

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10:00 o'clock, Friday, June 13, 1975

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 40 students, Grade 5 standing, of the Princess Margaret School. These students are under the direction of Mr. Yurkiw and Miss Janzen. This school is located in the constituency of the Honourable Member for Rossmere, the First Minister.

We also have 30 students, Grade 7 standing, of the Roblin Collegiate under the direction of Mr. Stolarchuk. This school is located in the constituency of the Honourable Member for Roblin.

And 38 students, Grade 5 standing, of the Robert Smith School under the direction of Mrs. McKay and Miss Dick. This school is located in the constituency of the Honourable Member for Selkirk, the Honourable Attorney-General.

On behalf of all the honourable members, I welcome you here this morning.

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

ORAL QUESTIONS

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I'm not sure there's any Ministers here familiar in this area, but I was wanting to know whether the government had any comment or position with regard to the increase in the price of natural gas and of oil and gasoline. The Minister of Industry and Commerce I see is here now. Perhaps he'd like to . . . The question again, Mr. Speaker, was whether the government had any comment to make on their position regarding the proposed increase in gas . . .

MR. SPEAKER: Order please. The question period is for specific information, not for just comments. Would the honourable member rephrase his question?

MR. CRAIK: Mr. Speaker, the question is, what is the government's position vis-a-vis the proposal for increasing the price of oil and natural gas announced in Ottawa yesterday?

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, that question has been asked on several occasions in this House and we've made our position very clear. The Premier has made our position clear and I have made comments on that. The fact is that we are a net consuming province of both oil and natural gas, and any increase is to the detriment of Manitoba consumers. One could somewhat rationalize, I suppose, an increase in gas and oil prices if it were shown and proven to the consumers of Manitoba that those additional moneys would be used for exploration and development of natural resources in Canada, but there's no proof that that is happening.

MR. SPEAKER: Thank you. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a supplementary question. Could the Minister indicate what the impact will be on the price in Manitoba as a result of the proposed increase?

MR. SPEAKER: Order please. Asking for an opinion again. The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, as we draw this session to a close I wonder, due to the --(Interjections)-- . . . those kind of answers to questions, Mr. Speaker, I suggest that the House is drawing to a close . . .

MR. SPEAKER: Order please.

MR. MCKENZIE: . . . I wonder if the Minister could advise me, and for the interest of the many questions, can he confirm now how the purchase and the sale and distribution of lottery tickets is going to take place in Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, first of all, I didn't know who my honourable friend was directing his question to. Now does my honourable friend want to know how the tickets will be sold in Western Canada, the lottery tickets? There is an agreement . . .

ORAL QUESTIONS

MR. McKENZIE: This is for the tickets to go to the Olympic Games, Mr. Speaker.

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

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I indicated to the honourable member that the tickets to attend the Olympics in Montreal are being distributed by T. Eaton Company, and that still stands. If the honourable member wants information pertaining to same or purchase tickets, that's where they're available.

MR. McKENZIE: Well then for clarification, can the Minister advise me if the public can go there and purchase tickets, say, for swimming or for the athletic events, track and field, or do you have to take what's available? This is where the confusion seems to lie.

MR. TOUPIN: Well, Mr. Speaker, again, this is certainly a federal undertaking and the responsibility of COGO to reserve the services of T. Eaton Company for the sale of tickets or portion thereof of the Olympics, and the information that I received, Mr. Speaker, is that the amount of tickets available are pretty scarce and it may be difficult to obtain only a portion of, say, of an attendance fee for the Olympics.

MR. McKENZIE: A supplementary question to the Honourable Minister. I wonder, can the Honourable Minister advise the House how the people in rural Manitoba such as Roblin, Thompson, Flin Flon, can have access to these tickets?

MR. SPEAKER: Order please. Order please.

MR. TOUPIN: Mr. Speaker, I'm willing to take blame for a lot of things, but not this. We're not responsible for the sale of those tickets. I indicated that this is a federal responsibility. They've delegated part of that responsibility to COGO. They've decided to use only the services of T. Eaton Company and that company has stores in different parts of the province, not that many. There are applications that can be had, Mr. Speaker, by mail through Eaton's, where you can apply for tickets and that could be made applicable to rural members.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): A supplementary question, Mr. Speaker, to the same Minister. I wonder, in view of the fact that the T. Eaton Company does not accept Chargex, one of the better known charge cards across the country, will the Eaton charge card be acceptable?

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

ORDERS OF THE DAY - BILL NO. 44 - THE PLANNING ACT

HON. SIDNEY GREEN, Q. C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I propose this morning to deal with debates on second readings, some of them in any event, and I'd like to call No. 44 to start with.

MR. SPEAKER: Bill No. 44, the Planning Act. The Honourable Minister of Municipal Affairs.

HON. HOWARD PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, I rise at this occasion to close debate in connection with the Planning Act.

There has been a great deal of discussion in connection with this bill. I think much of it has been very worthwhile. It can be recalled, I think, that during the introduction of this bill I attempted to provide a resume of the shortcomings of the present Planning Act, outdated, inadequate, weak, and an Act which relates to the circumstances of 1916 rather than to the developing problems of 1975 that we face in Manitoba. Since 1916, the province has seen fit, as has all other provinces in Canada, to delegate responsibility for planning to the municipalities, and this is as it ought to be, Mr. Speaker. But it is important in the province delegating this responsibility to municipalities that, at the same time, it provide municipalities with the tools that are necessary in order to ensure that that planning is done in as competent and as efficient and as speedy a manner as is possible, and that, Mr. Speaker, we have failed to do so, previous governments have failed to do so, and I think it's incumbent upon us at this time to do that very thing. That is what we are attempting to do in respect to the planning legislation which we have introduced.

I would like to emphasize that, insofar as the present legislation is concerned, it is not a Planning Act, it is a Planning Service Act. This is, most of the Act is preoccupied with setting out how a municipality, for instance, may enter into arrangements with the province in

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(MR. PAWLEY cont'd) connection with the province providing to the municipality planning services. All this verbiage that exists in the present Act does not provide the municipalities with the planning tools. It does not provide the municipalities with the capacity in order to commence proper planning. We're the only province, Mr. Speaker, at the present time that has planning legislation which unfortunately completely ignores the question of subdivision control. We can, for instance, compare the powers that have been given by this Legislature to the City of Winnipeg with respect to subdivision control, with the lack of such power and responsibilities in the old Planning Act that we have in Manitoba.

The basic principle of this legislation is that we provide clarification, distinction between policy plans and zoning. The result has been that municipalities in the past have adopted planning schemes, which is a quaint title out of a distant past. By the planning schemes there have been but zoning by-laws. That is, they only spell out what uses can be made of certain lands within the municipality. This is not planning in the proper sense of the word. If municipalities are to carry out their planning responsibilities, they must be able to engage in policy planning and adopt development plans. By "development plan" we mean a broad statement of policies and objectives which may include many of the subject matters which have been referred to by honourable members across the way.

For instance, what policy does a given municipality or municipalities have in connection with the use of agricultural land? A statement of policy about preserving agricultural lands, recreational lands, lands subject to flooding for instance? These are important areas that must be dealt with by municipalities if they are in fact to look ahead in a long term direction towards maximum benefits from planning. Statements ought to also include steps to be taken to implement such policies, including a fiscal statement clearly identifying the priorities and the financial capacity of the municipality to deal with these problems as they arise in the future. No municipality in Manitoba has adopted such a development plan or a policy because the existing legislation neither encourages nor accommodates this adoption.

No member of this House, I'm sure, would deny that such policy planning is desirable as compared to the ad hocery that is presently existent within the present legislation. Having delegated this land use planning to municipalities, I'm sure no member of this House would deny that a municipal council must have the authority to deal with policy planning, and I think that's the whole crux of the matter. If we concur that there ought to be land use planning, we concur that municipalities ought to have this type of responsibility, then I think at the same time it's incumbent that we provide municipalities with enough capacity in order to properly so deal.

One of the serious shortcomings of the present planning legislation is its failure to provide, indeed to require, that the province itself put its own house in order and to state its policies in respect to land use. And, as I mentioned earlier, there are many provincial statutes, agencies, departments, Crown corporations that are all affected, involved in land use planning in the province. I think that it's imperative that the province, as has been mentioned, do provide this type of leadership. But this is provided for within the planning legislation contained within this bill.

It provides for the province to present its position in connection with matters of overall land use policies in the province. Or, for instance, such matters as referred to by the Honourable Member for Morris; what are we to do in regard to the too often continuing consumption of agricultural lands for residential purposes? What are we going to do in respect to the sometimes too rapid disappearance of recreational lands within the Province of Manitoba? What is going to be our policy in the future in regard to the development of industrial areas surrounding towns, larger towns and small cities in the Province of Manitoba? What is going to be our position in respect to residential construction on flood plain lands in the future in the Province of Manitoba? I think it's important that we provide provincial-wide direction in this regard, and this planning legislation, contrary to what has been said, does provide for the province to provide this type of leadership in the Province of Manitoba.

