my question to the Honourable the Minister of Health and Social Development. Will the Minister

ORAL QUESTIONS

(MR. MARION Cont'd) indicate why the government, or the Health Services Commission, has proposed significant reductions in the services that the proposed Seven Oaks Hospital will provide, and has not provided any assurances that the hospital will not be turned into a community clinic, both of which actions have resulted in the resignation of Councillor Sasaki from the Board of Trustees of this hospital.

MR. SPEAKER: The Honourable Minister of Health,

HON. SAUL A. MILLER (Minister of Health and Social Development) (Seven Oaks): Mr. Chairman, I'm not at all responsible for that individual's resignation, or desire to resign. What he did, he did as an individual, and as a responsible person he'll have to answer for it.

With regard to the question, I reject completely the words used by the member. I have said it to him very clearly in this House, and it's in Hansard, the Seven Oaks Hospital is going ahead. There is a difference of opinion, not just between the government and the Seven Oaks Hospital Board or the Commission and the Seven Oaks Hospital Board, but in the medical profession, Mr. Speaker, whether or not in this day and age one goes ahead and builds exactly what one did 50 years ago or 25 years ago, or whether we smarten up and do what's right to do for the benefit of the people. The question facing us is this: Do we continue to accept mortality, morbidity rates in the field of obstetrics, or do we heed those who are now cautioning us to look carefully before we commit ourselves to a program and ignore completely what is now being brought before us as facts, and not to us as a lay person but to the medical profession, people in the Manitoba Health Services Commission, technical people who have raised the flag and said, watch it before this move is made. I think that's responsibility on the part of the profession, it's responsibility on the part of the commission, that is a responsibility that is now being conveyed to the Seven Oaks Hospital Board, and if members of that board want to shirk that responsibility they will resign.

MR. MARION: Another question to the same Minister, and I trust it will be more elucidating. Is the government prepared to re-evaluate its proposals to first reduce the square footage area by 35 percent; second, to revise its reduction plans of both the obstetrical and pediatric services; and third, is it prepared to re-evaluate the reduction of moneys which would provide for further expansion possibilities within the next five to ten years of this hospital in view of the fact that there will be approximately 45,000 people living in the area?

MR. MILLER: Mr. Speaker, and obviously the member is quite prepared; the questions have been nicely written out for him. I hope it's by himself; I doubt it, because the information as such . . .

MR. SPEAKER: Order please. Would the honourable member state his point of order. Point of privilege.

MR. MARION: Well my point of privilege, Mr. Speaker, I am asking the questions, and it's up to the Minister to decide whether or not he wishes to answer them. How I formulated them are none of his business.

MR. SPEAKER: Order please. I fail to see that that is a matter of privilege. The Honourable Minister.

MR. MILLER: With due respect I think I can interpret what I hear in my own way; if I'm wrong in my interpretation then the member will disagree. I'm not sure that's a point of privilege.

Mr. Speaker, the questions were asked last week. The matter of a reduction in percentage of space, and so on, is something that is being dealt with my the Commission, not the government, and a committee has been set up and has been for some time to work this out with the board. I mentioned last week boards generally, all bodies asked for the best, the finest, the largest, the most expensive that they can. I'm not critical of them, in their position I would do the same. Every department of the government comes to Cabinet asking for probably twice as much as they know they're going to get in the final analysis, and that's human nature. That is now being worked out with the staff of the Commission and the Board, and also members of the Board of the Health Services Commission. I don't think that's the problem at all.

In the case of pediatrics, the Seven Oaks Hospital themselves recognized that it was not a good idea to have it there and they withdrew that particular request I understand some time ago.

ORAL QUESTIONS

(MR. MILLER Cont'd)

In the case of expansion, there's enough land set aside, Mr. Speaker, and with all due modesty, I was involved in that setting aside of land banking 12 years ago, and that site is large enough to accommodate an additional tower if it's needed and if indeed the population warrants it.

MR. SPEAKER: Order please. I wonder if I may obtain the co-operation of the members in making their questions. In making a question the observation which might lead to debate cannot be regarded as coming within proper limits of a question, and the question should confine itself to the narrowest limits. I would hope the members would co-operate on that basis. And the answers. The question must be answered briefly and distinctly and be limited to the necessary explanations, though a certain latitude is permitted to Ministers whenever they find it necessary to extend their remarks. Now I think that if the members would co-operate on that basis, we would have a lot less debate during the question period. The Honourable Member for St. Boniface.

MR. MARION: Final supplementary, Mr. Speaker, to the Minister. Can the Minister advise why he has changed his position with respect to this hospital from one that should be fully accredited to one that will now offer the very barest and minimum of services?

MR. MILLER: Mr. Speaker, accreditation has absolutely nothing to do with the size of a hospital. The member posed that last week. I wasn't quite sure, and so I didn't make the statement I'm making today. But there's absolutely no relationship between the 200 beds size of hospital and the accreditation.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Speaker. My question, Mr. Speaker, falls within your rules, Sir. To the Minister of Agriculture. Can the Minister tell me whether or not Manitoba turkeys are selling for four cents a pound today in Trinidad?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I would have to way of knowing --(Interjection)-- since we are not involved in that kind of thing, to my knowledge at least. The Manitoba Turkey Marketing Board is involved provincially and nationally in the marketing of their product, and I am not aware that that is the case, Mr. Speaker.

MR. ENNS: Supplementary question, Mr. Speaker. Will the Minister undertake that if in fact . . .

MR. SPEAKER: Order please. That question is hypothetical.

MR. ENNS: Well, Sir, I'm asking this question on behalf of the housewives of Manitoba who want to get in on that deal if they can.

MR. SPEAKER: Order please. I cannot change the rules for the honourable member on anyone's behalf. The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question --(Interjection)--

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

MR. MCGILL: My question is for the Honourable the Minister of Education. Can the Minister confirm that the position of Associate Director, French Section, now held by a Franco-Manitoban, Mr. A. Corriveau will be eliminated and replaced by a Co-ordinator of French Education, to which Mr. Tremblay of Quebec has been appointed.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): The two positions Mr. Speaker, are quite different. They are no way similar to one another. They deal with separate programs.

MR. MCGILL: Mr. Speaker, inasmuch as Mr. Tremblay in his report described the job of Co-ordinator as one to be held by a Franco-Manitoban with a mastery of English, could the Minister explain Mr. Tremblay's qualifications for this position?

MR. HANUSCHAK: Mr. Tremblay is equally fluent in both languages, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Consumer, Corporate and Internal Services.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Thank you, Mr. Speaker, for allowing me to answer three questions asked by the Member for Swan River on April 8th.

ORAL QUESTIONS

MR. SPEAKER: Order please. The Honourable Member for Brandon West have a supplementary ?

MR. MCGILL: I wonder if the Minister could tell the House whether then the report and the recommendations of Mr. Tremblay in respect to French language in the schools is to be implemented, and if so would he table the report in the House ?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: I believe, Mr. Speaker, either the same member, or some other honourable member of the House asked a very similar question some time last week, and my response to it is recorded in Hansard.

MR. SPEAKER: The Honourable Minister of Consumer, Corporate and Internal Services.

MR. TURNBULL: Mr. Speaker, my answers to the questions from the Member for Swan River might be of interest to others rumoured to be becoming involved in communications.

The first question of the Member for Swan River was: "Can the Minister advise the House when the promised second TV station will be installed in Northwestern Manitoba?" And the answer, Sir, is, that the application to bring CTV service to the Dauphin, Swan River area of Manitoba was first made in the fall of 1971 by Relay Communications, which was a partnership of CKY-TV Winnipeg and CKX-TV Brandon. However inter-broadcaster problems, specifically with Yorkton Television Company Limited, caused a delay in licensing. The license was not actually issued by the CRTC until July 1973. Since then further complications with the broadcasters, amongst the broadcasters, has developed. CKX-TV is applying a license for a new television station to be established in Winnipeg and Moffatt Communications, the owners of CKY-TV, are apparently reluctant to proceed in partnership with CKX in Brandon and Dauphin areas while CKX may be their competitor in Winnipeg. We would expect that this aspect of the situation will be resolved following the coming CRTC Public Hearing to be held in Winnipeg on May 14th, and that the CTV service should be provided in Dauphin-Swan River areas within 12 months.

The second question, Mr. Speaker, was the following: "Is it true that the Federal Government is holding up progress by refusing to allow the installation of equipment for this project in the Clear Lake National Park?"

The issue involving Riding Mountain National Park is as follows: In order to get the CTV signal from Brandon to the transmitting tower on Baldy Mountain a series of microwave repeaters is required. One possible route for these microwave repeaters would involve the use of the tower in the Riding Mountain National Park. The Manitoba Telephone System already has a tower in the Park and has offered to provide the microwave service to the broadcasters at a very low rate, based only on the incremental costs of adding additional equipment to the towers. One might add, Mr. Speaker, and if I may do so, that the microwave for broadcast pricing policy of the telephone system is the same today as it has been since the mid 1960s, and that policy, Sir, is that pricing charges to the the broadcaster are based only on long-run incremental costs. However, Mr. Speaker, despite the low MTS costs the broadcaster in this case wished to ascertain the cost of building his own microwave system and therefore contacted Parks Canada to see if he could erect his own tower in the Riding Mountain National Park. Parks Canada informed Moffatt Broadcasting that the department would prefer if the broadcaster made a contract with the Manitoba Telephone System for the service so that there would be no unnecessary duplication of facilities. I might add here, too, Mr. Speaker, that the policy of the Federal Government generally, as practised by the Federal Department of Communications, is to encourage broadcasters to use the facilities of common carriers such as the telephone system. In this particular case use of MTS Microwave would ensure the provision of the highest possible quality signal to the people in the Dauphin-Swan River area, and would also insure, and I think this is very important, Mr. Speaker, that the signal is of sufficiently high quality to be transmitted further north.

The third question asked by the Member for Swan River, Mr. Speaker, was: "I took note of the Minister's remarks a moment ago that he intends to contact the Federal Government on this particular item insofar as the National Park is concerned. I take it that he is going to do that." And the answer of course, Sir, is that provincial officials have discussed this matter with officials of Parks Canada and the answers I have given are based on that contact.

MR. SPEAKER: The Honourable Member for Fort Rouge.

