

# THE LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 25, 1978

Time: 8:00 p.m.

## SUPPLY — AGRICULTURE

**MR. CHAIRMAN:** Committee come to order. We have a quorum, when we broke at the supper hour I was about to recognize the First Minister who was going to speak after the Member for St. Johns. The First Minister.

**MR. LYON:** Well, Mr. Chairman, I have very little to add to what has already been said having acknowledged the fact which the Member for St. Johns and others trained in the law would understand, that repetition does not necessarily improve an argument, but merely to indicate again, according to the best information that is available to us, that the explanation that the Minister has given and I have attempted to give as well with respect to the carry-over in the transitional period is precisely what it has been stated to be.

As we broke up, the Member for Rupertsland raised a point about the footnote with respect to the Summary of the Main Estimates on Page 1, Note (2), which if you will notice refers to the two blank spaces which appear opposite Schedule "B" Capital voted in The Loan Act, 1977, and Schedule "B" Capital voted in the Special Employment Program, 1977. And of course both of those items are shown as blanks in the 1978-79 column which is on the right and which is what we are dealing with in terms of the voted Estimates for the Department of Agriculture.

The footnote simply explains why there is a blank space beside the Schedule "B" Capital total, under the 1978-79 column in the Main Estimates. The note, as the officials advise, was designed merely to indicate that new Current and Capital have been combined. There is nothing special to it whatsoever. The new Current and Capital have been combined this year, and that the new Capital is included in the departmental totals — which is what we have been engaged in ever since it was explained some several weeks ago that we were going to the combined accounting basis.

If the carry forward had been included in the 1978-79 printed figures it would have been the same as voting the amounts twice. In other words, or double counting. Under the previous practice of the previous administration and the one before that carry forward was not shown in subsequent years Estimates any more than it is in the Estimates that are before us at the present time.

So that's merely an explanatory note to underline the fact that we are now dealing with combined Estimates; that Capital and Current are shown lumped together rather than in the Loans Act. The officials explain that past experience — and this is where the judgmental factor comes in — has indicated that carry forward would likely be balanced or offset in an average year by lapsing, with the result that the year end expenditure and deficit totals would not be affected substantially, which is what I was indicating to the committee before we adjourned. And as I mentioned before, in future years this situation — because we are now in a transitional year between the old accounting system and the new combined one — in future years this situation will not exist as any unused expenditure authority, Current or Budgetary Capital will lapse.

Now, by way of further clarification the officials advise that we are dealing of course with 1978-79 Expenditure Authority requirements the over not all financial position of the province. 1978-79 quarterly financial statements as they appear during the course of the year will show the expenditures that are based on both currently voted and carry-forward authority. That will be the continuing monitoring that the Members of the House, indeed the members of the public will be able to have on currently voted and carry-forward authority as the spending takes place and as previously indicated.

So, Mr. Chairman, there is very little else that I can add. I would be getting into the area of being an offence against the rule against repetition so I merely put that on the record as an indication of why the officials advise that the footnote is there and the words in which it appears. It is a question of semantics more than anything and it merely goes to underline what had previously been said, namely that we are now in a combined accounting system with a carry-forward provision this year only and that is the situation that has been explained enumerable times, there is nothing much more I can add to explicate it.

**MR. CHAIRMAN:** To the Members of the committee, prior to the supper hour break I had a number of persons showing an interest in speaking. They are in order; the Member for Winnipeg Centre, the Member for Rupertsland, the Member for Seven Oaks, the Member for St. George and the Member for St. Johns. If those persons indicated are still interested then we will go in order. The Member for Winnipeg Centre.

**MR. BOYCE:** I will defer at the moment, Mr. Chairman.

**MR. CHAIRMAN:** All right, the next one would be the Member for Rupertsland.

**MR. BOSTROM:** Thank you, Mr. Chairman, following the explanation by the First Minister I think it is a matter of interpretation of the note at the bottom of the page and as I interrupt the note, reading it

directly as a result of a change in accounting procedure, all direct government expenditures, including those formally voted in the Loans Act as Schedule B Capital are now included in Departmental Main Estimates of Expenditure. I believe we were discussing before the First Minister came into the room that there is some \$5.1 million of carry-over in the department of Agriculture, \$3.5 million of which is expected to be a part of the expenditure in the fiscal year that is before us, the fiscal year 1978-79. I believe that in order to keep these accounts straight and to be in line with this note which is at the bottom of the page all direct government expenditures, are now included in the Departmental Main Estimates of Expenditure and that \$3.5 million should be included in the Department of Agriculture's Estimates because it does represent direct government expenditures, and if it is not included in the Estimates for this year I say that this note at the bottom of this page is misleading.

**MR. CHAIRMAN:** The First Minister.

**MR. LYON:** Well, Mr. Chairman, just on the honourable member's point and not to interrupt the series of debate, or the series of me. To those who wish to participate, but just on that point sustain that argument then my honourable friend would have to say that every set of Estimates brought in by every administration including the one of which he was a member for the last eight years, and including the one of which I was a member, which did not show carry forward when we were under the old system, was misleading and I suggest that that is stretching, not only the truth, but is stretching one's credibility much too far. We are in a transitional period this year between an old system of Current and Capital being separated and a new system in which the method of exposition is placed before the Committee as clearly and as concisely as the officials can properly do.