Mr. Speaker, during the past year and a half, some 30 municipalities, including towns and rural municipalities within a 40 to 50 mile radius of the City of Winnipeg, have been meeting - in fact it's now close to two years - in doing research in regard to the problems surrounding the City of Winnipeg and what techniques and tools should be provided by government in order to deal with these problems. And if there is anything I think we can be faulted for, it is

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(MR. PAWLEY cont'd) that we have not provided legislation earlier to meet what is becoming critical problems in this area surrounding the City of Winnipeg. When the delegates first met - and I again emphasize that the delegates meeting were elected representatives of various municipal councils, towns and villages surrounding Winnipeg - there was some uncertainty as to the direction that should be taken in connection with the municipalities around Winnipeg. After two years of in-depth research, and, Mr. Speaker, at times it involved meetings on a twice-monthly basis by these elected representatives, a number of resolutions were approved by the representatives of the municipalities on April 5, 1975, of this year. These were resolutions that were later released to the press by the Winnipeg Region of Municipalities Committee. The first resolution that was voted upon - and let me say, Mr. Speaker, that the support for this resolution was at least by 90 percent of the elected representatives there - was: "That Whereas it is better for municipalities to plan together, Be It Resolved that planning district boards, consisting of elected municipal officials, be the vehicle used as a planning authority."

Another resolution that was passed by the committee was: "Be It Resolved that sub-committees recommend that at least four district planning boards be established within the Winnipeg region, and that the boundaries be flexible within the context that districts be roughly equivalent in number of member municipalities and that the outside boundaries of the study area not be a restricting factor."

Another area that was dealt with is that areas should be designated for unrestricted agricultural activity in the area surrounding the City of Winnipeg. And, for instance, they mentioned that areas of classes 1, 2 and 3, agricultural lands, where agriculture presently is in a dominant position, should be retained solely for agricultural purposes. They recommended that there be a designation of limited agricultural areas where, because of the nature of the land, for instance dispersed non-farm residences, a full range of agricultural activities may no longer be compatible. They recognized that there were in fact areas that there had been so much development to the present time that it might not be possible to further restrain future use of those lands for unlimited agricultural use.

There was also another resolution, "Whereas there are a considerable number of communities in the region, policies should be directed towards the strengthening of these centres rather than establishing new competing centres." Communities that choose to encourage growth should do so on the basis that municipal services shall be provided. Development plans should identify those communities that could serve a satellite function. Lands in the study area may be provided for rural residential development. It went on and on.

Mr. Speaker, the recommendations that were contained in the studies by the Winnipeg regional study group are basically contained within the legislation before us. So if there is an urgency in dealing with this legislation, it is in order to meet the problems that have already been identified by municipal people in the Province of Manitoba in the areas that are most affected by urban-rural conflict. And that's why I'm hesitant to think in terms of deferring this legislation. If we defer the legislation, then we will not be able to deal with the critical problems that have been identified by municipal people in the Province of Manitoba which they are asking that we attempt to deal with.

Honourable members wave a couple of letters. I must say that, despite the fact that we've been debating this legislation for three to four weeks, I have received very few letters from municipalities asking that this legislation be deferred. I'm not sure, Mr. Speaker, whether I've received more than one or two letters opposing the legislation by municipalities. And I would be generous in saying that I received more than seven letters from the 200 and some municipalities in this province asking that the legislation be deferred, despite all the debate that has taken place in this House and the pleas that have been made for deferral of this legislation, not only by the Official Opposition and by the Liberal Party, but by the school trustees in the province. Not more than seven municipalities, seven or eight municipalities at the most, of all the municipalities in the Province of Manitoba, have asked that the legislation be deferred. And I know that the honourable member has shown me a letter from R. M. of Birtle, another member from R. M. of Odanah. They're included in that seven or eight municipalities that have asked for the legislation to be deferred.

So I think the municipalities have spoken clearly, and I'm very very pleased, Mr. Speaker, that the municipalities are so far ahead of so many of us in the need for us to do something

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(MR. PAWLEY cont'd) about planning legislation. And I was more than pleased to pick up this morning's Brandon Sun, because the Honourable Member for Brandon West only spoke on this matter last Monday, and he suggested some way or other, or had indicated some way or other that municipalities had been charmed in connection with this legislation. Well, Mr. Speaker, you can't charm municipal people in this province. They're too independent-minded to be charmed. And they know, Mr. Speaker, how to discern problems if problems exist, and if problems exist they will demonstrate their thoughts and their views clearly to this House and they will not be charmed. But this morning I read in the Brandon Sun support for this planning legislation by the Brandon City Council, despite, despite, Mr. Speaker, concerns expressed to the Brandon City Council by a Mr. Frank Meighen, who I gather is the solicitor for the City of Brandon. --(Interjection)-- I'm glad that the Honourable Minister for Mines and Natural Resources pointed that out. But despite that, the City of Brandon City Council indicated support for the legislation. I understand it's solid support and I gather that I will be receiving this resolution in the mail today indicating their support and their desire that we proceed with this legislation just as soon as it's possible.

I also understand that the Urban Association with some small reservations will be expressing their support, when the bill reaches committee, for the legislation.

I would like to deal with some of the specific objections. The Honourable Member from Morris, I thought, made a very worthy contribution when he suggested that we ought to be moving away from a no-policy type of planning to policy planning in the province. There should be, he said, an overall attempt by government to commit government to land use policies, and my answer to this is that he will look in fact in vain in the present legislation, the old Act, for the type of provisions that are contained in Part 2 of the Planning Act, which for the first time brings the province into actual overall, consistent planning direction in the province. So I say to the Honourable Member from Morris that the present legislation does not do what he so eloquently suggested be done in this House, but the present legislation will provide the opportunity for the province to provide this type of leadership that he called for only a couple of weeks ago in this House.

The honourable member also said that government should direct the broad uses of land, and lead municipalities to work within the province. My reply is that we agree completely and that is exactly what this legislation is all about, the responsibility of the province to give broad policy direction. The municipalities will respond with their own policy plans and development plans. In order to co-ordinate provincial and municipal policy plans, the municipal plan is approved by Order-in-Council.

Mr. Speaker, there is nothing that is dictatorial about this. It is only providing leadership and assistance to the municipalities or the districts in providing for their own co-ordination of policies in the province.

As opposed to the position which was taken by the Honourable Member from Morris that the province do in fact provide policy direction, the Honourable Member from Sturgeon Creek felt that too much power was being given to the province, to the Lieutenant-Governor-in-Council and to the Minister, and that only effective planning can come from the municipalities. He suggested that the principle behind the bill is provincial control. With respect, I must agree with the Honourable Member from Morris. There are broad areas of land use for which the province must accept responsibility for giving direction. It is unfair to ask municipalities to continue to plan in a policy vacuum. And I don't think that by providing this type of leadership and assistance, some general guidelines in fact which the municipalities are requesting, that this is exercising the type of control envisioned by the Honourable Member for Sturgeon Creek. I think that it is only being responsible in regard to our own obligation as provincial legislators.

The Honourable Member for Sturgeon Creek said that the Municipal Board could change the boundaries of a planning district, and we have examined this and it's clear that the Lieutenant-Governor-in-Council is not bound by the findings of the Municipal Board in regard to district boundaries. I agree, however, that the word "determined" in the legislation ought to be clarified, and when we reach committee stage I think we can take a good look at that particular point.

There was suggestion that we were desiring to establish a large bureaucracy in rural Manitoba. My reply to this is that we do not need more planners and we do not propose for the

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(MR. PAWLEY cont'd) present that there be more planners in the Province of Manitoba, but we are suggesting, Mr. Speaker, that their services be better utilized than they are being utilized at the present time, that we receive more maximum return from our planners than we do at the present time so that we can provide better service to the municipalities in Manitoba.

The Department of Municipal Affairs now is planning service agreements with some 87 municipalities. Under that arrangement the municipalities, for about 30 percent of the actual cost, receive the services of a professional planner and all support services. Planners, however, are very expensive, in very short supply, as we mentioned last night. To service municipalities on individual basis has proven inefficient, a heavy drain on planning manpower, and if we want to build up bureaucracy that the Member for Sturgeon Creek was so concerned about then, Mr. Speaker, the best way to do that is to retain the present Planning Act, to keep on hiring planners and to continue planning in the Province of Manitoba in an inefficient manner as has been done in so many instances in the past many years.

The proposals in this bill, Mr. Speaker, thus will make maximum use of available planning manpower. We will cease spending our time spinning wheels on trivial and inconsequential matters which now pass unfortunately too often for planning. Failure of the province and municipalities to adopt policy plans means every new proposal has to be reviewed from basic concepts. This is both inefficient and time consuming. Though this legislation is not going to build a bureaucracy, Mr. Speaker, but will allow our present manpower to be much more productive than it has been in the past.

The Honourable Member for Fort Rouge made a number of points which I feel we ought to provide some attention to. He laid great stress on what he perceived to be a lack of citizen participation. I take it that he would like to see some formal structure in the legislation on this matter. I think, Mr. Speaker, that it's naive to think that legislation can force or even promote citizen participation. The honourable member appears to lack unfortunately an understanding of rural Manitoba. We are not dealing with legislation for the City of Winnipeg where the ratio is one elected representative per 10,000 population. We are dealing with that part of Manitoba where there are 1,500 elected representatives for approximately 450,000 people, or a ratio of one to 300 people. And if we consider that for a moment we will see that there is quite a contrast between that situation, one to every 300, and the City of Winnipeg. So there is no relevancy in the arguments presented in regard to City of Winnipeg and citizen participation and those that involve rural Manitoba where we have one elected representative for every 300 people. And if there's citizen participation anywhere, anywhere in the province, then I think we can look to rural Manitoba for the best evidence of active involved citizen participation in municipal life. --(Interjection)-- I can't hear the honourable member.