ORAL QUESTIONS

MR. AXWORTHY: Thank you, Mr. Speaker, I address my question to the First Minister. I wonder if he could elaborate or amplify upon his earlier statement concerning the disruption of delivery of assistance to people on provincial social welfare. Could he specify whether recipients of provincial social assistance will be receiving their assistance directly to their residence or whether they will be required to go to local or regional offices, and how will this particularly work in rural or northern areas where it's hard to reach with delivery?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, there are quite a number of details that are involved in this contingency operation order that would be carried out by Emergency Measures Organization with respect to the conveying of essential documents, cheques, and related mail, if that's the word, as between the various departments of the Crown, the right of the Province of Manitoba, and individual persons who are recipients of any of this mail, material, cheques, as the case may be. And under that contingency operations order - I don't know, Sir, that there's any way I can summarize in a few words the gist of it other than that the co-ordination is carried out by Emergency Measures Organization. And information relating to it will relate to those individuals affected also through emergency measures.

MR. AXWORTHY: Supplementary, Mr. Speaker. While I'm not interested in the inter-departmental correspondence, is the Minister able to say directly what will be the case in respect to people on social assistance? Will they be receiving their cheques without disruption, or will the Minister be making a public statement directly of concern to those individuals or families?

MR. SCHREYER: Mr. Speaker, certainly I can not guarantee, no one can guarantee that there will be no disruption. In fact it is because of a degree of anticipation of disruption, if we follow the normal course, that this contingency operation order has been signed. What we hope to do, Sir, as a result is to minimize, reduce the degree of disruption, but I'd be pleasantly surprised if we could eliminate completely any disruption of service with respect to the receipt of cheques under the social allowance or any other program. And so I'm afraid that that answer while not completely definitive is all that can be said at this point in time. So much depends on events, as they eventuate.

MR. SPEAKER: Order please. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Yes I have another supplementary, Mr. Speaker. Is the Provincial Government prepared to provide a form of short-term contingency loan assistance to individuals or families who will suffer severe hardship because of the disruption of delivery of family allowance or older persons or old age pension cheques coming from the Federal Government who have no way of receiving those, that kind of a financial assistance in a short term.

MR. SCHREYER: Well, Mr. Speaker, I'd be quite prepared to have some elaboration of concept from the Honourable the Member for Fort Rouge. It strikes me, Sir, that if there is a disruption of mail service which is causing the holding up of receipt of cheques, be it provincial or be it Federal Government, then I don't see how a loan program can be effected in such a way as to get cash into the hands of needy persons in any simpler way because a loan program necessitates a flow of communication just as well. And so, as I indicated, the Crown in the right of the province is making this arrangement, and it's certainly within the competence of the Government of Canada to make such contingency arrangements as they deem fit and necessary. Because they are involved in emergency measures as well, directly or indirectly.

MR. AXWORTHY: If I may take the opportunity to amplify the question. Would the Provincial Government be prepared through its regional offices, which are located throughout the province in various areas, to provide in a sense short-term or immediate assistance for those odd individuals or families who are on marginal incomes and who may find that their budget is totally disrupted because of the inability to receive federal assistance coming from Ottawa. Would that kind of assistance be offered, if required?

MR. SPEAKER: Order please.

MR. SCHREYER: Well two points, Mr. Speaker, two points.

MR. SPEAKER: The total area is hypothetical and I believe it's totally out of order. The Honourable Member for Gladstone.

ORAL QUESTIONS

MR. JAMES R. FERGUSON (Gladstone): Mr. Speaker, I'd like to direct my question to the Minister of Agriculture, and ask him, will the Minister correct the figures which he recently issued claiming a 51.9 percent figure in favour of a Provincial Marketing Board for coarse grains when in fact the figure should be 48.2?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: I don't know what the member is alluding to, Mr. Speaker. A figure on what?

MR. FERGUSON: The vote in favour of the Provincial Government taking over the marketing of coarse grains.

MR. USKIW: Mr. Speaker, I thought that those statistics were given to the House some time ago, and I have not questioned those statistics as provided by the Manitoba Marketing Branch. If the honourable member is alluding that those are not accurate, then I would wish that he would indicate in which way they are not accurate.

MR. FERGUSON: A supplementary then, Mr. Speaker. Would the Minister confirm then that over 1,000 ballots that were turned in were not counted, and would he give the reasons why they weren't?

MR. USKIW: No, Mr. Speaker, that is not a correct assumption, at least not that I'm aware of. There were 1,000 ballots that didn't have an answer to the second question so that there was a difference between the two questions as to the number of people responding, but that all ballots were counted.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable the Minister of Education. I wonder can the Honourable Minister advise the House, Mr. Speaker, if he intends to implement the recommendations of the Human Rights Commission regarding the school facilities at Camperville?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Speaker, I'm not aware of any violation of the Human Rights Act at Camperville at the present time.

MR. MCKENZIE: Mr. Speaker, I didn't make the allegation that there was violation . . .

MR. SPEAKER: Question?

MR. MCKENZIE: Mr. Speaker, I again ask the question if the Minister intends to implement the recommendations of the Human Rights Commission at Camperville.

MR. HANUSCHAK: Mr. Speaker, any recommendation the Human Rights Commission makes I'm certain would be one to requesting whoever may not be complying with the Human Rights Act so to do, and I'm not aware of any violation of the Human Rights Act at Camperville.

MR. MCKENZIE: Well, Mr. Speaker, then can I ask the Honourable Minister if he's had any meetings within the last six weeks with the people from Camperville, the school board, or the senior members of his department re the present conditions of the school at Camperville?

MR. HANUSCHAK: Mr. Speaker, I meet with the senior members of my department very very frequently, practically daily, with the Camperville community, no. Not within the past six weeks.

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

MR. ASPER: Mr. Speaker, my question is to the First Minister. Has he been informed that the retail gas dealers association has estimated that they will be required to raise the price of retail gasoline for cars somewhere between 9.8 cents and 10.8 cents per gallon? Has he now had that information?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, that very same question was raised by the Honourable the Member for Riel yesterday and I answered it at some length, and it's on the record.

MR. ASPER: Mr. Speaker, I'm aware of the answer the First Minister gave and . . .

MR. SPEAKER: Question please.

MR. ASPER: Yes, Mr. Speaker, I'm trying to elicit information. The question is: Will the government now advise what steps it intends to take, into what extent in monetary terms it intends to cushion the impact of that? Is it three cents, as indicated, or is it going to be something closer to the half?

ORAL QUESTIONS

MR. SCHREYER: Well, Mr. Speaker, the Honourable Leader of the Liberal Party indicated he was aware of my answer. I'm please that he is, although I don't know by what process he could have become aware because Hansard is not out yet. Well in any case, Sir, the answer to his question is that I answered that part of the question as well yesterday. If he's aware of one he should be aware of the other.

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

MR. MARION: Thank you, Mr. Speaker, I'd like to direct my question - I didn't write this one out - my question, to the Honourable the Minister of Education.

MR. SPEAKER: Order please. Gratuitous remarks are not necessary in questions.

MR. MARION: Mr. Speaker, my question to the Honourable Minister of Education is this: Is he, following his meeting with the parents of the children attending William Russell School this morning, now able to assist these parents in overcoming the impasse with the St. Boniface School Division?

MR. SPEAKER: The Honourable Minister of Education. Order please. Would the Honourable Member for Radisson contain himself.

MR. HANUSCHAK: Mr. Speaker, I did meet with a delegation of parents from the William Russell School within the past hour, which meeting lasted for about 25 minutes or so. I was also presented a brief by this delegation expressing their concerns over the closing of the school. I must confess, Mr. Speaker, that up to this point in time I've only had an opportunity to give the brief a rather cursory overview and have not had the time to study it in detail, which I propose to do, and as I indicated to the parents, whatever assistance the department could offer by way of its professional staff to enable the school division to assess its building needs and thus make the best provision for them, that the department will do. But at this point in time I have not had the opportunity to examine the brief in detail and to respond to it.

MR. MARION: A supplementary, Mr. Speaker. Has the Minister received a request for further meetings from the parents of the children attending Tache School?

MR. HANUSCHAK: Mr. Speaker, as all parents know, my office is open to meet with anyone from the Province of Manitoba, and I'm ready and willing to meet to discuss matters pertaining to education at any time.

MR. MARION: Still supplementary, Mr. Speaker, to the same Minister. Is the Minister prepared to intervene if the decisions of the board are found to be questionable?

MR. SPEAKER: Order please. The question's hypothetical, out of order. The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, my question's for the First Minister. Due to the fact that there's so much concern about the people on welfare and unemployment insurance not getting their cheques, I wonder if there has been any consideration given to the working man who also receives his cheque by mail.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if the request of the Honourable Member for Pembina were acceded to, if this were attempted, then we would run afoul of certain laws having to do with the Queen's mail, etc. Insofar as material that must be conveyed normally by way of postal mail services, but material which relates to the Crown and the right of the province, the conveying, transmitting, carrying of that material, between offices of the Crown or between the province and individuals receiving same, it is possible to take care of this by way of contingency services, but we cannot provide a full postal service. That is just not possible.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Minister of Tourism and Recreation responsible for the lotteries. I wonder if he can indicate to the House have all the other provinces given assurance that they will have legislation passed through the legislatures during the session of this spring. I believe the Minister indicated that this legislation would be passed by April 1st.

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

HON. RENE E. TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): I believe, Mr. Speaker, if I go back to the comments that I made in answer to questions, I had indicated that we had the assurance that each province that had tabled a letter of intent assured the meeting in Regina that they would have legislation tabled in their respective

ORAL QUESTIONS

(MR. TOUPIN Cont'd) House by the 1st of April. Now I have no assurance that those bills will pass in each respective province. They are tabled; they've been considered. I received a letter only yesterday indicating that all provinces have such legislation before their members and they are being considered, but being in this House I am not even sure if the bill dealing with lotteries will pass this House. It's here; it's being considered; I'm supporting the bill; I'm asking every member to give it support, but I can't say what will happen in other provinces.

MR. PATRICK: A supplementary, Mr. Speaker. Have all the provinces agreed to the same commission structure?

MR. TOUPIN: No, Mr. Speaker. The marketing of lottery tickets across the western provinces will be different. I think it will be different in every participating province.

MR. PATRICK: Has the Minister a commitment from the Government of Alberta that the Government of Alberta will back the WesCan Lottery financially if they need to?