Now, we may well have arguments and as I have indicated to the Member for St. Johns, there may well be some merit on the argument as to the methodology which might be used to display the Estimates in this transitional year. Indeed, as I said to the Member for Seven Oaks after the 5:30 adjournment, we had a rather considerable argument last year as to one method of exposition that he used in the Estimates last year with respect to how the tax rebate would be shown, not as an expenditure but rather as an item which did not pass through the Provincial Treasury and thereby it had the effect, even with the proper footnoting that was put in and so on, of indicating that the province was spending less money than in actuality some people would say they were spending. Now this year, on that particular point, the province has gone back, the Treasury has gone back, the Finance Department and the Minister have gone back to expressing that in the way that was argued last year that showed the full picture rather than by footnote. This year, all we are doing with respect to Current and Capital is combining them and saying in the footnote — one can admit perhaps not as clearly as my honourable friend would admit or with that degree of precision that the English language is always capable of — but trying to explain why there are two blank spaces, merely to indicate that what we are doing this year is combining Current and Capital in the separate votes. And the word "formerly" I suppose, is what my honourable friend and his colleague from St. Johns would grab onto. "Formerly" means in the old method of exposition of the accounts, that is all it means.

So my honourable friends can choose to read into that in a semantic way if they wish, whatever they choose to read into it. I merely give the explanation which is provided by the departmental officials as to why the footnote appears in that way and as to the method that we are following. But I again apologize to the Committee, Mr. Chairman, because I am repeating myself.

**MR. CHAIRMAN:** The Member for Rupertsland.

**MR. BOSTROM:** Thank you, Mr. Chairman. Well I think that the explanation the First Minister gives is not satisfactory in that what he is talking about is the old system and comparing it to what we have now which is apparently a new system. I understand his explanation to the extent that under the old system we did have the Capital separate and we had it separately itemized in the Estimates as well. It was separate for purposes of debate for the Estimates.

Now we have a new system and if we are going to be consistent with our new system, I say we must have all of the expenditures listed on the right-hand side of the page, all the moneys that are going to be spent by your department in the coming fiscal year. And to the extent that this new system has been held up to the public by the Progressive Conservative Government as the new accountability, I believe they have made the statements publicly that this is supposed to be the type of system that will show the true picture of expenditure for the government. Yet we have here an admission by the Minister of Agriculture that he is going to be spending some \$3.5 million extra to what he is presenting before us in the Estimates. They purport to have established a system of zero base budgeting as they call it, which would indicate to me that they started from zero this year, which should mean that there is no Capital carry-over, that we started from zero and you should be presenting the Estimates to us on a true basis of how much you are going to be spending this year, this fiscal year 1978-79. Given the Minister's explanation this afternoon that there will be an additional \$3.5 million extra expended than what is shown in his Estimates, I would say we have to include that in the Estimates before this item is passed.

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

**MR. LYON:** Mr. Chairman, on that final point of my honourable friend from Rupertsland, I think he is

confusing two principles, one of which has no application to the Estimates that are before us. Zero base budgeting is coming to be a well-known concept and will become, I'm sure, much more universally known even in Saskatchewan and other distant and beleaguered places, whereby all government levels, be they federal or provincial and in this country or in the United States, in what I hope will be a successful attempt to limit government expenditure and thereby leave more money in the pockets of the people who worked to earn it in the first place, are trying through such various techniques as zero base budgeting, sunset laws and other names that are becoming sort of knee-jerk words in government accounting, to restrict the kind of unwarranted and uncontrolled spending which has been all too often regrettably the hallmark of many many governments in recent years.

Now I'm not suggesting for a moment that zero base budgeting has any application whatsoever to the Estimates that are before us at this time. I am hopeful that zero base budgeting as a principle will as the years go by have more and more application, not only to these Estimates but to the Estimates of all governments in this country because it is only through that kind of a mechanism that you can begin to get some continuing accountability and control over the taxpayer's dollar and the position in which any government, be it a Conservative government, an NDP government, Liberal, Socred or whatever, in its temporary position of trusteeship — and that is all it is, a group of men and women in a temporary position of trusteeship handling public money, hopefully in the best way that common sense can dictate — that they will be handling that money in a way that is accountable first of all to the public, and we are attempting to do that by means of the Quarterly Statements that are now being brought out whereby honourable members around this table and members of the public of Manitoba generally will be able to see on a quarterly basis how that money is being expended; and number two, that officials and staff of various departments will have to account to the government of the day, no matter what government it is in terms of the zero base budgeting system, that the programs that they are administering on behalf of the public are meaningful programs, are contemporary programs or programs that are needed in the public interest.

Now, I'm not aware that zero base budgeting has any particular application to the topic that is before us. But if it titillates my honourable friend to use the expression and if it is something that he would like to advocate now on behalf of the New Democratic Party, I'm sure it might find some favour among the public. But I don't know whether it has any particular application to what is before us right now.

**MR. CHAIRMAN:** The Member for Rupertsland. Are you finished for now?

**MR. BOSTROM:** Well, Mr. Chairman, I'll let the debate go on. I think there are other speakers and I'll come back to this point.