MR. SPEAKER: Order please. If the honourable member wishes to shout, there is another place for it.

MR. PAWLEY: If the honourable member thinks that municipal councillors are not close to and are not acutely aware of the problems of their constituents, their thoughts and their feelings, I invite him to attend a meeting of any rural council or town in the Province of Manitoba or, to in fact attend the meetings of the Union of Manitoba Municipalities that will take place within the next month - some six district meetings. If the honourable member will attend these meetings, will listen to the discussions that take place at that level he will see one of the greatest demonstrations of involvement at the local grass roots that he will find anywhere in any form of government activity.

The Honourable Member for Fort Rouge says that the powers of the municipal board proposed in this bill will be much broader than at the present time. This is simply not true. To understand the function of the municipal board under this bill it is necessary to understand the extent of the board's powers now under the existing legislation. Under the Municipal Board Act the Municipal Board is not the sole authority for subdivision control. I mentioned earlier that this may have been a satisfactory situation in past decades but is not consistent with the concept that land use planning be delegated to municipalities. As long as this power rests with the Municipal Board, no municipality can say it is the master in its own household. The bill provides that our power to approve subdivision will rest with the District Board rather than with the Municipal Board as is the present case.

This bill provides the only role for the Municipal Board under this legislation and the

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(MR. PAWLEY cont'd) only role that the Municipal Board will play is by way of an appeal from the decision of a district board. I'm sure that the Honourable Member for Fort Rouge would be one of the last to suggest that the right of appeal from a citizen's objection, or a municipality's objection, ought not be to some body outside of the district. That power is retained within this legislation, but not the power that presently exists within the old legislation for approvals of subdivisions. That will be done at the district board level subject to appeals to the Municipal Board. To this extent the Municipal Board performs a useful function in being able to give relief against that kind of abuse.

There is one other area in which the Municipal Board would act in an appeal capacity and that is an appeal from a municipal council or a district board with respect to a zoning by-law. It should be understood that a zoning by-law should follow the adoption of a development plan that should reflect the policy set forth in the development plan. If the municipal council or district board ignores its own development plan, then there is of course a right of appeal to a municipal board. I should point out that the board now performs this function with respect to zoning by-laws.

The only other area in which the board has a part to play is a recommendation body to Lieutenant-Governor-in-Council in respect to the appropriateness of the planning district boundaries or the appropriateness of a special planning area or a development plan. And that is done only by way of recommendation to Lieutenant-Governor-in-Council. Surely, Mr. Speaker, there can be no objections to the very important appeal function of the Municipal Board. The Municipal Board however will be removed from much of the trivia that it is presently involved in in connection with approvals of subdivisions, etc., that can be better handled by the Planning Board which will be representative of municipally-elected people.

The fact is that the single most important function which the board has today, this right of subdivision approval, will be dealt with at the municipal level subject to the municipal level acting in conformity with the development plan which has been approved for the long term planning and objectives of the district itself.

The Honourable Member for Fort Rouge mentioned that there was no place for regional development corporations in this legislation to make an input. I can only reply that the intention is that the elected representatives of municipal government are charged - they are the ones that are charged with responsibility for land use planning. And it is correct to say that no special status has been given to regional development corporations, to school divisions, to hospital boards or any other group outside of that group which is responsible for land use planning at the local level of the municipalities. The development plan adopted by a municipal or district board will carry commitment which will have financial implications. It is the municipal councils which must answer for such spending. And I think that it would be incorrect and improper to wrestle some of this responsibility away from the municipal councils and provide to the, for instance the regional development corporations. That is not to say, Mr. Speaker, however, that every board or agency including regional development corporations will not have a role to play in influencing councils with respect to development plan policies. I'm confident that their advice will be sought and, Mr. Speaker, we can even consider, if it's of any value, that provision be made that such groups will be consulted, but not to involve them in the actual decision-making because that is the responsibility of the municipal people in the province.

The honourable member also suggested that the bill seemed to lack policy statement of what the Provincial Government itself wanted to accomplish. I am puzzled by this suggestion. To the extent that the legislation delegates greater planning authority to municipalities, and to the extent that for the first time it involves the province in land use planning, it is indeed a planning statement, and that policy statement may be summarized as follows: To carry out effective land use planning, the Legislature is prepared to delegate the responsibilities, the power set forth in this bill. To ensure that the province itself accepts its responsibility for land use planning, the bill will require the province to adopt policy planning in respect to land use. What could be clearer, Mr. Speaker, than that. Surely this is policy statement. I do not expect to find in any enabling legislation, a nice little narrative of future ideas. The thrust will be found in words in the statute. This is a legal document. It delegates authority and it will be strictly interpreted.

The Honourable Member for La Verendrye dealt with some of the problems in the

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(MR. PAWLEY cont'd) Steinbach area and these are problems which are common to all our smaller urban communities, and the areas immediately surrounding them.

In suggesting this bill be delayed for a year, the honourable member may not be aware of the recent letter, in fact, which I received from the council of the Rural Municipality of Hanover in which it expressed grave concern for the development which was taking place in its municipality. The development is taking place as a result of lot splits, that is the owner of a large parcel of land sells off a portion of that land to a purchaser. By this method development takes place without any subdivision control. We have found that in the Winnipeg region approximately 65 percent of all new housing starts in the rural municipalities have taken place as a result of lot splits and not as a result of subdivision control. The present Planning Act does not give any control over lot splits. Reluctantly therefore, I've had to point out to the council of the Rural Municipality of Hanover that as long as the present planning legislation remains in the books we do not have the answer to their problems.

This brings me finally to the reasons why we think it is imperative that this bill should be passed and should not be referred to a standing committee which could mean a delay of up to one year. Land is a resource and to the extent that once it is committed for certain uses, it must be considered a diminishing resource. It seems to me therefore that it is imperative that we accept the responsibility of protecting this resource so that we obtain the maximum benefits for all Manitobans. In a world which may well be devastated by hunger in the next quarter century, it is your responsibility not to allow prime agricultural land to be used for residential purposes on an indiscriminate basis.

The Honourable Member for Assiniboia mentioned what has happened in the lower mainland of British Columbia and in the Niagara Peninsula. It has happened to a lesser extent in parts of the Province of Manitoba during the past few years. The Federal Government will find it impossible to make long term food commitments abroad if it does not have an assurance of a stable agricultural land.

Recreational land in this province is limited under severe pressure for development. We must not make mistakes which cannot be reversed. It is imperative that the province and the municipalities lose no time in establishing their respective priorities. We must not allow the financial stability of our smaller urban communities to be drained off by allowing development outside the urban community which imposes strains on the services of the urban community that yields nothing to its tax base. And references were made last night to Glenboro and other communities to this very type of problem.

Experience of the past two or three years has indicated quite clearly that the existing planning legislation is quite inadequate, it's weak and is ill-equipped for the province and the municipalities to perform any useful function in land use planning. The suggestion that this bill should be delayed and refer it to a committee or lay it over for study in between sessions means that another year will pass by before the municipalities can commence to take effective steps with respect to their land use responsibilities. I want to say, however, in saying that, Mr. Speaker, that I certainly would be prepared, in fact anxious to upon passage of this legislation, to refrain from proclaiming the legislation until I've had an opportunity to have more meetings with municipal people in the province, to discuss the legislation further with them, to work out the various tools and techniques that can be used to more properly and effectively plan, and also of course, Mr. Speaker, where it is shown that there are valid amendments that ought to be made to this legislation, to assemble those amendments for introduction if there are such amendments for next year. But in the meantime, Mr. Speaker, it's imperative that we proceed with our job now. That we not procrastinate but we push forward.

QUESTION put.

MR. MCGILL: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

INTRODUCTION OF GUESTS

MR. SPEAKER: While we're waiting, I wonder if I may direct the attention of the honourable members to the gallery, where we have 80 students of Grade 5 standing of the Stonewall Centennial School. These students are under the direction of Mrs. Miller and Mrs. Tyler and Miss Van Camp. This school is located in the constituency of the Honourable Member for Gimli. We welcome you here this morning.

BILL 44 (cont'd)

MR. SPEAKER: Order please. The motion before the House is Bill 44. A STANDING VOTE was taken, the result being as follows:

YEAS

Messrs.	Adam	Messrs.	G. Johnston
	Axworthy		McBryde
	Bostrom		Malinowski
	Boyce		Miller
	Cherniack		Osland
	Derewianchuk		Patrick
	Desjardins		Paulley
	Dillen		Pawley
	Doern		Petursson
	Evans		Schreyer
	Gottfried		Toupin
	Green		Turnbull
	Jenkins		Uskiw
	Johannson		Walding

NAYS

Messrs.	Banman	Messrs.	F. Johnston (Sturgeon Creek)
	Bilton		Jorgenson
	Blake		McGill
	Craik		McGregor
	Enns		McKellar
	Ferguson		McKenzie
	Graham		Minaker
	Henderson		Sherman
			Spivak

MR. CLERK: Yeas 28; Nays 17.

MR. SPEAKER: In my opinion the Ayes have it. I declare the motion carried. The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 57 please.

MR. SPEAKER: On the proposed motion of the Honourable First Minister. The Honourable Member for Riel.

MR. CRAIK: Stand, Mr. Speaker.

MR. GREEN: Bill No. 61.

MR. WARNER H. JORGENSEN (Morris): Stand.

MR. GREEN: Bill No. . . .

MR. SPEAKER: 37?