MR. TOUPIN: There was indication, Mr. Speaker, at the meeting in Regina in regard at least to start-up, and that's all we can deal with at this time till permissive legislation is passed, proclaimed, or given Royal Assent, that the start-up costs will be shared between the participating provinces. As the honourable member is well aware in regards to the Province of Alberta, the province itself will not be involved. It has delegated that responsibility to a foundation.

MR. PATRICK: Has the Minister a commitment, or the other provinces a commitment that the foundation will participate in any financial requirements? Alberta foundation.

MR. TOUPIN: How the Government of Alberta will pass on the start-up and operating costs, I'm not aware of.

MR. SPEAKER: Orders of the Day. The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I would like to direct a question to you, Sir, or the respective Minister in the allocation of gallery seats next Thursday when we're visited by His Excellency the Governor-General of Canada. Is there any plan or . . .

MR. SPEAKER: There are no changes in procedure or policy in respect to gallery attendance. People still have to or should obtain passes down below, but a certain amount of latitude is utilized and discretion, and there has been no special invitation in regard to that particular afternoon. The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker, I'd like to direct my question to the Minister of Labour. Can the Minister tell this House when we will receive a decision by the Manitoba Government as to the CSA requirements for recreation vehicles being sold in Manitoba?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): In regard to mobile vehicles, that legislation is in the process of being drafted, Mr. Speaker, as promised some time ago. The Legislative Counsel section has been very very busy but we hope to get to that very very shortly.

ORDERS OF THE DAY - GOVERNMENT BILLS - NO. 8 - CAPITAL SUPPLY

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Yes, Mr. Speaker, I wonder if you would not proceed to the debates on second readings, the adjourned debates on second readings in the order in which they appear on the Order Paper.

MR. SPEAKER: Thank you, Bill No. 8. The Honourable Member for Gladstone.

MR. FERGUSON: Thank you, Mr. Speaker. I adjourned this for the Honourable Member for St. James, Mr. Speaker.

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

MR. GEORGE MINAKER (St. James): Thank you, Mr. Speaker, I would like to make a few comments at this time on Bill 8 dealing with the Capital Estimates, in particular with the operation of the Manitoba Development Corporation.

It's my understanding the original intent of the Manitoba Development Fund at that time was to create jobs in our province, and hopefully permanent jobs, and to create industries and permanent industry in Manitoba, and to be, as the Minister of Mines and Natural Resources at one point indicated, a lender of last resort. But now, Mr. Speaker, it appears that the

BILL 8 - CAPITAL SUPPLY

(MR. MINAKER Cont'd) main objectives of the original MDF are not, or are no longer possibly the main objectives of the MDC, and I particularly make that comment in view of the loan of \$1.3 million to W.E. Clare and Company, and I would ask, Mr. Speaker, who made the decision to save the publishing industry in Canada? Was it the board of directors or was it the Cabinet? All of a sudden now we no longer have the intention of providing permanent jobs in Manitoba but we are proposing to save the publishing industry of Canada with Manitoba money. And what of the \$1.3 million that was put forward to create in the way of jobs in Manitoba - I believe now they have one part-time employee in Winnipeg, the other people are employed in Toronto, the other person is employed in Vancouver, and the majority of the work is being carried on in the States. I suggest, Mr. Speaker, that the original intent of the MDF has now been lost, and I would suggest, Mr. Speaker, that if the MDC chose to save the publishing industry of Canada that Cabinet should have vetoed such a decision because it is not in my understanding the original intent of the MDC.

In addition, Mr. Speaker, we now have government involvement in the decision-making of MDF, direct government involvement. The Honourable Minister has indicated it is only a veto power, and I suggest, Mr. Speaker, if it's only the veto power, how naive does the Minister really believe the Opposition is on this side to think that we would expect the Cabinet only to veto, not to make suggestions and to influence the directors on their decisions.

A MEMBER: Who told you that?

MR. MINAKER: Mr. Speaker, then, Mr. Speaker, if the Cabinet is only vetoing, then I suggest, Mr. Speaker, they should review the board of directors because if the board of directors in the last four years have been making recommendations, and not being vetoed, or not being influenced, they have made recommendations that have resulted in losses of some \$59 million in moneys, and any sound administration, Mr. Speaker, that would review such a history would say, if we're not influencing these people then these people should be reviewed and be replaced because this is the way a sound operation is run. If the administration will not accept the responsibility of being influential on the board of directors, then I suggest, Mr. Speaker, then they should review the board of directors and make some changes.

Mr. Speaker, the other reason that we are concerned is that in the past four years there has been somewhere in the order of \$4 million of operating costs of this department, and every one of those dollars has been capitalized. Four million dollars that should have been debated in operating estimates, not capital estimates. It has been indicated by the Provincial Auditor that the present financial accounting procedures have to be changed, the methods of payment of these capital debentures have to be changed, because what in fact is happening right now, Mr. Speaker, is that the MDC is, you might say, like a company that goes down to the government or the local finance company and says, I need a million dollars today; he goes back a month later and says, I need another million dollars; he goes back another month later, I need \$5 million, but in the meantime four years have gone by and MDC has not made any payment back. Now I suggest, Mr. Speaker, is this any way to run an operation? I suggest, Mr. Speaker, that a limit has to be placed on the amount of capital that the MDC will receive, and it's obvious that the present government is not prepared to set a limit of capital because we have before us here some \$39 million being requested again.

Then we talk about new disciplines, new policies. The Minister has indicated and had press releases of new policies that he has advised the MDC on, but no political influence, no political influence at all, Mr. Speaker . . .

MR. SPEAKER: Order please.

MR. GREEN: On a point of order, I have issued no press releases, I have called no press conferences with regard to new policies. I was asked in the House about guidelines and the members of the press asked me to produce those guidelines, and I did. I issued no press releases; I had no press conferences regarding policies.

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

MR. MINAKER: Mr. Speaker, we're getting into a debate on whether guidelines are policies, but there was a press release that guidelines were handed to the particular MDC to follow. Now if those aren't policies, I don't know what are. So, Mr. Speaker, you know we've got an operation here right now that believes that the people of Manitoba have an endless well of money, and then the Minister talks in committee meetings about share capital. This

BILL 8 - CAPITAL SUPPLY

(MR. MINAKER Cont'd) is the answer, share capital. This is how the stock market works. We can borrow a hundred million dollars by putting shares on the market, getting the money, and if the company doesn't make money, we don't pay dividends, we don't have to pay interest. But, Mr. Speaker, regardless of whether we turn the money into share capital at this point, regardless of how you cut it, there's some \$57 million in losses that are going to have to be paid by the people of Manitoba. That's \$57.00 per person, or in the order of maybe 300 or \$200.00 per family, per average family, and we're not even discussing about the losses that may have been incurred at CFI. So we could be talking in the order of some \$90 million, and it doesn't matter whether we make them into share capital or not at this point, the losses are there, the debentures have been signed, and the commitment on the part of the government is there to pay off these. And, Mr. Speaker, we cannot continue to operate in this manner.

Then we say, if we go to share capital - I have no idea what the Minister or how the Minister might propose to do this, but I know in the stock market the barometer that is used to figure out the value of a share is whether or not a company is profitable, whether or not the public has a demand for that particular share. Now how are we going to control this barometer if we on the books make this share capital? Is the Cabinet going to be the public demand to evaluate how much the share is worth? I can see it happening now when we have the Honourable Minister in charge of Autopac saying that, "That's not a \$10 million loss, that's an investment in damaged fenders." No is that how they're going to evaluate these shares? I ask you, Mr. Speaker, is there going to be more damaged equipment at CFI, or this or that, but it's not a loss, it doesn't matter, it's investment.

So I suggest, Mr. Speaker, how is this share capital going to work? How are they going to evaluate what the companies are worth? But regardless of what approach is taken, the fact is that there is \$57 million of losses in the past four years. There's \$42 million on record and we asked the Chairman of the MDC in one of the committee meetings, what is the loss expected for this year, and he said \$17 million.

Mr. Speaker, I suggest that again there has to be a capital limit set on MDC and I suggest that we have to create an atmosphere in this province to get the private sector involved in providing some of these loans and getting involved and expanding our community of business and creating jobs. And when you get private money involved, the banks and so on, you get scrutiny. They'll scrutinize to see whether the loan is worthwhile developing or not, or putting forward, and you can get ten full times your money if this kind of atmosphere is created in your community. If we put up \$25 million I'm sure that if the government was sincere and the atmosphere is here that they want private industry in here and they want development, that you would find, without any problem, some \$250 million I'm sure of private money that would become involved, and believe me, it would be scrutinized. It would not be politically scrutinized, it would be scrutinized from a business point of view and sound business judgment, and that is why I suggest that when you get the MDF or the MDC, an arm of government which we have today, there'll be decisions made that are not sound decisions on business but sound decisions on political decisions, because they cannot afford the political embarrassment of a failure, and that is exactly what we're getting at this point, Mr. Speaker. It's what we're getting. I think it holds true that we can't keep going like this because we do not have an endless supply of money. One of the days is going to come - the day of reckoning, when we realize that we have some bills to pay, and then who is going to pay them, Mr. Speaker? You and I are, and the rest of the citizens of Manitoba.

Mr. Speaker, we've had it thrown at us quite often that, oh yes, the 57 or 59 million dollars, whatever it is at this point, close to half of it is CFI, over half, as though it was all the fault of the Conservative Party, the former Conservative Government, that these costs have arrived at and these losses. Well, Mr. Speaker, I believe - and I wasn't in government at that time but I was interestedly reading what was developing in the newspaper at those times, and I have my colleagues who were members of the government of that day - I think it would be hard for the government to argue that the original concept of creating some large type of industry, some basic commodity type of industry in The Pas area was a good one, and I think that it was shown yesterday that it was. Because what were the main objectives at that time? It was to create employment, permanent employment, not temporary employment but permanent employment, in an area where in the years gone by the fur trade - there was a fur boom, it had died off, and there was some kind of economic boom required for that area,

BILL 8 - CAPITAL SUPPLY

(MR. MINAKER Cont'd.), and I think the government would have to admit that there has been somewhat of an economic boom in The Pas area and there has been industries developed and the town in general has benefitted from this large installation. We were advised yesterday in the Economic Committee meeting that there was some 1,100 employees that the Corporation or the Complex was employing, and the part that encouraged me was that the Honourable Member from Brandon West asked the question: what kind of turnover have we got with our employees in the pulp and paper part of the complex? And he said 1-1/2 percent per month and he said that is a very good figure, so that it's obvious that we're not just creating an industry where we have people float in and out of town, that we have one where we are developing the town itself and the people to live in the north and to stay in the north and to develop the area and become good citizens of the north.