**MR. CHAIRMAN:** The Member for Seven Oaks is the next one on my list.

**MR. MILLER:** Thank you, Mr. Chairman. I have been listening to the First Minister with a great deal of interest. Before the dinner break, he mentioned that the accounting procedures which they are now following are the same accounting procedures which have always been followed. From a straight accounting, legally, technically he is correct. The Conservative Government in the 1960s followed the procedure of Capital Accounts and Current Accounts and reported in the same way that was then carried on all through the 1970s. But, Mr. Chairman, we are changing the format. This government has gone to combined or national accounting, or call it what you will, it's a combined Current and Capital and there is no longer any differentiation between the two. There is no such thing as an authority being voted which would not lapse, except in the transitional year, and that is the key. In the transitional year, as the First Minister now says, that's where there is a difference, and it is that difference that has frankly got me somewhat concerned because, Mr. Chairman, the government is riding two horses; on the one hand they are saying it is now a combined Estimates that we are putting forward, combined expenditures, on the other hand they are still holding on, as tightly as they can, to the former system where authority was voted and which did not lapse, and which would not lapse. So they are hanging onto that to be used as they see fit and we now know that, as they see fit in the case of agriculture, it means \$3.5 million which they are going to be expending in 1978, and I'm not critical of them, they have to spend it. I am assuming that they will expend it and I am sure that all things being equal, the weather being right, the contractors delivering on time, all of these things, they will spend it. If for some reason they don't spend it, it doesn't lapse. Again, remember, if they only spend 2.5 instead of 3.5, they will dip into that \$1 million 14 months from now.

**MR. LYON:** But you will know three months from now.

**MR. MILLER:** Fourteen months from now they will dip into it then. No, no that's not the point. The point is that what has been presented to the public is that — and incidentally the First Minister indicated well, after all it is a question of format and presentation and last year the government chose to show the property tax credit not as an expenditure by government but rather as a drop in revenue, and that is the truth, that was presentation. But we did in fact show a decrease in revenue as we showed a decrease in expenditure so the two balanced off and therefore it really made no difference.

Here, you don't have that balancing. You have an unknown, until we dug it out, an unknown amount of money voted as authority which the government can dip into periodically as required or as the cash flow is required. And on the right-hand side we have the new format. So, what I am saying is

that where the First Minister says that the purpose of the new format is to show accountability and to show greater control and be readily understood by Members of the House as well as the public as to how the money is being expended and where the money comes from, I would say that we don't know where that — looking at this we do not know where the money comes from. You know, the average citizen, and I suspect more than just the average citizen, who is not privy to how the Legislature operates or how the government accounting is kept really would find this totally confusing, and I say that they have been confused by statements made by the First Minister, by statements made by the Minister of Finance where he talked in terms of expenditures for this year only being 2.9 percent increase and saying that this is the lowest increase in expenditures of any senior government in Canada.

**MR. LYON:** So far.

**MR. MILLER:** The Minister says "So far." And it is true, they can spend you know, they can pass \$25 million with special warrants, I don't know. I don't know. The fact is that it was not at 2.9, the increase in expenditures is not 2.9, it is more than 2.9. I can't pinpoint how much more, but the mere fact that in one department we find \$3.5 million more will probably be spent indicates that the expenditures which were trumpeted as being so low relative to the rest of Canada, that these expenditures are really going to be considerably higher.

It is not a matter of zero-base budgeting or sunset laws or other fads, expressions that pop up periodically I went through PBBS and NBO, and you are going through zero-base budgeting and sunset laws and about five years from now we will have a new set of initials and I don't think any of us will be any the wiser nor will it help.

**MR. LYON:** I hope the taxpayer will be a little better . . .

**MR. MILLER:** No, so you will be stuck with your particular phrases as we had to contend with ours. But what we are objecting to is the fact that in all government pronouncements the public, the media, the public through the media aided, I say, by the Minister of Finance and speakers from government side in trying to portray the government as being very very restrictive this year, restrained, being very tight in their expenditures when in fact that isn't the case. They have a pool of authorized, approved moneys sitting and they can dip into it as required or whenever they want. Some of it may not even be spent in the next fiscal year, it may even go into 1979-80, I don't know. I don't know how fast that money will flow.

**MR. LYON:** It will lapse.

**MR. MILLER:** No, no, Mr. Chairman, the First Minister says that it will lapse. Is he telling me that something passed in 1975-76 capital bill, if it is not spent in 1978-79 will lapse as a capital authority? I say to him that it will not lapse unless he brings a bill into the House saying that all capital authority voted in previous years shall lapse. That is when it will lapse and only then, am I right?

**MR. LYON:** There would have to be either executive or legislative action taken to lapse it.

**MR. MILLER:** To cancel it, okay.

**MR. LYON:** Free, open and everybody would see it.

**MR. MILLER:** But that hasn't been done. And Mr. Chairman, if in fact that's what we are faced with I would be delighted, then we would know what you are talking about. If in fact the government said that this is a new government, new day in Manitoba, a new day has dawned, new bookkeeping, no more separate capital and separate currents, it's all one in the same thing. We are not going to keep two separate columns; we are going to make it all one. And from hereon in what you see in the right-hand column is what we estimate we are going to be spending this year. If they had done that and said, "Therefore we are lapsing, closing off all previously voted authority," then I would have no quarrel with them, I would say to them very well, this is the way that you want it, that's the way it is going to be. You are into a new accounting system then that is fine, but if they had done that, then the figures that we now see on the right-hand side wouldn't be what they are. They would have to be increased considerably because the old authority would have been cancelled out. But they chose not to cancel out the old authority, they chose to keep it so that they could dip into it periodically. On the surface it appears that their increase in spending is so low because they talk about total revenues, less total expenditures and excessive expenditure over revenue of 114.1, and now I think it is 116.1 because of the supplementary \$2 million coming in the other day, but in any case they show a deficit of \$114 million possible deficit.