MR. GREEN: 27 - no. Bill 27, is that . . . ?

MR. F. JOHNSTON: Stand, Mr. Speaker.

MR. GREEN: Mr. Speaker, I would like to indicate that the Municipal Affairs Committee, to consider Municipal Affairs bills, to meet on Monday night at 8:00. The Labour bills will go to Law Amendments Committee rather than Committee on Industrial Relations, but not tonight. They would go at the next meeting of Law Amendments Committee.

Mr. Speaker, I move, seconded by the Honourable Minister of Industry and Commerce, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried, and the House resolved itself into a Committee of Supply, with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY
MINES, RESOURCES AND ENVIRONMENTAL MANAGEMENT

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Chairman, I wonder if we could have a slight recess. The Honourable the Minister of Mines and Natural Resources has gone to get his materials and it is the understanding that the estimates of the department will be under scrutiny upon his return. So it may be five minutes or so.

MR. CHAIRMAN (Mr. Jenkins): Order please. The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Chairman, I wonder, during this recess could the honourable members of the government indicate where honourable members opposite are getting their hair trimmed lately? If there's a bargain to be had in town I'd like to get in on it.

MR. CHAIRMAN: Order please. The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Since the honourable member has been allowed to ask the question by you, sir, I can give the answer, with your permission. I would recommend highly a young barber by the name of Dave Penner.

MR. PAULLEY: I trust it's a union shop.

MR. CHAIRMAN: Order please. Order please. ORDER PLEASE. I would refer honourable members to Page 34 of their Estimates book, Department of Mines, Resources and Environmental Management. Resolution 78(a), Minister's Compensation - Salary and Representation Allowance. The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Chairman, in introducing my estimates this year, I intend to be brief because I believe that there is a general disposition on the part of honourable members to have more time for questions. I believe that the honourable members will be quite aware that the major part of the thrust in this department with respect to Mines and Resources has been in the development of the minerals policy which was substantially culminated in its inception, in any event, by the passing of the Mineral Royalty Act yesterday.

In looking at this program now in retrospect rather than from the point of it having commenced, there has been three major changes in the mines policy of the Province of Manitoba over the last five years and those have now all been implemented either by administrative procedures or by legislative action. Those three major changes are essentially as follows:

The Province of Manitoba, first of all, took the position that it would not use taxation policy or concessions policy or incentives policy as a means of attracting mineral development in the Province of Manitoba, that rather the policy was to try to evolve a system of taxation which would see to it that there was a fair return to the Province of Manitoba from the exploitation of the mineral resources, and that once this policy was established, it would not be intended to deter private activity nor would it be intended to attract private industry. Its objective would be to attempt to obtain a fair return on the resource and, if that was compatible with private industry objectives and compatible with provincial objectives, then the position of mutual self interest would result in whatever continued private industry activity there would be. I'm not able, Mr. Chairman, to assure that the policy that we have adopted will result in the same degree of private investment - I've never been able to make that assurance. What I am satisfied with is that the policy that we have adopted would enable private industry to live with a return to it which could justify its investment and which would also return wealth to the Province of Manitoba. So the first part of the program dealt with the abandonment of the practice, which I think was engaged in by all provinces in the country, of attempting to lure industrial mineral development through incentives taxation programs.

Now, having adopted that policy, Mr. Speaker, it became essential and as part and parcel as the other side of the same coin, no taxation policy can maintain its integrity without a willingness on the part of the Crown to participate in industrial development, and we had stated it fairly succinctly previously that, to the extent that there is any private industry withdrawal, there would be a public participation advanced. That would not be the only public participation, but certainly we, on behalf of the people of the province, said that to the extent that private industry does not find our laws sufficiently attractive for them to develop and register a decline in their activities, that that decline would be made up by an active government participatory program, and I think, Mr. Chairman, and I've thought this out fairly clearly over the years, that there can be no legitimate taxation program without . . . that such a program could not maintain its integrity if there was not an alternative public participation if the taxation program did result in a great diminution of activity.

I have the feeling, Mr. Speaker, that often the bargaining position of the private sector -

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(MR. GREEN cont'd) and I do not fault them for this - is over-emphasized in terms of what they will not do if you impose certain taxation. That certainly has been a suggestion. I think that when the Crown has a counter-suggestion that it at least equates the bargaining position. And the Crown says, "Well that's fine. We have developed a policy which we feel does give you reason to develop here, but if it doesn't then we are not going to change the policy. We are going to take up the slack, if any."

So we developed a participatory program that started, Mr. Speaker, with the Mineral Explorations Corporation, which was given a budget of roughly half a million dollars a year which I have been advised, and the President of the corporation has advised the House, is a legitimate budget for that type of company; that that \$500,000 a year has been invested for a period of approximately four years; that there have been mineralized areas found; that there have been many programs engaged in; that thus far we have not discovered an area that would justify the development of a mine, but that the type of activity that the corporation has engaged in and the way in which it is engaged, I think, Mr. Speaker, has found favour with all members of the House. The only argument could be as to whether we should be in it at all. And some people could say, "Why are you spending this \$2 million in exploration?" I don't think that anybody would argue that the way in which the company is run is bad or that its results are less than what would normally be expected from an exploration company.

So when we come to the basic question as to whether the Crown should be involved at all, I expect sharp disagreement, which I'm not able to undo merely to indicate that I believe that we are right. I would indicate to honourable members that governments across this country have engaged in exploration programs and have spent millions of dollars - the Province of Manitoba was spending at least \$2 million a year and still is spending \$2 million a year on explorations, which is entirely made available to the private companies. The mapping, the aeromagnetic mapping program is a program which is an exploration program in which public moneys are invested, for which they will get no fair return, no investor's return, which has been made available to the private sector and on which they have made millions of dollars - and I again do not fault the companies for that but I caution members in saying, "Well, why is the Crown spending money in exploration?"

The Crown has spent money in exploration prior to this administration coming into power. They have spent more money in exploration than we are spending with the Mineral Exploration Company, but all of the results of that exploration have been made available to the private companies, and indeed, Mr. Speaker, I suspect and I vaguely recall that the last Sherritt mine would not have been found but for the mapping program of the Province of Manitoba which they then took advantage of, which was the style of procedure - and I'm not holding it up to criticize, I'm holding it up to indicate that the Crown being involved in exploration is not a new thing. What is new is that the Crown is now involved in exploration as an investor rather than as somebody who prepares material for others to invest in.

So that was the second part of the program, and we continued, Mr. Speaker, beyond that this year with the third part of the program, which involved the method of land and mineral rights holding in the Province of Manitoba. And the prior system, Mr. Speaker, was one which involved very, very nominal fees for the holding of permits, the holding of claims, the holding of leases, and the virtual automatic renewal of a lease at the expiration of 21 years. And when I say that, Mr. Speaker, I can only tell you that when the first lease was put on my desk for renewal and I indicated that I would not renew, that it was looked upon as being a revolution in the Department of Mines, that after the expiration of 21 years you did not renew automatically without any requirement of work commitments or anything of that nature. So I believe that there was a virtual automatic renewal. Indeed, many of the mining companies said that they were entitled to a 21-year renewal of the lease because that is what the Province had always been doing.

So there were regulations drawn up, which were announced this year and which the Member for Riel has correctly referred to as being really a very very important part of the mineral policy, more important than the taxation policy that we dealt with yesterday, and I've never denied that. I believe that the regulations that we have passed is a more important part of the mineral policy, but I do not agree that they have not been both discussed in the House and discussed with the industry. They were the subject of three years' discussion with the industry. And again, I am not going to make the mistake of ever saying in this House that we looked for

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(MR. GREEN cont'd) the approval of the industry or we have the approval of the industry. What we did was have a continual dialogue with the industry and, apart from the fact that they may have said, or may still say, that they don't want us involved at all, if they accept the concept that the Crown does wish to be involved, then they were in general agreement - although not agreement, but in general understanding of what we were doing and, subject to slight arguments, the policy that was adopted was one which they could live with the fact that these regulations were needed at all, and I'm certain that they would prefer that the regulations were not passed at all.

So we dealt with the mineral policy on three levels. One at the level of taxation which was started in the first year when we went from seven to 15 percent, we doubled it; continued last year when we went from 15 to 23 percent which was tripling from the first year that we were here; and then had a much more sophisticated system of taxation which doesn't deal with doubling or tripling, but which is based on a return on investment in the Statute that we passed yesterday.

From there we went to a participating program which was done with the Mineral Exploration Company and with the provision in the regulations that private exploration from this point on the province will have a right to invest 50 percent in the exploration program and be a 50 percent partner in all subsequent development if indeed a mine develops.

Now I have to caution the people of the Province of Manitoba - I'm sure that the members of the Opposition have already cautioned them - but I wish to make it clear that I can offer no guarantee that there will be an immediate quick return from this type of investment. The mining industry is a hard, difficult, risky business and if the people are intent, which I believe they are, and are willing to try for the big returns that have been received by International Nickel, Sherritt-Gordon and Hudson Bay Mining over the past 30 and 40 years, then they must be prepared to make the big risk that these companies have made in realizing those returns. Therefore we have not asked for a participation program such as has been requested in other countries. In other countries there are participation programs whereby the Crown is entitled to a 50 percent on the basis of its claims, on the basis of the land being used. We have said that we will put up 50 percent of the money and we hope that we will then get 50 percent of the return.