The other objective at the original time or intent of such a complex was to make sure there was proper harvesting of the resources, and I believe that we are achieving this. Mr. Hallgrimson, the Chairman, or the Receiver of the Complex, indicated yesterday that they are taking off some 300,000 cords of wood per year but they could take off up to 900,000 cords of wood per year and still have an ever-sustaining type of operation; that the actual growth, the annual growth of the area could support a continuous drainage of 900,000 cords of wood per year. Mr. Hallgrimson also indicated that in all likelihood by doubling the production of the Complex that it could be turned into a profitable type of operation, so I think the original intent was a good one and obviously it's proving itself out.

Now the question comes down to who is responsible for losses, who is responsible for not keeping close watch on the moneys as they were loaned out. I would say, you could probably say the PC government at that time were misled; you could maybe say the PC government at that time were conned; you might say that the PC government at that time were hoodwinked; but I would suggest, Mr. Speaker, that the NDP government who sat down with the same Company and the same personnel were conned, were hoodwinked, and . . .

MR. SPEAKER: The honourable member have a point of order? Order please, The Honourable Minister state his point of order.

MR. GREEN: Mr. Speaker, I know that there have been several occasions on which this form of discussion has led to a matter which is now under the purview of a Judicial Inquiry Commission which is dealing with it. I would have no difficulty, Mr. Speaker, if you opened the debate and we started to debate what occurred during the period and what blame should be assessed and where, because I'm quite confident as to our position within that debate and I appeared before committee, before the Commission, the Leader of the Opposition appeared before the Commission, and the Commission is now reviewing those findings, so with respect to that period and what went on and what went wrong and what judgments have to be made, I submit that that is not a subject for debate while it is under review by a Judicial Inquiry Commission.

MR. SPEAKER: Thank you. The point is well taken. The matter is sub judice. The honourable member will . . .

MR. MINAKER: Well, Mr. Speaker, we can deal. . .

MR. SPEAKER: . . . have to contain himself within those terms of reference. The Honourable Member for Lakeside.

MR. ENNS: I think, Mr. Speaker, it would be pretty important for us to clearly define the matter as to what is sub judice and what is not. We are not discussing a matter that is before the courts as such, we are not discussing or entering into the debate the question of criminal proceedings that may or may not be hanging before the courts; we're discussing in general terms what has been discussed before in this Chamber and I think that, Sir, certainly is in order. We are not anticipating what the Commission of Inquiry report may or may not say, but we can certainly draw our own conclusions from the course of events that have taken place since. I think we would want to very carefully honour suggestion, Mr. Speaker, that we do not discuss any matter that is currently before the courts or any attack or suggestions about any principals that may or may not be charged in a . . .

MR. SPEAKER: Order please. I appreciate the contribution of both honourable members but I'd like to say to the Honourable Member for St. James, if he is going to discuss specifics of attributing one thing or another in respect to the particular issue, that part is still under review by the Commission and therefore it is sub judice. In general, he may discuss the

April 19, 1974.

2597

(MR. SPEAKER cont'd)

BILL 8 - CAPITAL SUPPLY

particular operation, but not the specifics in respect to whose responsibility because that is being investigated. The Honourable Member for St. James.

MR. MINAKER: Thank you, Mr. Speaker. I would then comment, Mr. Speaker, that if one enters into a contract with someone, it doesn't matter whether it's CFI or whatever, that if there is a concept and an intent, and that after it's finally over the concept has proven itself out, then I say there should be some credit there. I would also suggest, Mr. Speaker, that if a contract is signed in this particular instance, and the administration in power at that time we'll say was a PC government, they had a method of paying out moneys to develop this concept or this complex and had loaned out some \$14 million, we'll say, on this project, and then there was a change in administration and the new administration sat down with the same individuals, probably at the same table, reviewed the concept, reviewed the contract, reviewed the deal, and then the Chairman of the Board of that administration, Mr. Speaker, publicly announced that everything was okay; they had made a better deal; they had changed; they knew what they were doing now and "it was a good thing and we're going ahead," and then they changed the payout method in this concept, Mr. Speaker, and decided that rather than cancel cheques or requisitions or review of invoice, they decided that the . . .

MR. SPEAKER: Order please. The Honourable Minister.

MR. GREEN: Well, Mr. Speaker, may I rise on a point of order?

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

MR. GREEN: Yes, Mr. Speaker. Now the honourable member is now dealing with the subject matter of what is before the Inquiry. It is true, Mr. Speaker, and if we are going to have a debate on this, he says the administration decided that the base, that the payout procedure should be changed. Now, Mr. Speaker, if that is to be debated, then we have to find out why Rex Grose, without authority and in spite of his protestations to the contrary, decided to pay out those . . . --(Interjection)-- Well, Mr. Speaker, if it is going to be spoken of by my honourable friend, . . .

MR. SPEAKER: Order please. Order please. Order! Would both gentlemen kindly sit down. Let me explain, you cannot have a point of order on a point of order. First item, and secondly. . . Order please. That does not come before a point of order. The Honourable Minister finish his point of order?

MR. GREEN: Mr. Speaker, I just wish to complete. We have no objection to talking about the philosophy of the deal. We have no objection to the honourable member saying about what credit is deserving for the deal, but when he tries to fix responsibility with regard to matters which are now before the Commission and takes the position that certain things happened or certain things did not happen, I suggest that that is now the subject of judicial inquiry. If that debate is to be open, Mr. Speaker, I have no hesitation in saying that the debate would not go the way that the honourable member wishes it to, but I submit that the debate is not open and that the honourable member should refrain from discussing those issues.

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

MR. MINAKER: My point of order, or if you want to call it personal privilege, I am talking about a hypothetical situation and the Minister comes back on a point of order and mentions names that are involved in the Inquiry, and I suggest on a point of order he shouldn't be able to mention names of individuals who may be involved. If it applies over here, Mr. Speaker, I suggest it applies over there.

MR. SPEAKER: Unfortunately, one of the procedures in respect to debate, one does not use hypothetical for real issues, which is -- just a second; I've got . . . One does not do what is wrong by hypothesis what one cannot do which is correct in respect to debate. What I am suggesting to the honourable member, that if he's trying to use a back door method by hypothesizing which he cannot do in debate normally, he's again contravening the procedures. The Honourable Member for St. James.

MR. ENNS: Mr. Speaker, I think it's important that the debate be resumed. For some reason or other, Sir, we always seem to be stifled on this side as to our ability to speak about it but it has no problem on the other side. What the Member is referring to is only the kind of information that has been made, publicly made by the Premier, by the First Minister of this government either . . .

MR. SPEAKER: Order please. Order please. The honourable member is debating the issue in respect to sub judge. The issue is only sub judge when it's before a particular court

BILL 8 - CAPITAL SUPPLY

(MR. SPEAKER cont'd.). . . . in respect to a particular matter, and in general the debate is allowed-- and I have said that to the Honourable Member for St. James. But if he becomes specific and if he tries to do it by hypothesis what he can't do by regular method, it again is out of order, so I would appeal to the honourable member to do the right thing. He knows how to do it. The Honourable Member for St. James.

MR. MINAKER: Mr. Speaker, I don't know whether it's out of order or not to comment on an article I read in the paper, what the First Minister said after they came into government, but I remember very clearly that the First Minister said that they had reviewed the present contract with CFI and reviewed the situation, sat down with these people and said that everything was go ahead, fine, and let's go. Then, Mr. Speaker, I suggest, where does the responsibilities lie with the two administrations, the Progressive Conservative government and the NDP government, if in that particular situation there was some \$14 million loaned out by the Conservatives before they were replaced by the NDP and then there was an additional \$67 million that was loaned out by the present administration and they are responsible?

Now the question comes forward if there was anything out of the ordinary, then I would suggest if there are losses to be incurred, which there might appear to be, and I'm not too sure what they might value, but if they valued somewhere in the \$50 million range and if these losses were not based on wrong estimates but were by other means, then surely \$57 million can't come from the \$14 million, not all of it. I can't see how you're going to get \$57 million out of \$14 million. You know, that's new. Maybe you can do it if you're a socialist, Mr. Speaker, but as an individual and a businessman I can't see how you can get \$57 million out of \$14 million that were handed out. So that, Mr. Speaker, of the total losses that keep being thrown across the floor, I suggest that the Conservatives are prepared to accept a portion of that if in fact there was any wrongdoing or such at the time that the \$14 million were loaned out, but you know, was there? How do we know there was?

At that time there was a climate that encouraged private investment. At that time there was a climate that wanted private investment to come in and to take part in the growth of our community. Then all of a sudden the new government came in and said: "Well, if things don't work out, we'll make it a state-owned, Crown-owned corporation. We're going to put equity into everything." So that how do we know there was any wrongdoing before the NDP took over? How do we don't know it wasn't encouraged after they took over? So, you know, if we want to go on a straight-line proportion of responsibility, we'll go \$14 million on \$140 million - that's about 10 percent, and 90 percent for the present administration. But, Mr. Speaker, if this government cannot control such a situation as CFI, I would hope they would have learned their lesson but obviously they haven't, because now we have little mini-CFI's hopping up all over the place. You know, we've got little losses here, little losses there, receiverships, and the Minister says, "We're not politically interfering with the corporation or the board of directors." Then, Mr. Speaker, I would suggest that they take a look at the board of directors and maybe review the situation, and if they're not and they don't politically advise them of their loans, then they'd better start being proper administrators and replace some of these people, because somebody has to accept the responsibility and surely, I would think, it would be that government and I'm sure the Minister would accept the responsibility because he has stood up publicly from time to time and said "I accept the responsibility of administrators," and I admire the man for that.

But he is trying to somehow jibe between the facts that they're not advising the MDC board of directors on loans, yet they won't do anything about these losses; and then I'm sure the Minister will come back and say, "Ah, but look at CFI. It lost \$20 million the first three years but now it's close to making money after four." I'm sure he's going to use that argument, Mr. Speaker, when he says, "Well why can't we put \$16 million into Saunders? Why can't we put another 12 into Western Flyer?" Because, Mr. Speaker, they're hiding under the guise of a development company when they are really on a work-make project that they don't care whether the work is permanent or not, and that is something that is wrong because if you look at their track record, how many of the companies that that they've invested in from year to year are still in business?