**MR. LYON:** You don't want it any bigger do you?

**MR. MILLER:** So that, Mr. Chairman, the \$114 million which they maintain is what they think may occur at the end of the year, the deficit which they look forward to at the end of the year, we know that the Department of Agriculture is going to be spending \$3.5 million more than what they show in this

right-hand column. And they say, well, we are right in doing so because the old system permitted the government to vote separate capital authority and use it as required until it was completely depleted and so they are still retaining part of the old system as they move into a new system, and so they are riding two horses.

They are retaining the old system where it pays them because it helps their image, and they have gone to the new system where it pays them because it helps their image in this case to look as if they are so very tough and they are spending so little. This simply justifies what they are doing in other programs, people programs, where they want to be tough and they say we have to be tough because look at what we are faced with, we are cutting everything.

But in fact, we know that in the case of Agriculture, for example, and I won't go beyond Agriculture, we know in fact that there will be expenditures up to \$3.5 million and they can even go to \$5 million if they can spend the money fast enough and I don't imagine they can do it. But they have the authority for \$5.1 million and I'll bet you dollars to doughnuts we are in this room a year from now and we are going to be asking what happened to that \$2.1 million and why aren't you showing it somewhere because it is a carry-over from 1974, '75, '76. You don't have to show it anywhere and you are not. And that is why this is deceptive, misleading and frankly is, if not intentional by the government it has occurred and I think, if I heard the First Minister correctly, he indicated perhaps the format could have been changed. It's not too late, Mr. Chairman, and I would ask the First Minister to seriously consider distributing to the House, not in printed form, in typewritten, xeroxed form, a format which more clearly represents the expenditures which are anticipated in the year to be ending March 31, 1979.

**MR. LYON:** Mr. Chairman, I welcome my colleague's final comments, my colleague from Seven Oaks, his final comments in which he, I think, tended to disassociate himself from the words of misleading and so on and so forth. I'm not being as hypersensitive as his colleague from St. Johns. What I'm merely trying to underline is the fact that one can have, as has been the case in the past, honest differences of opinion as to how a set of Estimates will be presented to the public and without claiming, without trying to hide behind the skirts of the staff or anything like that at all because Ministers, as he well knows, having been a Minister of Finance himself, Ministers ultimately must accept the responsibility for the Estimates and the form in which they appear. I would hope that he would be equally frank and admit that there can be honest differences of opinion and I stress the word "honest" between the methods of exposition of accounts of expenditure and of revenue of this government or any other government. That's number one.

Number two: As the Member for St. Johns said before we adjourned at 5:30 and as the Member for Seven Oaks has now repeated, he favours a different form of exposition and I think he is very well entitled to make that statement. But I do not believe that he is entitled to make the statement on the basis that the Estimates that appear before him, in the light of the explanations that have been given, are in any way, and I'm sure this wasn't his word although the implication was there, in any way fraudulent or intended to mislead the public or anything of that sort at all. Because they are not put forward in that sense. We are in a transitional year between two systems, one with which we were all closely familiar in the old Current and Capital Account basis which is now being brought forward on a combined basis or a national basis of accounting which is the procedure that most provinces have followed and which my honourable friend will readily acknowledge was the system which was year after year after year recommended by the Provincial Auditor of this Province, that the province should follow. My honourable friend will recall vividly as I'm sure many of us who were here before do, that the Provincial Auditor found he was unable to certify what the deficit of the government was for at least the last three fiscal years of the previous administration. He said that, he made that statement in each of the reports that he made to this Legislature, on which he was closely examined, or cross-examined would be the better term, by the Member for St. Johns last year who chose to disagree with him, as is his privilege.

**MR. CHERNIACK:** On a question of order, Mr. Chairman.

**MR. CHAIRMAN:** What is your question of order?

**MR. CHERNIACK:** Aside from the fact that the member is speaking out of order all the time, he is not in your sequence . . .

**MR. CHAIRMAN:** He is answering in place of the Minister.

**MR. CHERNIACK:** Aside from that, Mr. Chairman, that's not the . . .

**MR. CHAIRMAN:** To the Member for St. Johns' the way that we have conducted these Estimates is that we have gone from a member of the opposition to the Minister and back and forth . . .

**MR. CHERNIACK:** With a concurrence.

**MR. CHAIRMAN:** You haven't noticed that the Minister of Agriculture has been answering; the First

Minister has been getting his spot.

**MR. CHERNIACK:** I don't want to get involved in that. I want to point out to the Honourable the First Minister, when he refers to the cross-examination by me of the Provincial Auditor, it had nothing whatsoever to do with the point he is raising. It rather had to do with the appointment of outside auditors and that only. I wish he would check the record before he keeps repeating that, Mr. Chairman.

**MR. CHAIRMAN:** The First Minister.

**MR. LYON:** Mr. Chairman, the point is so negligible that only the Member for St. Johns would waste the time of the Committee in trying to raise it as a point of order. But my memory is much more explicit and clear than my honourable friend's because I remember quite vividly that he cross-examined the Provincial Auditor on a number of points of criticism that the Provincial Auditor raised last year and the record is there, Hansard, so we don't have to waste the time of the Committee. My honourable friend can read it and refresh his own memory. I remember because I was here and found it to be rather an unusual and unique, if I may say, display for a former Minister of Finance and then a Legislative Assistant to a Minister, presuming to criticize in such an open way as he did, an officer of the Legislature of Manitoba, trying to defend for his own perhaps narrow partisan purposes what was indefensible.