Now, Mr. Chairman, I have been asked from time to time, why 50 percent, and I think that I will have to acknowledge what I acknowledged last year; that I wish it were the case that what Mr. Kierans said in his report was something that I could see as practical at the moment. And that is that all exploration, not talking about existing mines, but all exploration from this point on be done by the Crown and that they be the sole developer of the mineral resource in the Province of Manitoba.

I indicated last year that that would be ideal were it not for the fact that the historical development of this industry is inconsistent at this point with such a development. The aggressive, vigorous, qualified people - which is not in any way to run down the people that have been working for the public - but the people who have been interested in the action on the development front have been in the private sector. Not because of what some of the people will think here, that those people will only work in the private sector, is because the public has never permitted them to have that kind of challenge in the public sector. And over the years when they have that type of challenge in the public sector, they will come and work for the public. I have spoken, Mr. Chairman, to many of them and asked them, would you find it difficult to work for the public as against working for the International Nickel Company of Canada, and they said if it was the same challenge, why, why would there be any difference? It would be just as much a challenge to me to engage in that kind of activity on behalf of the public than on behalf of the private sector.

But it has not happened and it is an evolutionary process. And therefore the 50 percent participating interest I acknowledged last year, it is selfish on our part that we are seeking the expertise, the aggressiveness, the know-how of the industry and therefore we are wanting to put up 50 percent and be partners with them. And when Mr. Dave Thomas said that to his shareholders in Toronto, that the Crown wants to get all our expertise by putting up merely 50 percent of the money, he was right. I don't think that he said it first. I said it first. We are hoping to develop that kind of partnership, but we also hope that it will be in the self interests of the companies to engage in that type of partnership.

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(MR. GREEN cont'd)

That's the second part of the participating program, but that will essentially, at least from the beginning, be a private program. We are hoping that the private sector will continue exploration in the Province of Manitoba, but we are not depending on it. The Honourable Member for Riel should be aware that this part of the program is what we have now designed as a private sector program. If it doesn't work out that way then we are prepared to put up that kind of money for a public sector program. But we do not have a preference for that at this point. Our preference is for the policy that we have adopted.

The Honourable Member for Riel said that there was no exploration in the Province of Manitoba since January 1st, 1975. I'm going to give the honourable member some figures, but I'm going to have to put a caveat on those figures - claims files - well, Mr. Chairman, I don't know about claims file, the honourable member was talking about exploration, and I'm going to deal with exploration because he gave us to understand that nobody was exploring in the Province of Manitoba. I'm going to give some figures but I'm going to put the caveat and the figures that if it were not so I would not say it was a failure of the government program. In other words, if there were no private sector investment, I would have to say at that point this was one contingency which we anticipated and we will therefore have to go it alone. We're not necessarily setting it up to go alone, but if it was necessary to go it alone, we would go it alone, because I am not going to be put in the position by Hudson Bay Mining and Smelting, INCO and Sherritt saying tomorrow, if you do not do what we say we stop investing in your province. In that way, Mr. Chairman, I would want to know if I did that then we may as well get out of this Assembly, because at that point the decisions regarding the economic future of the Province of Manitoba would not be made by the elected representatives of the people, they would be made by the presidents of INCO, Hudson Bay and Sherritt-Gordon. I'm prepared, Mr. Chairman, that there should be a participation of those people, but I am not prepared to abdicate my responsibility of defending the democratic process and put it in the hands of those people who are not placed in that position.

I believe that what we will do - and give it time - will result in that kind of activity. But I am never, Mr. Chairman, I am never prepared to stand here and say that if we do not do what these people say then Thompson will die and INCO will die and Sherritt will die and Hudson Bay will die. I have to have a better answer for the people of the Province of Manitoba than that we are inevitably and irreleasably under the control of the industry. We have to have an accommodation, and that accommodation can't be based on the fact that they say you will do it, we say, or we will stop your mine.

So when I talk about this participation program I do not want you to assume that I am saying, I told you they will participate, because they may not participate. I would hope that that were not so. I think that we have a good program for them. I think we have a better program than they have in other parts of the country. I think that we have a better program than they have in other parts of the world. You know, they used to come in to me in 1969 and say, in Ireland we can go and have mines and there's no income tax for the first three years. So they went and they put mines in Ireland, or did activity in Ireland, and once they were there Ireland changed its laws and said we are now going to take the money. And this has happened in other parts of the world. I think that the stability that we hope to achieve by setting up an Act which will give the public the knowledge that they are receiving a fair share on that area which is in the private sector will be a great stabilizing factor for the industry. I'm not saying that they will see it that way, but I believe that it will indeed work out that way.

Mr. Chairman, we have the estimated program to date with regard to exploration. Of the participating program we have \$2, 900, 000 in progress - \$2, 900, 000 in progress - which means that there is a provincial commitment of \$1, 500, 000. This is with various companies on the basis of our contribution of 50 percent. We have a non-participating program, in other words, programs which were presented to us but which we could not participate in, mostly because of past commitments of the program. And let me amplify that.

They came in with a program in which the prospector had a 10 percent piece, and this other person had a four percent piece, it was complicated as to what all the shares were, and if we were involved it would be difficult for really us to establish a value which would leave intact the deal that had been made by the private people. So we said okay, we'll let that one continue without our participation. Non-participating programs \$1, 600, 000. Now that is

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(MR. GREEN cont'd) \$4, 500, 000. Financial assistance to prospectors, \$24, 000. These are the prospectors who complained that they wanted no part of this program. It means that the province is paying \$12, 000 to a prospecting program involving \$24, 000.

Departmental exploration - this is \$57, 000, involved in certain areas which have not been open for staking. I believe that that is the share of departmental exploration. A prospectors' training program of \$100, 000 and exploration equipment of \$43, 000.

Mr. Chairman, there is also a possible program that we are negotiating with the department of Regional Economic Expansion and a program with the National Department of Energy, Mines and Resources. But I won't deal with those, I'll deal with the exploration programs. So honourable members will see that if we take merely the exploration programs we are at the figure of \$4, 500, 000. And by the way we are not completed yet, I mean there is a possibility of further activities in the Province of Manitoba. But that is, I am advised, a normal figure for exploration in the Province of Manitoba. That it has been below that figure. That it has been above that figure. But that \$4, 500, 000 in this type of activity is not a program which we should feel uncomfortable about.

If, Mr. Chairman, we feel that that level is too low, then we will add to it. By the way I do not know whether this includes our Mineral Exploration Company. --(Interjection)-- No, it doesn't include the Mineral Exploration Company, so that you could add roughly \$600, 000 to that and we are over \$5 million.

That is a creditable exploration program for one year. It is not the end of the year. There still may be additions to this. But if it doesn't come in as high as we want it to come in, Mr. Chairman, then of course, we will add to the program by having greater public participation which we see as quite a valid method of procedure.

Mr. Chairman, I indicated that I would be brief and I probably went longer than honourable members expected me to and even longer than I expected to myself. There are certainly other features of the departmental estimates that I would normally have dealt with and which I expect honourable members to deal with, but I feel that it would probably be best if we dealt with them through the question period.

I understand that the honourable members have been proceeding at any part of the estimates. I don't know what procedure you have adopted. Are we going to go line by line?

MR. CHAIRMAN: Line by line.

MR. GREEN: That's fine.

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before I recognize the next speaker, could I draw the attention of the honourable members to the gallery on my left where we have 32 students in Grades 1 to 9 of the James Valley Elementary School, under the direction of Mrs. Wistoski and Miss McIntosh. This school is located in the constituency of the Honourable Member for Morris.

On behalf of the members of the Assembly I bid you welcome here this morning.

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MR. CHAIRMAN: Resolution 78(a)(2) - passed. (3) - passed. 78(b)(1) - Administrative Services; Salaries and Wages - pass? The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Yes, thank you, Mr. Chairman. I listened with interest to the Honourable Minister's comments in his opening remarks and I will try and be brief relating to this area, and I believe I'm in order to make a few comments, generally on the administrative policies of his department. I tried to analyze what the Minister said, because the Minister is I believe always open and straightforward in his comments, and particularly when he indicated that he wanted participation by the private sector in this field. I almost understood him to say we need it right now, but maybe in another year we don't, type of thing, and also pointing out the major policy changes in their - not only in their regulations, but their tax procedure which was passed in the House yesterday.

But one has great difficulty in accepting the Minister's statement that he does want private participation in this important industry in our province. And I say that because I don't think the Minister himself might be posturing, but it's very difficult when the Minister stands up and states that he wants the participation out of the private sector and during the committee on the mining tax we have the northern member standing up and they surely did not encourage, if I was

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(MR. MINAKER cont'd) in the private sector in the mining field, did not encourage any participation. I think last year it was fashionable to call big corporations "fat cats." It now appears this year from the Honourable Member from Flin Flon that it's fashionable to call them "pimps." So, Mr. Chairman, it's very difficult to accept the Minister's opening remarks that . . .

MR. GREEN: I wonder if I can help the member focus in on what I said. I said I am "willing" to have the private sector. I do not think I said I "want" to have the private sector. That may be helpful to him in formulating his remarks on debate. Now I make that interjection to him because to me it is vital that I not say that my program in the Province of Manitoba depends on the private sector. I'm willing to have it as part of the program, I believe it can be useful, but it does not depend on the private sector. Therefore, I do not think that I said that I want the private sector. I don't, to put it in the negative, unwanted them, but I do not think that I said that I want them. I'm willing that the program should continue with the private sector.