Then they have the audacity to -- and you know, they'll come forward and say this is this and this, we've got lots, but how many have gone out of business? Obviously we've got \$57 million in losses, or 59, in the four years. Now is that not a mini-CFI? I would say

BILL 8 - CAPITAL SUPPLY

(MR. MINAKER cont'd.), . . . that's almost a major CFI. So I would think if the government hasn't learned its lessons from the CFI Complex of placing a closer control and scrutiny by the MDC on loans, then I suggest, Mr. Speaker, I don't know what isn't a mini-CFI.

You would think that the government or the MDC would see some of the statistics they have before them. I was very encouraged to see that Morden Foods was starting to make some gains, and also Macey Foods, and it's very interesting to note that both of these companies are companies that refine a basic commodity, and I think that our party, as the Opposition, have always encouraged, and as the government, a refinement of a basic commodity that is produced here. We would like to see the grain turned into an end product that's packaged and sold. We like to see what is happening in Morden. Yet for some reason they're not looking at that. They've got two companies that are finally starting to show some success in that very way of development, but what do they do? They decide, well we need to develop an air industry in Winnipeg, or in Manitoba. In the meantime in my own community, in my own constituency, we have a company that's struggling to survive for maintenance of aircraft, CAE, but on the other hand we have to develop an air industry in Manitoba. But what are we developing it with? With an airplane that doesn't even have air-worthy certificate for the U.S. And then they talk about the way that the private entrepreneurs make money by shooting down airplanes. Now they don't have to shoot them down at Saunders, they just fly them out to Bolivia, or wherever it is, and they crack them up.

So, Mr. Speaker, when we see this type of operation, one must conclude that there has to be changes in the operation, there has to be limits set on the capital, there has to be greater scrutiny of the loans that are being handed out, and also a change in the basic concept that has somehow got away from what it originally was, to develop permanent positions, work positions in Manitoba, permanent industry to grow with Manitoba as it grows, and to create an atmosphere or a feeling in Manitoba when a business comes in that they're welcome. But how can they have this feeling when one of the Ministers stands up and calls them "fat cats"? How can you attract people and corporations into Manitoba when they know they are going to sit down with a government whose Cabinet Ministers think they are fat cats. "We want you to come in, we want to take your money, but you're fat cats." Now how can we create an atmosphere of growth in our province when we have a government that feels like this and thinks like this?

Mr. Speaker, we could go on and on because there's lots of them, believe me, but I don't know; we can keep going and going, keep going to that finance company borrowing money, but the day of reckoning is coming, Mr. Speaker, and the unfortunate part, the people who have to pay for that day of reckoning is the citizens and people of Manitoba, and it doesn't matter whether we try and hide this problem or try and hide these losses with share capital and share capital maneuvers and so forth, the losses are there; and it's time that the Manitoba Development Corporation had restrictions placed on it in limit capital and also to encourage the private involvement of money so that we know, instead of losing 100 percent on something, we may be involved to the tune of 10 percent, and I would suggest, Sir, that the numbers of times that we would probably lose 10 percent would be much lower in percentage than they are now at the present time, where we're losing 100 percent.

Mr. Speaker, if the main objective of the MDC is to create permanent employment positions for our people and to create a growth of industry in our province, then that is the road to take. However, Mr. Speaker, if it is the tool that the government wants to use to get state-owned corporations, hell or high water, whether we lose or not, we have to own that hole in the ground. You know, it cost \$250,000 but it's all ours. Isn't that great? We own a hole in the ground, \$250,000. If that is the tool that the government wants to use for MDC then I suggest they come forward and say that that's the tool that it is. Don't hide behind it as a development company. If they want to use it politically to try and develop government-owned, Crown-owned corporations and to make decisions that force the continued investment of money because they are politically embarrassed to say, "No, we've made a mistake; we have to pull out!", then I say that we are using the MDC wrong; it should be wound up; a limit should be placed on it and a different approach be taken by the government, and admit that they are on a make-work project and not interested in developing permanent positions and permanent plants in our province.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Speaker, you know, the honourable member makes a speech

BILL 8 - CAPITAL SUPPLY

(MR. GREEN contd). . . . which is significant in that he ignored what has been done with regard to the Manitoba Development Corporation during this administration, and in particular, Mr. Speaker, he ignores what has been the basic difference between the Manitoba Development Corporation as an entity under the period of what he calls "socialist rule" as against the period of what he would call "free enterprise rule". And what has been the basic difference? The honourable member ignores it. The basic difference is this: that the New Democrats, when they came to power, said that if people are getting public money it is accountable to the public and it is accountable to the Legislature, and nobody can claim that they have the right to be the beneficiaries of public funds and to keep it a secret, because if you keep public funds a secret in terms of the recipients and you have no authority to determine what is happening with those funds, then you have moved from responsible government to what identified the former premier's, Premier Roblin's position, to one of so-called respectable government.

Because what did Premier Roblin say when he was asked about loans made out through the Manitoba Development Corporation? He said, "I am prohibited by my legislation not from telling you" - that would have been terrible - he said, "I am prohibited from my legislation from asking the board of directors themselves what they are doing with the Fund." He said that a free enterprise administration was prohibited from asking a board of directors, whom it appointed, what they were doing with \$50 million which he had advanced to them. And how did he justify it? He said, "These people", and I'll use his words because I was here - "they're not the Three Stooges. It's Morris Neaman, the deceased Morris Neaman; it's John A. MacAulay; it's Rod MacIsaac; and these people are very sophisticated people and I wouldn't go ask them what they are doing with \$50 million of public money." And I said at that time, Mr. Speaker, that I had criticized the Conservative administration on many counts, but I had never dreamed that I could criticize them as badly as Premier Roblin had criticized them. Because he said that his government was prepared to put that money into the hands of five private people, that he would then not be responsible for it and it would not be their money so they would not be responsible for it, and that any incentive or any kind of brakes that are exercised on fund control, either that you were responsible to the public or it is your own money so you be very careful about how you deal with it, either of those two - both are good - both of those things were eliminated and we had been reduced not from -- we had been taken away from responsible government to so-called respectable government.

Now that was the basic change, but what is the significance of that change and what is the honourable member ignoring? That we said - and I repeat on numerous occasions - yes, this government is responsible for what happens to those funds, and this government is responsible to let the people of the province know what is happening to those funds. And that, Mr. Speaker, is the effective difference, but there are many things that flow from that difference and the honourable member has ignored them. We have issued guidelines with regard to the Manitoba Development Corporation and significantly, Mr. Speaker, the honourable member now has nothing to criticize with those guidelines, he didn't mention them. Why doesn't he criticize them, Mr. Speaker? Because he now adopts them as his guideline. He says that there should be a limit on capital accounts. That is in the guideline. He said that loans should be based on good, viable business consideration. That is in the guideline. He said that loans should not have any reference to the political position of the government. That is in the guideline.

Mr. Speaker, I challenge the honourable members to say one thing is wrong with the -- (Interjection) -- Well, Mr. Speaker, the Honourable Member for Charleswood says, "Follow, follow it." And he seems to be following up the Honourable Member for St. James who suggests that somehow we have been involved in the decision-making of the Manitoba Development Corporation. Now, Mr. Speaker, I want to make it clear that I am not trying to divest myself from the decisions that have been made by that board. As far as I'm concerned, I believe that we have a good board, I believe that they are making good decisions, and I am not going to say "it was a bad decision but it was not my decision, it was their decision." I will not say that. If I said such a thing, Mr. Speaker, I may as well not have a board of directors. I believe that they are good people. I believe that they are competent people. I believe they are making good decisions. I believe that that is the only way you can operate a development corporation. I believe that if the Minister goes down and tells them

BILL 8 - CAPITAL SUPPLY

(MR. GREEN cont'd.). . . . what to do and then tries to proceed on the basis that they are responsible, that you lose political responsibility and you lose the business expertise that you have from the board. But the Honourable Member for St. James, despite one word of corroboration, despite one example, despite any suggestion that it is so, is indicating that somehow we have been involved in those decisions.

They had the Chairman of the Development Corporation before the board. He said, "No, the government doesn't tell us what decisions to make." They haven't been advised. The honourable member has been advised by myself, Mr. Speaker, that I have had no role in the decision-making of the Manitoba Development Corporation. Mr. Speaker, I have not even spoken to the members of the board with regard to how they make decisions. I challenge the honourable member to show one case to the contrary -- the member who is nodding over there as if I am not telling the truth. Well, Mr. Speaker, the honourable member says we better start and what we did do . . .

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

MR. MINAKER: I would like it identified that the honourable member who is nodding his head over there is not the Member from St. James that's nodding his head.

MR. SPEAKER: Right. Order please. The honourable member who is nodding his head is also out of his seat and interjecting, which he shouldn't be doing.

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BILL 8 - CAPITAL SUPPLY

MR. GREEN: Mr. Speaker, I'm not overly upset. The fact is that the proof is entirely to the contrary. You know, the honourable member says that we should change the members of the board, that that's one of the things that we should do. Well, let me say this, that those members of the board that authorized a loan of \$92 million to Churchill Forest Industries on the basis of the government putting up 100 percent of the equity - 100 percent of the money - and getting no equity, have all been changed. Those members of the board are no longer there. Now, Mr. Speaker, the fact is - and I have to say this in a way which is fair to all of the people who have rendered a public service - that the first years of this administration with regard to the Manitoba Development Corporation were years in which there were greater initiatives taken, that there were initiatives taken with regard to Saunders Aircraft, there were initiatives taken with regard to Western Flyer Coach, there were initiatives taken, some of which were forced on us, such as with regard to the Selkirk Navigation which was a loan under the previous administration; there were initiatives taken with regard to Morden Foods, and I do not criticize the members of the board who took those initiatives. That would be, Mr. Speaker, if you are going to get people involved in rendering that kind of public service, you cannot take the position that because they made a mistake or may have made a mistake - and I'm not suggesting that they did - that somehow they have done terrible things. Because the Honourable Member for St. James will make mistakes, I will make mistakes, the Honourable Member for Lakeside will make mistakes, and dare I say it, Mr. Speaker? Even the Leader of the Liberal Party would make mistakes, Mr. Speaker, and has made mistakes, and the fact is, Mr. Speaker, that the boards that operated in those first years of initiative, and I have no criticism, have substantially been changed, so if that is what the honourable member says will be the solution, then who do you have on the board now? None of the people who were on, or very few of those people are still on the board. The board members largely now have been appointed within the last year. Mr. Steward Martin, who is a well-known business-oriented lawyer in Greater Winnipeg, was appointed last year; Mr. A. J. Thiessen who is a--I believe that A. J. Thiessen is a former Conservative candidate, a very successful businessman in the Province of Manitoba, the proprietor of Grey Goose Bus Lines, was appointed last year; Maurice Taillieu who for years has had . . .