So I remember the occasion very vividly because I was sitting in the Committee when it took place. But the point that I was making, Mr. Chairman, the truth is in Hansard. The truth is in Hansard and my honourable friend has more time than anyone else in this House, he can look it up to salve his own conscience if indeed he has one to salve. Mr. Chairman, the point I was making . . .

**MR. CHAIRMAN:** On a point of order, the Member for Seven Oaks.

**MR. MILLER:** Is the First Minister responding to me or is he now getting off into another debate with the Member for St. Johns?

**MR. CHAIRMAN:** I think he is responding to you as the Member for Seven Oaks, perhaps in a roundabout way.

**MR. MILLER:** Okay, would he perhaps do it in a more direct way.

**MR. CHAIRMAN:** The First Minister.

**MR. LYON:** Mr. Chairman, the point I was making before the Member for St. Johns interrupted with a so-called point of order, the point I was making was that in the past three years the Provincial Auditor of Manitoba has not been able to certify in his Auditor's Report to the people and the Legislature of Manitoba, what the deficit of this province was because he said he had no control nor accountability for the method by which accounts were transferred from Capital to Current or vice versa. It is because of that criticism which was of longstanding note, that the government has now chosen to bring forward this new format. OE47- Now, that's all history and if my honourable friend wants to argue about whether we should be into the combined format or not, that's a debate that can well take place in Public Accounts or when the Estimates of the Minister of Finance are before the House.

He made one other comment and I put it back to him immediately. He said you can't ride two horses at one time. Well, I suggest to him that when you are in a transitional period as we are in this year between two different accounting systems, that in the wisdom of the people who give advice in such matters, it has been chosen or it has been selected, the means of exposition has been selected as appears before us. Now that does not mean, Mr. Chairman, that the Member for Seven Oaks' or the Member for St. Johns' comments may not have merit and I think that they may well be worthy of some consideration by the Minister or the Deputy Minister when they return. But I rather completely and utterly reject the concept that it is only their method of exposition that is right and that the method of exposition that has been chosen in these transitional Estimates is of course wrong. There is an element — there was by implication this afternoon — of dishonesty and so on. I reject all of that out of hand because what we are trying to do in as open and as forthright a way as we can is to display the new combined Estimates, to give footnotes to try to explicate what is being done in a difficult year to understand the transitional process that is taking place.

But on the point of riding two horses, my honourable friend is now complaining he feels . . . And this is only speculation on his part; he is going to substitute his judgment for the judgment of the people who now give us advice, who were the same people who gave him advice, and say that there is going to be a bigger deficit at the end of the year and that the government is going to be spending too much money.

Now, I merely say to my honourable friend: Which horse is he going to ride? Because on the one hand he complains about cutbacks in programs and so on, and says that the government should be spending more; on the other hand, he is heard tonight complaining about the fact, as he divines it, that the government will in fact be spending more — at least will have the authority through a time-honoured carry forward provision to have the authority to spend capital moneys which were

previously committed for projects that were started in the times when my honourable friends had responsibility for the public affairs of Manitoba.

So I think I must suggest to him that he must pick the horse; he and his party must pick the horse that they are going to ride. Either they believe in trying to maintain a deficit, as we are trying to, around \$114 million — subject to the vagaries of projections and supplementary Estimates and so on — or they want to go back to the wide open system that we had last year, and in which we are now all the legatees of, in which we had a deficit that is a multiple — a multiple — several times multiple over the one that was predicted by my honourable friend from St. Johns.

Now, you know, it comes ill from my honourable friend to be complaining about this method of exposition when we are trying to get the accounts back on to a basis where not only the government, the members of the opposition and the members of the public can understand on an annual basis and even more importantly on a quarterly basis, where we can have this quarterly monitoring of how the money is being spent. Whether carry-over money is being spent; whether voted money in the Estimates in this transitional year is being spent, or whatever, I see nothing that is condemnatory in that practice. I would think that my honourable friend would say, "Well, I applaud that, because this is something that is going to help the public of Manitoba once and for all to begin to understand how their public affairs and their own public dollars are being spent."

So I say to my honourable friend that I can agree with him, I can certainly agree with him that there can be an honest difference of opinion as to how Estimates in a transitional year might be put forward or expressed. I can't agree with him, however, that his method is the only method. I merely say that the method that we are putting forward on the basis of the best advice that we have, is a method that tries to take into account the system out of which we are emerging, the new system which we will be following, and that we will attempt to the very best of our abilities, Mr. Chairman — I would think more particularly when the Estimates of the Minister of Finance are before the Committee — to give my honourable friends every piece of explanation of the General Estimates that we can, realizing that the projections that are in front of us, based upon the best advice we can get, indicate that not all of the carry-over money will be spent, that there will be certain amounts of moneys that will not be expended and that — again, to repeat myself — in the overall, subject to all of the vagaries of projections and so on that are part and parcel of government projections nowadays in terms of cost-shared programs and everything else, we expect on the basis of advice we have thus far that the overall Estimates will end up approximately as indicated. Subject always to the fact that I hope my honourable friend from Seven Oaks won't hold me to the precise nickel, dime, or million dollars even in that one projection.