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

MR. MINAKER: Thank you, Mr. Chairman, and thank you, through you to the Honourable Minister, for further elaborating on his comment and explanation. Further, it's very difficult to believe that the government wants any participation of the mining sector in our northern region or any other region when we hear the Honourable Member from Thompson, who probably represents the largest area of where this type of industry is carried out. One would almost think from the comments made by the Honourable Member from Thompson from time to time that he probably considers the mining companies in that general area as rapists. I don't know. He has never really come out and said that, but from these attitudes one can hardly see any encouragement for this industry, particularly the private sector. And our concern, Mr. Chairman, is . . . The Minister has indicated that, you know, they're willing to have participation. There really isn't any encouragement, and I would think the reason why is that there's a shortage of capital at the present time. There is also probably a shortage of expertise, which the Minister has already indicated. He's also indicated in his debates on Bill 16 that he would like to see a greater activity in the public sector in this industry, so we know where the government is heading in this field and it alarms us, to some degree, because I think there was one hole that cost us some \$400,000, if I remember correctly, that a cartoon was made on. I'm wondering how many other holes will have been drilled and staked and developed by the public sector, because it is a very high risk, a very high risk industry we're talking about, and I would much rather see the private sector roll the dice rather than the public sector.

We've seen what's happened where we think we even have a very closed game where the dice is in our favour, and I think an example has come to light today. We understand that there's been another \$500,000 granted to Saunders Aircraft this morning, or yesterday, so that there we have \$32.5 million of public money invested in the private sector. We can see that we're talking about a much more major industry where we're getting into hundreds of millions of dollars to develop mine sites, and we know that the capital at the present time, there's a shortage of it, because we are trying to develop our energy, the Hydro in the North, and other types of demands that the people of Manitoba are demanding these days for certain services. We know that there will be further demands in the health field for facilities. We know the government is involved in public housing. And I would suggest, Mr. Chairman, that we need the private sector in this particular industry.

It's not whether, you know, "they can come in if they want but we really don't want them" type of thing. I think there has to be some encouragement that this be continued, because they have helped to build the North. It's the important industry in our North and I don't think we can - another word that has become popular this year - seem to be cavalier, I don't think we can afford to take the cavalier approach to, "well, if they want to come along fine, if they don't, then, putting it bluntly, to hell with them." We have no idea on this side what impact the new mining tax will have on the industry and I think it's fair to say I don't think the Minister himself knows what impact it will have. We had 20 pages of amendments go through yesterday, which we had some two or three hours to scan at lunch hour and five or twenty minutes before we finally got into debate on the bill, and as my honourable colleague from Riel said to me, he said, "Really the only thing we can do now is just sit back and relax and enjoy the rape," because that basically was what was happening.

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(MR. MINAKER cont'd)

So, Mr. Chairman, we have heard the Minister's statement. He has amplified the policy of his department. It's obvious the government wants the mining industry. They want to operate it and they want to develop it. The changes in the mining regulations have amplified that. They've killed the prospecting industry in Manitoba with the regulations, so obviously it's necessary to open a prospector training program for \$100,000 because now they'll have to train government prospectors and send them out in the field. And we can see the department blossoming into a very large conglomerate with the king at the top, the Honourable Minister of Mines and Natural Resources, the mining baron of the province. And I'm wondering if the same thing will happen to the mining baron of the province as happened to the industry baron of the province with MDC, the many millions of dollars that have been invested with companies that have lost money.

Mr. Chairman, what is happening? And it's happening right in this House. It's happening in the committees that we're sitting in, and the Minister has almost trapped me into it at times, that we're getting lulled into the idea that if a company loses \$500,000 it's doing well. The government and this Legislature has almost been lulled into the idea that if a company only loses \$50,000, or it only loses a half a million dollars, that it's doing pretty well. And it may be paying its interest on its loans - they're doing excellent if it's paying its interest on the loans - but when you look at and analyze the interest that it's paying, somewhere along the line they're building a debt up to pay the interest, or a major portion of it. And we can see this happening in the mining field if the government follows through with the policy that obviously the three members of the North want that spoke out, and the Minister wants, that the people of Manitoba - as they always like to state but it's really the government in this case, it's their decision - want to run this industry. They want to own it, they want to operate it, and explore it. And I suggest that if we take this path we will really speed up to the road of bankruptcy, because if it's anything similar to MDC that we will get ourselves into in this program - because as I indicated earlier, it's a much higher risk program - when you roll the dice - and I heard the manager of the Mineral Resources Limited, or president, say that it was a hell of a crap game. I don't know whether that was his exact words, but he said, "You're in a crap game. You don't know when you're going to win and you're going to have to roll a lot of times before you win." But right now when they roll the dice and lose the money, it's private money that's going down the drain. But when we get into it, every time we roll the dice and it's money lost, it will be another \$400,000 hole in the ground that a million people will have to pay for.

So, Mr. Chairman, we are very concerned about the policy of this department and it's obvious the route that the Minister wants to lead us into. And I hope that for the sake of the people in Manitoba that there is reconsideration that the private sector is needed in this industry. Not "if they want to, fine, if they don't, then to hell with them" type of thing. And I hope that if the Minister realizes, after a year of operation, the impact that this new mining tax has on the industry, that there will be some reviews; that if it means that there is no further exploration and it means that there is no further development of this industry, that the answer isn't the public sector alone, because we can see disaster if that's the attitude that this government takes.

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: . . . couple of minutes. I assure the Honourable Member for Lakeside that I just want to deal with points which will not even go to the heart of the honourable member's debate. I'll leave that for the Member for Lakeside to amplify. We'll deal with the other matters that you raised with regard to the private sector and the public sector, etc.

There is one point at which I believe your criticism is unfair, and I'm going to try to demonstrate to you that it is unfair. You referred to "this whole slew of amendments to the Mining Act." Well over half of those amendments dealt with processing allowance. Over half of those amendments dealt with the processing allowance and were requested by the Member for Brandon West. We had no strong feelings one way or the other and the industry said that it appeared to them that they were losing something by it, so over half of those amendments dealt with the processing allowance.

Another great portion of those amendments dealt with what the Member for Birtle-Russell said, that he was worried about the ministerial discretion and director's discretion, and we changed a whole bunch of sections of the Act, putting in a formula rather than a discretion

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(MR. GREEN cont'd) which existed under your legislation. But since the Member for Lakeside said that we can trust it with you people in power, but you cannot trust it with us people in power, we clarified it with us people in power.

You know, I have no difficulty, by the way, dealing with all issues on that question: who do you trust? Because I believe that this party will be trusted more than the other parties. And if that's what the debate comes down to, that's good too. But nevertheless, because it was requested on that side that there be absolute clarity about this ministerial discretion, we did the ministerial discretion. From that side of the House came requests about the averaging. Another greater portion of the amendments and the formulas had to do with the averaging. Now having done that, Mr. Chairman, I do not believe . . . You know, we are always told from that side of the House: "Why don't you listen to what we are saying? We are making these speeches and you're just blatantly refusing to listen. What will it hurt you to make the amendments?" And then, when we make the amendments: "Twenty-one pages of amendments!" and "We don't have time to consider them."

I detailed every amendment in the House. I told the honourable members that if they came to one that they did not understand or wanted to put over, I would stand it over. I would even have stood it over the next day. But when the amendment was clear as to what it was - and I believe, Mr. Chairman, that that Act was drafted very very well, because other than the policy changes that came as a result of the debate, there were very very few amendments, and if debate can result in policy changes, then isn't that what you people are always saying should happen? And then when it happens, you say we have all of these amendments. Well we can't have it every which way. I believe that of all the criticisms that the honourable member made, that the only thing that I can say that I take issue with him as a question of being a fair person is this allusion to the 21 pages of amendments. The 21 pages of amendments were a legitimate arisal from the debates. They did not stem, or in most part did not stem from drafting errors or things that we did not understand. They came because there was a change in concept which arose out of the debate and out of the industry complaints, and which we said we will deal with in the future.

One more point and I'll let the Member for Lakeside take over. You say that when the industry invests the money it's private money. There is no such thing as private money. It's always the same money. When the mining companies mine the resource, sell it, and it's sold to people and the people pay for it, it is always the people paying for this activity. It may be different people from time to time but it is always the people. The Honourable Member for Lakeside, he often refers to it, that when we put the tax on the mining companies, when we put the tax on the restaurants so it's paid for in the price of hamburgers, in the price of a loaf of bread, in the price of a bottle of milk, but it's always public money. There's only one way in which wealth is produced and that is by the application of human endeavour to a natural resource, and that is where all the money comes from. And the same source will be used by the private companies as by the public company. So to suggest that we would save it if we let the private companies lose it - I'll give you the alternative suggestion: In the five years that INCO took out, let us say, \$500 million, we lost it because we didn't do what we are doing now.

Now, you could say that we squandered the public's money because we let INCO take out \$500 million. That's quite a squander. That's a squander worse than S(qu)aunders, as the members of the Opposition have made the pun - which is kind of a good one, you know. But that is . . . --(Interjection)-- Yeah, they call it squanders, not Saunders. But that \$500 million or more is far more a squander than what you call Squanders. And we are trying to say that the people of the province are able to do this. So I'm not . . . I know that the Member for Lakeside will not be happy with me if I now debate the other points, because I know that he wants to amplify them. I'm going to come back to the question of private sector, public sector, etc, but I did think that it was a low blow, let's put it like that, to talk about those amendments. Those amendments were not a deficiency in the legislation. Those amendments came as a result of legitimate debate. They came about as amendments as you have often said they should come about.