A MEMBER: A Liberal.

MR. GREEN: Is he a Liberal? For years experienced in the forest industry, was appointed last year; Allan Shnier was appointed last year; Jim Hanson, I believe from the Royal Bank of Canada. I wish Mr. Blake was here, when you say that these people are incompetents and they listen to the Minister, I wish Mr. Blake was here . . .

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. GREEN: . . . because he'd have to turn from you in embarrassment. He was a poll captain or some type of scrutineer for the Member for Sturgeon Creek, was appointed last year. We're not talking about blame; we're talking about people who are very skilled people performing a public service, and if the honourable member is ignorant of that and makes his remarks as an irresponsible outburst, he can be forgiven; but if he doesn't even look and doesn't bother to be found out, then there is nothing to forgive. It's sheer irresponsibility. All of those people have been appointed within the last year. None of them have had anything to do with the loans that he is talking about, so why does he talk about getting rid of them? They have been told, and the Guidelines have indicated, that they are now to try to concentrate on dealing with the existing portfolio. What was the previous situation; what is the one evidence, Mr. Speaker, of a board member complaining about the Minister? Does the honourable member even recall there was a board member who resigned in protest against a Minister? Does he recall? The man's name was - he was an accountant - Schreiber. What was his complaint? The Minister will not interfere with the decisions of the Board, and his complaint was filed in this House. The Minister will not offer leadership and prevent the Board from selling a company to American interests. The Minister will not involve himself in the decisions of the Board, that was his resignation. Does the honourable member ignore that? Does he remember it, or does he choose, just because he has to make a speech, to make it based on complete falsification, complete innuendo? Because, Mr. Speaker, the fact is that I know that if I am going to try to both tell the Board what to do and hide behind their decisions, then I will not be effective and the Board will not be effective.

BILL 8 - CAPITAL SUPPLY

(MR. GREEN cont'd) of Manitoba. They told one industry that they would give them \$92 million to build a pulp mill and after it was built, if it would make a profit it would be owned by the industry, and if it made a loss we would suffer the loss. Now on that type of industrial climate, I mean we could be heroes in this province. But I'm not interested, Mr. Speaker, in being a hero for creating that kind of climate for industry. Mr. Speaker, they created another climate; they told Great Northern Capital that we will give you this many dollars to be our management contract and option to buy and owner of Sprague - and I'm paraphrasing - and we will provide all working capital. We will provide all working capital whenever you need it. The Manitoba Development Corporation after they had loaned \$5 million, or \$4 million, said, we think we've given you all that we have to give you and therefore we are not giving you any more money. We have given you money; you've got the plant operating; you are now operating; we think we've given you all the working capital, and we stopped giving them money.

We then tried to get \$500,000, which they had given us as an obligation for performance of the contract. We went in court to sue them for the \$500,000, based on the kind of, based, no, not on the Member for St. James' law but based on our lawyer's law, and you know what the judge said. The judge said, "every time they ask you for money you have to give it to them, because that's what the contract says." That's a good business contract. No, that was not given by the Socialists; that was made by the free enterprisers, and who said, Mr. Speaker, that it could never come to the light of day, that nobody will ever see this contract, because we have a law that says we will not account to the Legislature.

Now what has been the substantial change? The substantial change, Mr. Speaker, is that this government when it involves itself in that kind of loan has to come here, face the Honourable Member for St. James, face the Honourable Leader of the Liberal Party, face the Leader of the Opposition, have all its operations exposed to public day, and I have always said that that is right and I will continue to say that it is right, and it has its hazards. It has its hazards, Mr. Speaker, but it is right. The Member for Lakeside is the one who properly, in my opinion, recognizes the possible weakness of our position, because the Member for Lakeside has told me from time to time, and I don't believe that I'm breaking a confidence, or if I say it wrong, I'll ask him to correct me, that it's not going to be possible to engage in commercial operations if everything that happens can be day to day asked, and you have to deal with it day to day on a legislative basis. If that's correct, Mr. Speaker, then we are in trouble. I think that we can do it. I think that this is spite, the kind of attacks, and you know I've never heard in the years that I have been involved in government, I have never heard of people gloating, drooling, at the fact that something is going wrong.

You know, even when I was in Opposition, I was hoping that their programs succeeded. When CFI went into operation, did I say that I hope it goes wrong? I said, I hope it goes right because I'm interested in the \$92 million. But I have heard the drooling, and the gloating about problems, and the created problems. We sold a plane to Colombia. We are now trying to sell planes from Saunders, and there are members of this Legislature who will get up and try to poor-mouth that plane. There was an accident in Colombia. The honourable member should know that it was entirely attributed to pilot error, it had nothing to do with the effectiveness of the airplane. Why would he want to create a story throughout the world which would make it difficult for Saunders Aircraft to sell airplanes? Why would he want to do that? Well, Mr. Speaker, I'll tell you why he would want to do that. There was a time, there was a time, Mr. Speaker--(Interjection)--you also blame it on the airplane? Mr. Speaker, the pilot - it is acknowledged that he had four, he had four calls from the deck that his landing gear was not down. His co-pilot told him his landing gear was not down, and the pilot did not bring the wheels down. Now what has that got to do with the airplane? Why . . .

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

MR. MINAKER: Mr. Speaker, on a point of privilege . . .

MR. SPEAKER: Order please.

MR. MINAKER: . . . the Honourable Minister indicated that I said that the airplane caused the crash, or he implied that I had indicated the airplane had caused the crash. I never did say such a statement and all I indicated was that an airplane had cracked up.

MR. GREEN: I think that a responsible member, a man who, despite his philosophy, would rather hope that the thing succeeded than it failed, would have tried to indicate that there was nothing wrong with the aircraft, and I say that a proper interpretation of his remarks, and

BILL 8 - CAPITAL SUPPLY

(MR. GREEN cont'd)

But, Mr. Speaker, what is the evidence with respect to the previous administration? First of all, the Minister claimed that he couldn't find out what the Board was doing. Secondly, Mr. Speaker, the Deputy Minister of Industry and Commerce was the chairman of the Board, and do you know, Mr. Speaker, that they were alleging that the Minister couldn't ask the deputy minister what the Board was doing - the Member for Portage la Prairie will remember that - so you know what they did? Talk about Ben Thompson and using another name, will the member listen, so he'll understand something. Do you know what they did? The deputy minister was the Chairman of the Board; the Minister claimed he couldn't ask the deputy minister what he was doing, and when it appeared so ridiculous, I mean it was ludicrous, they changed the deputy minister. Mr. Grose, who was Deputy Minister of Industry, became the chairman of the Board, and they appointed a new Deputy Minister of Industry. But for years they claimed that the Minister couldn't ask the deputy minister as chairman of the Board what they were doing. Now how much bullshit would you accept? That's the kind of things that we got from that administration.

That's what we got from that administration, and what did we know about it? We know, Mr. Speaker, that Duff Roblin took that \$92 million contract, threw it to the Board and said, it's all yours, you go ahead. They didn't even know that it was being negotiated. Talk about political interference.

But why did they behave so audaciously? They behaved so audaciously, Mr. Speaker, on the basis that there was no need to reveal any of it; that they didn't have to tell the Legislature what was happening; that they didn't have to tell anybody what was happening, and therefore if the Premier of the province came and put this contract down on the table, and said go ahead and lend \$92 million we will give you the money, nobody will know about it, he will not have to answer questions, they could perform that type of deal.

And what other kind of deal did they perform when you talk about the wastage of money? We know, because it's a matter of public record, that they made a deal with Great Northern Capital to operate Sprague Forest Products. The honourable member keeps talking about some clause in a contract. No lawyer that we had representing us - and we had some good ones, you know, Walter Newman was the lawyer on Churchill Forest Industries - ever told us that the section that the honourable member quotes from in the Act could be used when a company was fulfilling its contract and doing what it had been purchased to do. But the honourable member seems to think that he knows all the law and that somehow we would have been able to stop the project by not advancing money under the Act. Let's assume that he was right, what would we do?

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

MR. MINAKER: Mr. Speaker, I have never ever said that I knew all the points of law, and I have never indicated that I have.

MR. SPEAKER: Order please.

MR. GREEN: The honourable member says that he did not talk about these points of law? If I am wrong about that, Mr. Speaker, I will abjectly apologize to the honourable member. If I can produce to him in Hansard that he did, then I would want him to apologize to me.

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

MR. MINAKER: Yes, Mr. Speaker, I said that I have never ever indicated that I know all the points of law, and the Minister, the Honourable Minister has indicated that I had made such an indication or such a statement, and I never have.

MR. GREEN: I accept the fact that I'm glad that the honourable member now agrees that he is ignorant in the law, because that has always been my impression. That has always been my impression. Then I would suggest to him that he not tell us, you know, from his seat that legally we had the right to do certain things that he thinks that we could have done, because that's what he did tell us, and I am now satisfied that he is advising us to ignore his advice because after all he knows nothing about the law which I quite accept. He knows nothing.

Now, Mr. Speaker, Mr. Speaker, the fact is . . .

MR. SPEAKER: Order please.

MR. GREEN: . . . fact is, the fact is that they lent money to Great Northern Capital, and they had a good climate for industry in the Province of Manitoba, that's what changed. He says that's what . . . Mr. Speaker, they had a wonderful climate for industry in the Province

BILL 8 - CAPITAL SUPPLY

(MR. GREEN cont'd) the remarks of the Leader of the Liberal Party, and everybody who has been poor-mouthing these sayings, is to hope that they fail, to hope that they fail. It's not bad enough, Mr. Speaker, that it becomes a lender of last resort, that it is involved in going into something to try to preserve a situation under the most difficult conditions, that is not bad enough but the Member for St. James and the Leader of the Liberal Party would like to poor-mouth it so that it will have a still more difficult time.