This is what we are attempting to do and I suggest the system is a worthy system. I suggest it is worthy of his support. I suggest that the quarterly statements that will be coming out will be of assistance to him and other members of the public. I suggest that when the Public Accounts Committee meets — as it will between session this year, which is something we could never get our honourable friends to do — when the Public Accounts are out, he will then have further opportunity, more than he ever had before, to question the accounts for the year ending March 31, 1978, and that altogether the system that is now being put forward to the people of Manitoba is a much better system in terms of accountability, in terms of where the money is coming from and where it is being spent, and the reporting method, than the system that we had previously.

I admit that my honourable friend may have a different view of it, but I put that forward for his sober consideration, realizing that he is entitled and I'm sure will have perhaps a different point of view, but hoping that he will recognize that the two of us can have an honest difference of opinion without impugning one's motives.

**MR. CHAIRMAN:** The Member for Seven Oaks.

**MR. MILLER:** Mr. Chairman, I'm sorry, I can't pass that. You know, I made the statement that the government is riding two horses; they must be on a merry-go-round where the motor has simply gone out of control.

What we are being treated to is a volume of words to try to explain away something which shouldn't be explained away. No one is questioning the fact that we have gone to combined current and account Estimates. No one is questioning that at all. And I know it is being done elsewhere. The reference is made of Saskatchewan; they have been doing it there for a number of years.

What we are saying is this though: That although it may not have been the intention of the government to mislead, the net result is that the public has been misled whether intentionally or otherwise and I am not saying. I did not charge any plot by some people sitting in a group in a Cabinet room and saying, "Aha, this is what we are going to do." You know, I suspect they may not even have been astute enough to do it that way. But the result is that in fact what has come forward in the printed Expenditures of Revenues placed before us is misleading to the public.

It is misleading because of statements made and the kind of mood that has been created in Manitoba — consciously created in Manitoba — by this government, and supported by statements made by the Minister of Finance in his press releases when he tabled the Estimates, the crowing about the 2.9 or 2.-whatever-it-is percent increase, which is so very low, and the fact at the very beginning it refers to the right-hand column as being all the government expenditures which are now included in the departmental Main Estimates of Expenditure. Which is not so, because we now know they have seen a half million dollars more. And what I am saying is that it's misleading because it is riding two horses. It is accepting and continuing to accept — as the government has a right to do

legally and which I can't fault the departmental staff on — is saying the capital voted in previous years was an authority. It was voted by the Legislature and until removed and cancelled by the Legislature it is an authority which the government has a right to dip into as required. So, therefore, that is valid.

So we have that pot of money which is available and we will spend it in the current year or future years as required, but it will not show as an expenditure for that year until it is actually spent. And this year we know, we have seen, there is a half million dollars that is going to be spent. So that whereas we are talking about total expenditures of \$1,650,000,000, when we now know that there is probably \$3.5 million more to be spent. If you are not going to spend that, you are going to have to save it somewhere else. Maybe you are going to save it from the new levy on people who are in hospitals who have been panelled to go into personal care homes because that is going to reduce the spending of the Department of Health and Social Development by the tune of \$1.7 million. Maybe you are going to pick it up there. But what the public doesn't know and could not know from the exposition, that is the term used, the exposition, the format presented to us and to the public and to the media, they could not know, that in fact the government, this government of Manitoba is using the old method for part of its sources of revenues and then is in this year starting a new system.

And I say in all honesty, to be totally and clearly above-board and frank with the public that they are trying to make their pitch to that they should have indicated, or they should have announced that all former authorities are lapsed, that the former government they claim didn't know what they were doing, they were spending unnecessarily, they were seeking authority unnecessarily, all the charges that were made, that because a new government has come in, a new day has dawned, November 1st, all authorities should have lapsed except what they actually had to have for immediate expenditures, because after all they put a freeze on so many things, they could have frozen a few more things, and come to the House as they have now and said, "This is what we want for the year ending 1979, March 31st, 1979," and bring up that on the right-hand side, not just the current but all spending which included now combined current and capital. If they had done that I couldn't quarrel with them, but they haven't done it, instead they have been riding two horses, they are still taking advantage of an old system as they are trying, in a transitional year, to meld it into a new system. To be perfectly honest and straightforward they should have severed their connection with the old system and gone to a new system entirely in order to make it abundantly clear and very honest as to what they were doing.

I am saying that the method that they chose to use is neither fish nor 're fowl. They both fish and fowl. In other words, they are still trying to use both systems. They are partly fish and partly fowl, and that is what we have at this time, mostly fowl.

**MR. CHAI AN:** The Member for St. George and is on the list then the Member for St. Johns.

**MR. URUSKI:** Thank you, Mr. Chairman, I was wondering when the Member for Seven Oaks would not be as charitable to the First Minister as he was in his first remarks. The First Minister when he was speaking several times, even before supper and after supper, indicated that Members of the Opposition were going about with a flawed premise in trying to deal with the accounting systems that have now been presented by this government, and he indicated that we are making a mountain out of a mole hill. I fail to see his remarks, how \$3.5 million is making a mountain out of a mole hill, when \$3.5 million in increased expenditure in the Department of Agriculture is more than 10 percent of their Budget for this year.

The Premier in his remarks now seems to disassociate himself or forget about how he toted about this province the concept of zero—base budgeting prior to and during the election campaign. That this was the new panacea of accountability to the public of Manitoba. That all the civil servants in the government and in the public sector would have to account for every penny that they were going to propose spending. Now all of a sudden we are forgetting about the zero-base budgeting that he was talking about because, Mr. Chairman, because what he is presented with, and he has created the impression in the people's minds and I am using his own words, I think he called the previous administration that "They spent public funds like a bunch of drunken sailors," Mr. Chairman. Those are the words that the First Minister of this province used in the previous campaign.