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

MR. MINAKER: Mr. Chairman, I want to thank the Minister for making me a little more relaxed after his explanation on the amendments.

MR. CHAIRMAN: The Honourable Member for Lakeside.

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MR. ENNS: Well, Mr. Chairman, it's not my intention to get into the debate that I undoubtedly think the Honourable Minister would welcome. The greater debate of public sector versus the private sector in the field of mining can be taken up more competently and capably by other colleagues from this side of the House. But I do want to raise an issue that I've raised on several occasions when this subject matter has come up and I do so again. It's one that's also familiar to the Honourable Minister and he already referred to it in a sense, in his description of money and what money is, and really, of course, my concern quite apart from the ideological question as to whether the public sector can perform versus the private sector's capability of performing more effectively or better - that's another argument maybe later on in the estimates or maybe another day - but the question of availability of money is one that has been of concern to me from Day One as this Minister started to outline his attitude towards the mining sector in the Province of Manitoba.

Mr. Chairman, there is always a benefit to listen to the Honourable Minister speak, because he does, with every occasion that he rises, clarify his position a little clearer both for us on this side of the House and for the industry. I think this morning it became even more obvious and clear to us and to the industry that really the Minister, earlier in his statements in this Chamber and outside, kind of left the impression of a readiness, or at least a willingness, to go in a partnership arrangement with the private sector, a 50 percent arrangement or 51 percent arrangement with the private sector in new development, and that kind of set the tone, up to now anyway, with respect to this government's attitude towards the mining sector, but this morning, Mr. Chairman, it came out a little clearer that as a matter of fact he was prepared to put up with the private sector's 50 percent participation and he thought that the private sectors had a place, you know, if they played --(Interjection)-- okay.

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: Mr. Chairman, I want to only ask my honourable friend whether he will not recall that I said exactly the same thing last year. I said that I would like 100 percent but we need their expertise and we are willing to have them as partners. That is not a disclosure that is made today. I made that same disclosure then.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: That's very true, Mr. Chairman, I think he said much the same thing on other occasions except that it became a little clearer to us this morning that he really only wanted their expertise while they were learning, you know, a year from now, two years from now, and you know, really then, they hope to have learned what the private sector can teach them, and what he said this morning, though, was that he really didn't want them. He was prepared to put up with them and he was prepared to so pass mining laws and regulations in this province that would enable, in his judgment, the existence of the private sector. He also made it very clear that he wasn't prepared to negotiate whether or not that existence was in fact compatible to the private sector or not but that was something for him to decide.

Well, Mr. Chairman, as I said, that's not an argument that I want to enter into this morning with the Honourable Minister. I think an argument can't be made on that score. But, Mr. Chairman, let me repeat a favourite argument of mine that I have made. As this Minister so quickly and so easily talks about the willingness on his part to supplant the private risk capital raised in this manner with public dollars raised - and I agree with him, we're talking same dollars, that has to be raised somehow or other - that he's pulling the wool over certainly our eyes and I believe, to some extent his own. Because certainly, Mr. Chairman, as long as we operate in the system that we are operating, as long as he has to compete with his fellow colleagues for X-number of dollars that are available to the public treasury at any given time, he cannot say that with such complete assurance. I give the Honourable Minister of Mines and Natural Resources a great deal of credit for carrying a pretty heavy stick in that Cabinet and by and large doing most things that he wants done in that Cabinet, not always, but I am prepared to acknowledge his position in that Cabinet, but, sir, I also know that he represents a government that is not going to reduce a social service along the line somewhere, he represents a government that is carrying on an expansion of the delivery of all kinds of social services in this province - Dentacare, Pharmacare, Medicare costs are going up - so this easy kind of assurance that if the private sector withdraws \$20 million, \$30 million or \$40 million of exploration or development money from this sector of activity that he not only welcomes a chance to replace it, but he leaves us the impression that that \$40 million or \$50 million is readily available to him.

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(MR. ENNS cont'd)

Well, they're not available as printed in the estimates before us. This department and this Minister and the group of administrators under the line item that we're now dealing with will become really the high rollers in government spending in the future. I'm told that the Honourable Minister is now advertising for some 18 geologists for additional strength in this area. Aside from the fact it remains a moot question as to whether or not there are 18 geologists available in the Province of Manitoba, let me tell him that he will also require at least 18 highly paid, highly competent public relations people to go alongside with those geologists, because this Minister, this department, if they're getting into that kind of a crap game are going to have to have a very smooth functioning PR team to explain to the public, to explain to us in the House, year by year, some of the dry holes they hit, some of the investment that doesn't pay off. And indeed, for a Minister who looks forward to re-election from time to time, who hopes his government gets re-elected from time to time, those PR people would be pretty important, I would suggest, at election time, particularly if subsequent to the kind of demands that he is so prepared to advance a mortgage on in terms of availability of funds to the Honourable Minister of Agriculture for his favourite programs or the Honourable Minister of Health and Social Development for his favourite programs, then a great deal of finesse is going to be required on the part of the Honourable Minister and in this particular department in the future.

Mr. Chairman, I believe that to that extent, the Minister is passing it off far too lightly the fact that the public sector will presto find that risk capital as easily and as quickly as he suggests to us this morning and I suggest that quite the reverse is liable to happen; that when sufficient pressures build up in other areas, social areas, demanding public dollars, that the politics of the day will demand that that's where the dollars go to and that the Minister and his department - and it may be that he is wholly and totally committed, I doubt that not to the course that he's set upon - but I have yet to be shown any assurances that the kind of funding that is implicit in his remarks about the kind of willingness that he has to go it alone will be forthcoming or will be voted to him in this Legislature. It's not just a question of whether the Opposition agrees to it, it's a question of whether he can get that kind of concurrence among his Cabinet colleagues, among the majority members of his government who from time to time require . . .

MR. CHAIRMAN: I wish whoever is whistling would cease.

MR. ENNS: The Member for Ste. Rose is whistling to his cattle right now. You know, Mr. Chairman, I'm being diverted, but really that's an argument that I would put forward with a great deal more vigour and vehemence if it weren't that I had that very utter and complete assurance that the Minister and this government only have about 18 months left of their tenure of office, so that, you know, a great amount of damage hopefully will not be done during the remaining two years of this government's life. If this were a case, however, where if the worst should happen and this government should stay in office as, for instance, the socialists did stay in office for a protracted period of time in the Province of Saskatchewan, and during which time, of course, just no activity took place, particularly in this field. You know, potash lay there and it remained there. Major exploration just didn't occur in the Province of Saskatchewan under the climate envisaged by this Minister.

So, Mr. Chairman, I conclude my few remarks this morning saying that I really, I really don't get that excited except that I believe what I'm saying to be true, I believe that the Honourable Minister certainly has not demonstrated in these estimates at all - in fact, the estimates are modest, the Minister should be congratulated for keeping a reasonable tight grip on escalating costs within his department - they don't reflect at all what he told us this morning that he is prepared or he can, in fact, find those dollars that he so easily writes off that were up to now provided by the private sector. Mr. Chairman, that's an argument completely divorced from the ideological position of whether or not the future mineral development in this province should essentially carry on in the hands of the private sector as versus the public sector. That argument will be undoubtedly expanded on more capably by other speakers. But I'm satisfied, Mr. Chairman, by having placed these few remarks on the record of taking a relatively consistent position on this question. I do not believe that under our open system of examinations of how a government spends money, how a Minister spends money, how he has to stand up in this Chamber and explain how he has spent the money that we voted him last year, that under that

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(MR. ENNS cont'd) system he can talk to us as glibly as he talked this morning about the availability of his capability of taking that money from the Minister of Agriculture, from the Minister of Education, from the Minister of Health and Social Development or from any other of his colleagues, and go off into the wild blue yonder looking for the big return. The big return is there and I really don't even argue with the Honourable Minister his capability of attracting people to work for him, I don't argue with the Minister's basic contention that, you know, if the private sector can do it, why can't the public sector do it? I think there's a lot of arguments that can be made as to how effectively one sector does it, but that's another argument. My principle argument with the Honourable Minister this morning is that I see no signs of that kind of risk capital in his estimates this morning. I doubt very much whether I'll see them next year and I doubt very much whether I'll see them the year after. That being the case, in the meantime, his attitude has decreed that the private sector should cease and desist from enthusiastic exploration and work in the province, then I can only say, you know, I must go back to that earlier contention that thank God, it's only another two years and we can hope for increased mining development thereafter.

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: Mr. Chairman, I think that the Honourable Member for Lakeside has fairly effectively put the difference in politics that's going to take place not only in Manitoba but in every other area and really, if I believed as he believes that the public of the province is unwilling to be aggressive in taking the kind of risk that I'm referring to, that I would have to say that the participation that I have had in politics has not been worthwhile and that it is doomed to not exist and of course, that is the position that he takes. I on the other hand do not agree with that. I think that for many many years the people have not been given the kind of challenge that they would want and that they would welcome and that the political people have not tested them on that issue and for that reason, they have, as I repeat, left to the private sector the major returns from the exploitation of minerals, that they've left them, let us say, as I repeat, \$500 million that were taken, earned - I'm not even going to say "taken", earned - by the private sector by virtue of their investment, that people have been unwilling to challenge the public on that kind of issue.