Now I am suggesting, Mr. Speaker, that there is a precedent for this, and it's a Conservative precedent, and I was shocked to read about it in the newspaper, that the Government of Manitoba used to run a bank. I'm not now claiming to be an expert on this story, but they used to run a bank, and Errick Willis and Company came in and caused a run on the bank in opposition, because they wanted the bank to fail, and they got it to fail. I mean, I read this account. I am not an expert on the history of this account, but I read this account in one of our daily newspapers. Now why they did it I still do not understand, but it is attributed to the Conservatives that they caused a run on the Manitoba bank and caused it to fail.

Now I have never got up and said that honourable members should not criticize, should not do exactly what they're doing, should not do exactly what they're doing, should not poor-mouth, and that if what we are doing is not strong enough to withstand the asinine, picayune, ridiculous attacks that have been made on these corporations then we accept responsibility. I will not blame the Opposition. It will be our fault, because what we are doing should be strong enough to withstand that kind of junk, and if it isn't strong enough then it's not worth doing. But I tell the honourable members that I have not heard in all of the years that I've been in the Legislature of desires that something that the public is doing should fail. When I was in the Opposition, and the Honourable Member for Lakeside would confirm it, I never criticized the CFI deal.

A MEMBER: You should have.

MR. GREEN: Just a minute. I never criticized the idea that we were building a pulp mill in The Pas. I said that if the government was putting up the money - if the government was not putting up all the money and the Complex was going to make money, since it was a franchise of resources belonging to the people of the province and money was going to be made, then we should do it ourselves. That's what I said. Then I said, that if the government is putting up all the money and is not getting the ownership then it is a very dangerous deal because the people who are in it have nothing to lose and everything to gain. That's the only thing that I criticized about the deal, and that it was secret.

But I wanted it to succeed. Why would I want the people of Manitoba to lose that money? Does the Member for St. James when he's talking about the holes in the ground, you know, there are \$250,000 there's nothing in it, but it's yours. You know that's a big joke. I want to tell you a story, Mr. Speaker, about private enterprise. The Hudson Bay Mining and Smelting Company invested \$16 million, built a shaft, dug a mine, built a townsite in the Yukon Territory. They did it on good expertise, they did it under geologists' findings, Mr. Speaker, that there were ore bodies connected by the points of drilling, and that they drilled at the regular number and the proper number of points and they found a proper grade ore, and they assumed by reasonable geological position that the ore body encompassed those drillings. They sunk a shaft, they built houses, they put infrastructure, they spent \$16 million. Private enterprise. When they got into the mine, Mr. Speaker, they didn't find an ore body. Coincidence of all coincidences they found ore blocks in the places where the drills had gone down. A phenomenon, Mr. Speaker, which is remarkable, but it happens. And they spent \$16 million. And they went back to the shareholders, they went back to the shareholders of the Hudson Bay Mining and Smelting Company and they told them we lost \$16 million. Well the loss is not 16 but it's close to total write-off. They will let us have that site cheap. And the shareholders said, who are responsible for this, and where are they? They asked the question, that who are responsible and where are they, so that we can get rid of them? And the directors stood up and they said here, we are the responsible people, and here we are. And I say, Mr. Speaker, with regard to the Development Corporation, with regard to what we have invested in it, we are the responsible people, and here we are. But the Conservative administration would never say that.

A MEMBER: We're not a cheering section.

MR. GREEN: Mr. Speaker, they would never say that - I'm not asking you to cheer. I never ask the Opposition to cheer. I never ask the Opposition to cheer, and I never cheered the government, Mr. Speaker, when I was in Opposition. But I did not plead and gloat and hope

BILL 8 - CAPITAL SUPPLY

(MR. GREEN cont'd) for and try to induce the failure of government programs. Now I am not even suggesting, I'm not suggesting that --(Interjection)-- I did not. Even the Member for Lakeside will agree that I never said that I hoped for the failure of the South Indian Lake program. I never at any time said that I would not proceed with the high level diversion of South Indian Lake. I said that the basis upon which the government was proceeding was demonstrably wrong and that therefore another government had to do it. And I said that we would review it and if it was a good thing we would do it, and if it was a bad thing we would not do it. But I never poor-mouthed that program. I said that it was a good thing to divert the Churchill to the Nelson; it was a good thing to provide for power development in the Province of Manitoba. And the honourable member will not find one word in Hansard or anywhere else, let alone outside of Hansard that I did that. But, Mr. Speaker, I'm not asking for mercy. I say go ahead St. James, go ahead Wolseley, and there are a couple around who like to make that kind of attack, because if we are not strong enough to withstand the puny, irrational, stupid type of criticisms that have been coming, then he's right; the organization shouldn't exist. But, Mr. Speaker, I believe that we are strong enough. And the honourable member leaves out a great deal that has happened.

They deal with the equity accounts. The equity accounts are the ones where we take equity because really the owner has not put anything up which we should be involved in. The honourable member knows that because of the Manitoba Development Corporation, under this government, we saved Versatile Manufacturing. Saved them. Mr. Speaker, No bank would loan them money. No bank, no financial institution would loan them money. It was the biggest implement manufacturer, farm implement manufacturer in western Canada. We saved that company, we saved them by a guarantee of \$6 million. We saved the jobs. It was an entire success. It did not cost the people of Manitoba a cent. We saved them.

We saved another implement dealer and I'll mention: We saved Kilberry Industry. I believe that that's located in the honourable member's constituency. That company was in difficulty, could not get financial backing from anybody. We saved that company. We saved--we didn't save CCIL but we enabled an expansion of CCIL that nobody else was prepared to finance. We guaranteed their bonds. We saved that company. There are numerous accounts on loan capital where we have done well. And, Mr. Speaker, there is a possibility, and I say a good one, that we are going to do something with some of our other accounts.

My honourable member mentions Morden Fine Foods. You can look at the steamship company. With regard to the Clare Publishing, Mr. Speaker, the board decided that they were going to try to do something for the publishing industry in Canada. They could have been right, they could have been wrong. They started off with a smaller loan and the last loan, Mr. Speaker, was given solely on the basis of realizing what could probably or what appeared to be the only way of getting the money that had previously been advanced, and that is through Rand McNally. I will not run away from that. The board recommended that we go ahead with the second \$600,000. It was one on which the Guidelines applied. I approved of the recommendation. Mr. Speaker, I am responsible. I do not try to foist responsibility on anybody else, but I am responsible to do certain things and the doing of those things involves the setting up of a corporation where I will have the best business expertise to handle the problem.

The honourable member talks about share capital. I never said that we should do it. I'm prepared to show the worst figures. I never ever suggested that we should do it. The honourable member shouldn't say that I suggested we would do it. The auditors suggest that we have a better form of bookkeeping so it will not completely reflect, always reflect that kind of loss which is not realistic, but I never suggested that we go into share capital. I want to ask the honourable member whether I in this respect have been more honest than has the Federal Government. The Federal Government has just announced a fund of \$200 million to lend to businesses in this country, small business in this country. \$200 million. Right. The honourable member says it's good. It's not a loan, it's a fund. It's not a loan, it's a fund. If it was us, the honourable member would say the first year in existence should show a \$20 million loss on interest. The Federal Government isn't doing that. The honourable member says they're smart. Okay. Here is now the difference.

The Honourable the Member for Fort Rouge says that the Federal Government is smart because they are hiding the fact that it's costing \$20 million in interest to run this fund; that we are stupid because we are not hiding the fact that it cost so much interest to run this fund.

BILL 8 - CAPITAL SUPPLY

(MR. GREEN cont'd) On that definition, Mr. Speaker, that's what the honourable member said; he said, "They're smart". Mr. Speaker, it is not my word. It's the word of the Member for Fort Rouge. When I said that it's a fund and it does not require interest to be paid back to the Federal Government, the honourable member said, "They're smart". So his definition of "smart" as opposed to our definition of being incompetent is that we are showing the interest losses to the people of Manitoba and the federal smart government is hiding the interest losses that is costing the people of this country. That is smart and that is true.

Mr. Speaker, I'll show you what the smart federal government, competent business federal government is doing. --(Interjection)--

MR. SPEAKER: Order, please.

MR. GREEN: Yes, I'll show you, I'll show you how they don't lose money.

MR. SPEAKER: Order please.

MR. GREEN: I'll show you how they--if you'll permit me.

MR. SPEAKER: The Honourable Minister has one minute left.

MR. GREEN: If you will permit me, I'll just deal with this one item. Mr. Speaker, I never was part of that. Boy, I would have voted them out before they got into office. And I said so publicly and I said it all the time, I have never been a part of that policy. As far as I'm concerned, the people of Canada demonstrated a want of confidence in the Liberal Government on October 30th, 1972, and they should have been thrown out of office. So I am not part of that.

Now, Mr. Speaker. --(Interjection)--Oh he has heard from me lots of times. What has the Federal Government done that is so smart? They've taken Polymer Corporation, this was a Crown corporation that was doing very well, made money most years, had some bad years but was doing very well. It was valued at \$120 million. They took it and transferred it to the Canada Development Corporation for \$64 million. From the public through the Canada Development Corporation for \$64 million. They are going to then take 90 percent of the shares of the Canada Development Corporation and sell them to whom? To the public. You know people in this room get angry when I say the people or the public. They are going to sell them to the public. Who is that public? We now know that less than five percent of the people, of the public, own 95 percent of the shares of all share capital that is issued. So when they are talking about the public - at least when I talk about the public I talk about the public that elects all of us - when they say they're going to issue to the public they're talking about issuing it to the five percent of the people who are able to buy. I'll be two minutes if I have the leave of the honourable members--two minutes. They are going to share, Mr. Speaker, this Polymer Corporation which I used to be an equal partner with the Member of Fort Rouge with. We were all equal partners of that company. Now they're going to get in - 90 percent are going to be distributed to this public. I always thought I was a member of the public and of course I could buy shares of that corporation. In which case if you don't buy them you are no longer an equal partner with me. That we are now going to be having the public half owners, or 10 percent owners the general public, and five percent are going to own the other 90 percent because those are the people who buy shares.