Now he accused members on this side of spending money like a bunch of drunken sailors. Well, he is, Mr. Chairman . . . I won't accuse him of doing the same thing. I really won't do that, but he is forgetting and he is talking about presenting honest Estimates, that the members on this side are not being honest in their comments and that it has to . . . There could be an honest disagreement in words. Well, Mr. Chairman, I want to know how honest this statement is and it was made by the Minister of Finance, in the impression that he has left in the minds of the people of Manitoba in respect to the spending, "Holding combined spending to a 2.9 percent increase has meant that Manitoba's percentage increase is far lower than that of any senior government this year and likely will remain the lowest in Canada." How honest is that kind of a statement, Mr. Chairman, in light of what he is now doing in terms of bringing forward previously passed authority and not mentioning it at all in the spending Estimates that they have presented to this Legislature?

The First Minister himself said that if we were to include those figures on the left-hand column in dealing with the year 1978 that it would be double counting if the capital would be included into the 1979 column. That is the very thing that the Minister of Agriculture was attempting to point out to us, that if he was going to add that to the 1979 column that our Estimates should have gone up to \$41 million for the previous year. That is the very double counting that the First Minister said should not be done. Now the First Minister and I guess he is now the Minister of Agriculture or I don't know what



he is, but he is pretending to be the Minister of Agriculture, forgets and continuously now downplays this matter, again I say, of zero-base budgeting, that the previous administration was the great spenders in this province over the last eight years, and they are going to be the heavy-handed administrators. Well, they are, Mr. Chairman, they have been the heavy-handed administrators in terms of the cutting the of the expenditures in the health care field and the imposition of user fees in the health care fields. But they have also misinformed the public on the actual expenditures that they are presenting here, and I believe that the Minister of Agriculture and the First Minister should present themselves to the Minister of Finance so that he can come back to this committee and really come clean as to what the actual spending is not only in the Department of Agriculture but throughout the government of Manitoba.

**MR. CHAIRMAN:** The member for St. Johns.

**MR. CHERNIACK:** Well, Mr. Chairman, I have shared with others present an hour of what to me was both a sad and very interesting exposition to use the First Minister's word, of his difficulty in attempting to explain what is not very explainable, Mr. Chairman. The only thing he didn't refer to is the hydro rates, and I am wondering if he overlooked that. But I think now that the Minister has gone and I am sorry that he is, because I am bound to speak about him and his presentation. I don't think I can talk to the Minister of Agriculture, I would rather address you, Mr. Chairman, and other members of the Conservative backbench of whom there are about eight or nine here and who have listened to this. I want them to think and not make speeches here, they wouldn't dare and I wouldn't invite them to come out in the open and talk about what we have learned in the last day. But they are going back into caucus and I think they ought to, for their own sakes and their own conscience, to review what went on here. We saw the First Minister walk around, talk around, fudge around, try to distract us from the pointed issue, which was simply that it appears now that there is \$3.5 million more to be spent than the impression that was given to all of us. That is really all that we are talking about at this stage.

They heard their First Minister talk — do you know, Mr. Chairman, do you remember the Caine Mutiny where Commander Queeg at a certain stage lost complete control of himself, he was busily working with his steel balls, and that was the thing that was missing, I suppose if the First Minister had some steel balls he might have been able to. . . —(Interjection)— That is what he lacks. All right. All right.

**A MEMBER:** The Minister of Highways likely has them.

**MR. CHERNIACK:** The Minister of Highways has them. Well, if he has, whatever he has, he can pass them on to this First Minister, because, Mr. Chairman, the First Minister really needed some kind of support today and didn't get it, and he didn't get it because he was in a very bad position.

So let me address myself to a couple of things. Firstly, he didn't know, he apparently didn't know that the carry-forward of capital doesn't lapse next year. Oh, he knows that now, but he didn't know it a few minutes ago. He had to find out that it did and then he discovered that he would have to bring in a new act of the Legislature or by Executive decision to cause them to lapse. He didn't know that and therefore he told us that next year the position will be quite different. Next year we will have a full and complete display, no carry-over. He didn't hear and he wasn't here to learn, or he didn't hear from the Minister of Agriculture that he has a carry-over of about \$5.1 million, of which he only expects to spend \$3.5 million this year.

So \$5.1 million minus \$3.5 million, if he gets it all spent, leaves \$1.6 million approximately, which will clearly carry forward into the following year unless something is done, and I tell you gentlemen that nothing would have been done and maybe nothing will be done, but certainly nothing would have been done had we not had this little debate. Now maybe we can accomplish something. The First Minister thought that next year he would be presenting a sheet of Estimates of Expenditure which would be completely revealing, but they wouldn't have been seen. What we don't know is how much more is there, how much more is there in other departments, or in this department of authority. —(Interjection)— One of the backbench members of the Conservative Party says, "They should know." Oh, and now he is saying I should know. I am on the opposition side and let me assure the honourable member I was a backbencher for the last three years and in those three years you don't find out that much. Let him try and find out when he is in the government, when he is in a position to know and he can pound the table in the secrecy of the caucus to say, "Tell us, because you haven't told us."