I believe that the public will be challenged on that kind of issue and will make that kind of commitment. The honourable member says he doesn't see it in the current estimates. When we dealt with capital supply, there was \$4 million for mineral exploration and it was passed, and I have to face the people of the Province of Manitoba and tell them, yes, we are embarking on a new program, we are now going to do what the industry did, and you are putting up \$4 million for this exploration program plus the mineral exploration company and we are doing it on the basis that you want to retain that \$500 million that you previously let be taken by the private sector.

I believe that the honourable member is incorrect about one feature, about what the public is willing to sacrifice in order to obtain freedom. Because I say that this goes to the essence of freedom as to whether the public are going to be the masters of their own destiny and as to the disposition and distribution of the wealth that they are able to generate or whether they are going to be continually at the mercy of the people who are willing to take that risk. The fight for freedom is not an easy fight; it involves also responsibility, and the responsibility is one which I believe that the public of Manitoba will accept a challenge for. Now I do not think that the public of Manitoba would be willing indefinitely to accept incompetence, to accept bad management, to accept problems that they feel that they are better off without, and in that respect I will concede that not everything that we have done has resulted in the kind of realization that we would hope for. I have only been able to deal with that question by indicating that the public is taking the same risk, making the same expenditure now in other jurisdictions, but they're not making it on their own behalf.

You know, we talked about Saunders Aircraft and we talked about the losses - the \$500,000 loss - the member is lulled into believing that that's really a good thing, because when you compare \$500,000 to \$30 million as the Member for St. James compares it, well, we got off easy on that one. Why is it that we so readily accept the fact that the Government of Canada gave, not lost, gave \$98 million in grants to private industry throughout this country - and it's not recorded on a balance sheet, it's not recorded as an interest-bearing loss, it is recorded as a gift - and somehow the honourable member says that that is accepted, that is legitimate

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(MR. GREEN cont'd) because it's left in the private sector, but, taking the same \$98 million and perhaps not realizing every cent of it and putting it into a loan and trying is a successful thing.

I have an article in my desk which I've been saving - I won't get it out - that the Federal Government in two years lost \$30 million on a computer company and the Member for Fort Rouge who is so quick to show the problems associated with a provincial public investment will not at least acknowledge that that kind of thing is being done with different forms of bookkeeping which seem to please the honourable member and is accepted.

One of the most frustrating mornings that I spent was at the Committee on Economic Development where suddenly, the Member for Brandon West who I have the greatest respect for because I think that his arguments are usually solid and to the point whether I agree with them or not, was trying to make it appear by bookkeeping that Churchill Forest Industries was a profit-making good investment whereas McKenzie Seeds which, on the basis of that type of calculation has a much better record than Churchill Forest Industries, was something that we were doing improperly. At least, if we used the same terms to discuss the same things, then we are at issue with one another. But that kind of thing is happening and the Honourable Member for Lakeside will be sensitive - I know that he will be sensitive to the point that his government was doing it and they were doing it by window dressing - he used the phrase the other day "window dressing" - and I really hope that I have not been involved in window dressing.

The honourable member says that I will hire PR people. Mr. Chairman, the honourable member receives everything from Information Services. What does he receive from Mines and Resources on Information Services? He knows, and it's well known, that I will not use Information Services to pump our program. What we use Information Services for in our department, and this is confined to my department, is to take what I as a political person will release, get the media lined up for it and distribute it to the paper, to the local administration, because I believe that my expertise is not in mining, is not in running aircraft companies; the reason the public, or the basis upon which I have gone to the public is on the basis of being able to develop a program and interpret it. That is the role of a political person, and once the political person abdicates his political role in terms of representing the government program to the public, he is in a very difficult position. That is, after all, why he is there, and I do not use Information Services, I do not use PR people. There is no - I can't say there is no, but there is very little advertising in my department. We advertise a litter pick-up program because it involves public involvement; we have advertised fire prevention when it comes to forestry; but we have a very moderate advertising program. Perhaps the Member for Fort Garry would know that one of the trade magazines, you know, they want to put your picture on the front page, do a story on you, but it involves trade advertising in their magazine. You will not see any trade advertising in their magazine. I'm not selling mines. I don't know why I would have to advertise. And if that means that my picture is not on the front page of a trade publication, it is not on the front page of a trade publication. But we have not done that and it is well-known that we have not done that. That is my responsibility. That's the responsibility that I retain. I prepare a press release for the Minister of Mines and Natural Resources. Nobody from Information Services has ever prepared a press release in my name. I will not have it. If they can do it better than I, they should run for office, because that is what I'm in office for - to interpret our program to the public and to develop the program, and we have not . . .

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: I already apologize for diverting the Honourable Minister's giving us a lengthy run-down about his attitude toward advertising and PR men. I recognize that he doesn't use them, all that many. I just suggested he was going to have to start using them in this program. But just a . . . and I'm finished. The Minister does this so well and so capably by very often making an assumption early on in his few remarks and then basing his remarks on that. The Minister leaves the impression that the course that he is bent on is the only way in which the public, who own the resources, can get a fair and equitable return on those resources. Now the Minister, you know, just finished piloting through a bill that I think he's pretty proud of. We have showed our objections and reservations about it, which was of course designed to do precisely that, to ensure Manitobans a fair and equitable return on their mineral resources. Therefore, don't leave the impression, Mr. Minister - through you, Mr. Chairman, to the Minister - that the only way, the only way open to the people of Manitoba to get a fair and

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(MR. ENNS cont'd) equitable return on what is rightfully theirs, their resources, is through confiscation of industry, through total public involvement of industry, through the public running the industry. The Minister also said that the public undoubtedly - and of this I am very sure - will not put up with bad management, incompetence, for a prolonged period of time, and, Mr. Chairman, I leave the public of Manitoba to judge as to the kind of performance we have had in this particular area dealing with management and performance and competence in the industries that to date have the heavy hand of government so deeply committed to them.

MR. CHAIRMAN: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Chairman, I almost regret yielding the floor, because the honourable member did not deal with the issue that I was talking about but I know that it's going to come up and I will deal with those questions. I merely indicated that the public is willing to accept far more of a challenge in pursuit of freedom than the honourable member is giving them credit for, and I say that this is of the essence of freedom and self-government, that any government that ties its existence to the dependence on the private industry is not governing itself, it's being governed. The decisions are not being made by the public, they are being made by the people who are in private board rooms.

The Honourable Member for Swan River thinks that that is an exaggeration. It has come, Mr. Chairman, it has come to my attention on numerous occasions. When we were talking about the Income Tax Act, the very first thing we did was to reduce Medicare premiums. There was tremendous pressure on the part of the various companies in the Province of Manitoba that we retain the premium and that we not increase the income tax, and we had what could be called ultimatums and the question was - we had gone to the public on the basis that we would raise the income tax and reduce the premium - the question was whether the decision was going to be made by the people and their publicly-elected representatives in their board room, or whether those decisions were going to be made by the directors of private corporations in their board rooms, and that is where the issue of freedom comes in. That is where the issue of self-government comes in. I'm not suggesting that there isn't room for private sector activities, but there is every reason to avoid an ultimate dependence on private sector activities because that is the essence of self-government and that is the essence of freedom.

If the honourable member, who has never really accepted me on this question, will at least hear my words, whether he accepts them or not, that that is the *raison d'être* for me being in politics. Because if we are going to depend on the private sector and they are going to run the economic conditions of the province and specify how much will be allowed for social purposes - because that's what it ultimately amounts to, and they will say "We will not permit you to go into this type of program; it raises our taxes and we will leave the province," - if we are going to do that and that is going to be the way, then I had better get into the private industry so I can control things and decisions of that kind, and if I can't control them in the public sector, then there is only one place to do it. And there is. The honourable member will ignore history if he doesn't agree that that is the kind of thing that occurs when the public leaves itself completely at the mercy of the private sector.

So we have developed a program - the honourable member says that we can get the money through taxation. I have said, and I repeat, no taxation program can sustain its integrity, no program can sustain its integrity if it ultimately requires the taxpayer to engage in the activity. The taxpayer may be a perfectly legitimate form of that activity; in other words, INCO or the other companies may be a perfectly good way of doing it. But if that good way of doing it leaves the public at the mercy as to whether or not it will be done, then a tax program will be useless. Every tax program will follow the lead that they followed six years ago, that we will have to continually make concession after concession after concession in order to maintain the activity. So you cannot have one without the other. The honourable member is wrong. You cannot embark on a program which says that "you make and we take, and we have a right to take whatever we want to." That cannot exist. Nobody will participate in your development on the basis of that kind of a suggestion. The mining companies would leave immediately if we made that kind of suggestion that whatever we want we take. That just cannot be sustained. Therefore, Mr. Chairman, and I want to deal - it's almost 12:30 - I want to deal with something that is far more important than the Member for Lakeside has said, and that is what will the people of the province accept? What are they willing to do in order to achieve economic

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(MR. GREEN cont'd) democracy in the Province of Manitoba or in any place? And I say that they are willing to do far more than what the Member for Lakeside thinks that they will do, and I would hope that we can call it 12:30 and I will deal with that next time the estimates come up.

MR. CHAIRMAN: The hour being 12:30, Committee rise and report. Call in the Speaker. Mr. Speaker, Committee of Supply has considered a certain resolution, reports progress, and begs leave to sit again.

IN SESSION

MR. SPEAKER: The Honourable Member for Logan.

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

MOTION presented and carried.

MR. SPEAKER: The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 2:30 this afternoon. (Friday)