Mr. Speaker, if that was done in private enterprise all of the directors would go to jail. Every single one of them. Mr. Speaker, I tell you as a matter of law that if I was the controller of a company and transferred the assets of that company to another company at half their value, then took the shares of the other company and distributed to new people, I would go to jail. --(Interjection)--Pardon me. Well, Mr. Speaker, CFI is in an entirely different picture. Mr. Speaker, . . .

MR. SPEAKER: Order please.

MR. GREEN: Mr. Speaker, the honourable member is showing his supreme ignorance. --(Interjection)--I suggest to you that if what I have said is wrong you take it to any lawyer or accountant and bring back the statement that I am wrong. The fact is that that's what the competent free enterprise business-minded Liberal government is doing. And they are also advancing \$200 million to a fund and not charging interest that becomes a fund for the development of business. Well, Mr. Speaker, I say, and I'm concluding, that if I had my choice of being smart, to use the Member for Fort Rouge's expression, and hiding what is going on or being, to use his expression, incompetent because I am open and demonstrate what is going on, then he can have his smartness and I will choose under that definition his definition of incompetence. (Applause)

BILL 8 - CAPITAL SUPPLY

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Speaker. Mr. Speaker, I assume that it was the earlier than usual hour of adjournment that we enjoyed the other day that has given us all that renewed vigor to pick up the debates in the manner and way in which they have flown this morning, with the adrenalin flowing pretty hot and heavy. I would like to enter the debate solely for the purpose of at least pointing out in that flight that the Honourable House Leader took us on just a few moments ago to touch down to a few particular cases that have some relationship with reality and as they affect his general criticism of the members on this side, particularly that of the Conservative Party.

Mr. Speaker, the Minister particularly chose to indicate what in his judgment--and his judgment to this day remains the single biggest condemnation of the previous Conservative administrations vis-a-vis its relationship with the fund. That being, and he has quite often referred to it, the official posture taken by the then Premier, Premier Roblin, the official statutes as they then existed which indeed prohibited the then administration from the kind of day to day knowledge, day to day responsibility for how public funds that were administered by the then Development Fund, how this information was not part and privy to the government or administration of the day.

Well, Mr. Speaker, I don't want to argue the history of it and I generally accept the House Leader's description of what in fact was the situation and how it has been represented by a former Premier that I had the privilege of serving. Mr. Speaker, let me only dwell on it on this subject for a few moments. Simply to say like many other things eras come and go, what is acceptable in one decade becomes unacceptable in another decade. I suggest to you, Sir, it's much more so a question of a general feeling or conscience than in many instances political doctrine.

I would also suggest to you, Sir, that it was, particularly on the part of the former Premier of this province, the one referred to by the House Leader, a very sincere, a very genuine, a very heartfelt position on his part that he felt that this posture, this position which the Honourable the House Leader finds so unacceptable was to him, and at that time to most Manitobans, a very acceptable position in a sense that it was approached from a point of view of keeping politics out of the fund, keeping the fund politically pure, keeping the fund clean in terms of political influence. And Sir, I do not hesitate, it was a particular obsession by Premier Roblin for perhaps his own reasons to present that kind of a picture before the public of Manitoba; and to so by regulations keep them out of the political responsibility, political arena in terms of how his administration handled funds. It was I think a pretty acceptable method that they thought at that time they had arrived at. I suggest, Mr. Speaker, not having done the research but I suggest that similar development funds operating in similar provinces in the latter 50s and in the 60s and perhaps to this day, although I suspect that that has changed, the attitudes have changed generally in Canada as to the operation of these kind of funds, but I suggest, Mr. Speaker, that at that time the Manitoba Development Fund was run in a manner not unlike other provincial development funds of the same nature.

I think, Mr. Speaker, that while the Honourable House Leader makes a strong point from time to time and demonstrates what a difference from night and day there was from the time that the Conservative administration was responsible for the Fund to the kind of new degree of responsibility that this government accepts for the fund and then just leaves it at that, the impression of course that he wishes to create is how unconcerned we were about the expenditure or control of public money; how could we be so stupid to entrust these kinds of massive amounts of public money to people who are not directly responsible to the electorate. Well, Mr. Speaker, I only make the point that the position was acceptable, was understandable and I don't even know - I suppose I would have to concede that history probably will find all these kinds of ventures wanting because they tend to do something that can't be done in the first instance. They tend to try to create artificial climate for a level of business activity which isn't there in the first instance; and it's for that reason of course the all too often high failure rate that these kind of endeavours fall into.

I just wanted to take a moment off to indicate to the honourable House Leader that I for one, you know, don't get shook up when he tells the Conservative administration how stupid we were for hiding behind that kind of a position, vis-a-vis the fund. Mr. Speaker, it wasn't a question of hiding at all. I think if you asked any Conservative of that day, any minister of

BILL 8 - CAPITAL SUPPLY

(MR. ENNS cont'd) that day, the businessman of the world, we thought and believed and do to this day, that we were in that particular instance putting one of our best feet forward by denying and not hoping and not wanting any direct political involvement, any direct political influence, arm bending, patronage, to enter into the disbursement of funds from this Development Corporation. We thought, we believed that our best guarantee of that, to appoint the very best people we could attract, regardless of political affiliation, we thought we could insure the very best use of public money so spent for this specific purpose of business and industrial development.

Now, Mr. Speaker, I'm not going to try to bend the rules of the debate by arguing whether or not that was successful or to what degree that was successful, or indeed whether it was a legitimate manner and way in which to attempt to create a higher level of industrial activity in this province or not. That's for history to record. But I just want to indicate to the honourable House and to the Honourable Minister, that I have no difficulty in accepting the former administration's position vis-a-vis the Fund in the mid -60s, in the decades of the 60's, as having been one that I for one could accept. Whether or not the results were something that I could accept is something else.

Mr. Speaker, the Honourable Minister dwelt at some length, obviously that he was considerably exercised on the subject matter of those of us in opposition who from time to time appear to be gloating over the failures, or hoped for failures of this Fund. Well I can't be accountable nor would I want to be accountable for any other member in this House other than myself. I would only want to suggest to him there seems to be, and if some of this impression is created on this side of the House, I would ask the Minister to examine his own conscience and not necessarily agree with me because I doubt whether he would do that, but not at least be able to surmise that there has been a kind of a left-handed gloating, reverse gloating, hoped for failure on the part of this present government, particularly with respect to CFI complex, from day one.

Mr. Speaker, I'm not suggesting that the Minister personally was of that bent but, Mr. Speaker, and I would want to be careful because I think I then would almost come within their purview of discussing something that will no doubt be among the contentious matters that will arise from the Forestry Investigation Inquiry, but there is at least some reason to believe that members opposite, particularly when this government took reins of office in power, they saw in the CFI Complex as the necessary makings of tremendous political success, if in fact CFI did fail miserably. Mr. Speaker, the question that arises in my mind is to what extent did they facilitate whatever failures, whatever bad happenings, whatever bad management or whatever corruption took place in CFI. Those are questions that I will not - will not, those are questions that I can't answer now. I suspect, I have great doubts of whether the Inquiry Commission Report will fully answer to our satisfaction. But, Mr. Speaker, there can be no secret, there can be no secret from the time the announcement was made of CFI in this House that there was a skepticism, a gloating if you wish, on the part of the then members of the Opposition who first of all believed that it could never happen. Mr. Speaker, the Member from St. James and we all now know that it did happen and happened very successfully; in terms of the goals that were set out for it, in terms for bringing employment to a chronic poor employment area, in terms of useful harvesting of our resources, in terms of the fact that the resources are there in the first instance, in terms of the capacity of the whole project to do it. Mr. Speaker, again I won't get into that subject matter which is under contention. To what extent we were conned, to what extent they were conned and to what extent who is responsible, that really is the final analysis the people of Manitoba will decide.

But, Mr. Speaker, you know we have perhaps imposed a penalty upon ourselves and partly it has been inflicted upon us by rulings within this Chamber which seem to allow the honourable members of the government to raise the matter of CFI at their leisure and when it's raised on this side of the House it becomes sub judice. So, Mr. Speaker, let there be no mistaken impression on members opposite that there is any hesitation on our part to make references to, to talk about the Complex of CFI and to talk about them in all its aspects. We look forward, Sir, and I would hope that that investigation, Inquiry Report would be tabled relatively soon so that we can feel freer, and indeed that we can more knowledgeably discuss what we are now unfortunately doing by innuendo or from mere lack of knowledge of facts.

BILL 8 - CAPITAL SUPPLY

(MR. ENNS cont'd)

Mr. Speaker, just as the Minister of Mines and Natural Resources has exuded a certain degree of confidence that that report will not support the kind of arguments that we have from time to time in a sketchy way advanced on this side of the House, it leads one to believe that he has a pretty good knowledge of what the report is going to consist of and I'm not . . .

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

MR. GREEN: Mr. Speaker, on a point of privilege, Mr. Speaker, I know nothing, but nothing, about the contents of the report. My confidence is based solely on self-assurance.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: I accept that from the Honourable House Leader. I accept that from the Honourable House Leader. I want to assure him also that I know nothing, but nothing, of the contents of that report. I don't even have a law partner that's helping to devise that report, but nonetheless . . .

A MEMBER: Writing the report . . .

MR. ENNS: . . . nonetheless I too am confident, I too am confident from knowing that essentially what is taking place in the north, what is taking place at The Pas, that that is you know something that was long sought, long hoped for, it's taking place, that I'll take my chances with you know, with the public of Manitoba anywhere, off any platform as to, you know, accepting the bouquets and the beefs on that particular development project.

Mr. Speaker, I just want to indicate to the Honourable Minister that I tend to agree with him and I think he is over sensitive on the subject matter of a kind of macabre gloating here of looking for failures, hoping for failures on the part of MDC inspired companies. I did not, I repeat, Mr. Speaker, I certainly did not hear that in the comments made from this side of the House this morning, certainly not in the comments made by the Member for St. James.

I think that the Minister of Mines and Natural Resources understandably is extremely sensitive in this area, and for reasons that I now want to move into, will become even more so, because that is the area where he did concede that perhaps there was a legitimate area of concern. That is that he or any other minister under their present concept of how the government is going to be involved in the industrial development of this province is going to have to stand up to the kind of day-to-day criticisms in this House. And furthermore, Mr. Speaker . . .

MR. SPEAKER: Order please. The honourable gentleman will have an opportunity to proceed further this afternoon. I am leaving the Chair to return at 2:30.