I venture to say, Mr. Chairman, that the only person present in this room today, the only elected person present, who knew that these Estimates did not reveal correctly the projected spending of the Department of Agriculture was the Minister of Agriculture. I don't know that the Minister of Highways knew that they were planning to spend another \$3.5 million, but I venture to say and I say it with a great deal of certainty, that the members of the Conservative backbench were not aware of it, and saying that they were not aware of it is recognizing the integrity on their part, which I expect them to prove. Because, Mr. Chairman, here is what they heard, as we heard, as the people of Manitoba heard. It has been read from, but some sentences have not been read.

So it starts out by saying, "The Manitoba Government's Restraint Program," and they all fought their election on restraint, so who was more inclined to listen and believe than those who supported the First Minister, the Finance Minister in that Restraint Program. So obviously they were ready to

believe in it. "The Manitoba Government's Restraint Program has held the 1978-79 spending Estimates to a 2.9 percent increase." I go on. "The Estimates tabled Wednesday by Finance Minister Don Craik call for combined expenditures of \$1,648,657,800 compared with 1.6 million, etc., for the fiscal year ending March 31st, 1978." Note this, Mr. Chairman, the figures include capital items totalling 107.5 million for 1978-79 and 117.9 million for 1977-78.

Mr. Chairman, I depart from the text to point out to honourable members of the Conservative Party backbench, what do they think that footnote meant? I know what a lawyer will say, because I heard a lawyer in the voice of the First Minister. I heard him interpret it, and I assume that other people very familiar with accounting practices would understand it one way. But take it together, take that and the fact that there is nothing being asked for Capital on this current fiscal year as compared with that \$117 million figure referred to by the Minister of Finance. He compares the \$117 million figure with which figure? \$107.5 million for 1978-79. Where is that 107.5 million — why just read the footnote. It is included in that right-hand column, which has been presented to you. Where is the 3.5 million that we learned about from the Minister of Agriculture? It is not in there, Mr. Chairman.

Gentlemen, it is not there, it is in former appropriations which were unspent. But you didn't know that, you believed what you were told.

Then Mr. Craik when on to say, "Inclusion of these budgetary Capital Items in the Main Spending Estimates, a practice followed by all governments west of the Atlantic region, has been recommended in recent years by the Provincial Auditor, because it provides more Legislative control over program expenditures, particularly with the introduction of substantial general purposes Capital Votes."

Gentlemen, did you know that 3.5 million was not included in this? Why should you have know it? Just reading that makes it appear as if clearly all intended Capital Spending was included in the Estimates that were before us, that were given to us at the same time as this sheet was distributed.

What else did Mr. Craik say and this has been read before — "Holding combined spending to a 2.9 percent increase has meant that Manitoba's percentage increase is lower than others." Gentlemen, did you know that it was not 2.9 percent, but indeed more because the Minister of Agriculture is going to spend \$3.5 million? Do you accept all the fudging that the First Minister did today to try to talk around and around and around the simple statement that these Estimates do not correctly reveal the combined spending intentions of this government. Your government, gentlemen. You didn't know that, I didn't know that, the media didn't know that, and the people of Manitoba didn't know that, and you are now parties to this wrong presentation. —(Interjection)— One of the members says, "Deception" — I think it is a deception, but the fact is that it is not correct, and I think, oh yes, and let me just point out further that when they say Highway spending is up by one-third, that is not true. How do we know it is not true? The Minister of Highways said it is not true. The Minister of Highways said, "No, it is only up seven percent." And the Minister said it loud and clear. He told us yesterday, he said it loud and clear two weeks ago. This document is dated March 31st. Twenty-four days later the Minister of Highways said, "I said loud and clear two weeks ago that it was not up one-third, no I said it was up seven percent." He made the correction. Why didn't the Minister of Agriculture make the correction? Why didn't the Minister of Agriculture inform you at least, if not us, the people at least, if not the Opposition, that this statement is incorrect; because it says, "Combined main spending Estimates for the Department of Agriculture was \$29,829,000.00. It is not true gentlemen and one of the members opposite wants to get by this by saying, "Pass." He heard his First Minister walk around, talk around, look for some way to sweep it under by coming back to the myths, coming back to the horror stories, coming back to all those things that the First Minister spoke about, attacking the government, the previous government, all in order to get around this \$3.5 million. One of the members opposite says, "Pass." Does that mean that he is not concerned about this revelation? Does this mean that he is not prepared to go back to his caucus to talk about it, because if that is what it means, Mr. Chairman, I think he owes it to his constituents and he owes it to the people of Manitoba, and to the people on this Committee, to talk and talk now, and even his colleagues, at least one of them, should be prepared to talk now about the fact that we have learned that the Minister of Agriculture is intending to spend at least 10 percent more than his own Estimates show, and he has a legal right to do it, but not the way it was presented, not the hidden way in which it was made to appear as if this government is practising restraint and that department is going to carry on with a twenty-nine plus million dollar budget.

So, Mr. Chairman, I come back to suggest that it would be eminently commendable on the part of the government, and more so on the part of the backbench, which is caught and trapped by the front bench's decision, to prevail on the front bench to do some homework, and it is very easy. Even I could know that of all the people, I have not been looking at Mr. McGregor, because poor Mr. McGregor. So, Mr. Chairman, what I am saying is that it is not difficult. Why we have here half the Department of Finance right here in this room. It wouldn't take them long, given the information of what is the unexpended authorized Capital Authority, of which there were — let me tell honourable members, Mr. Chairman, \$27.1 million as at March 31, 1977, unexpended in general purposes, available for any purpose whatsoever that the government felt it needed to spend Capital money, 27.1 million as of March 31, 1977. Plus \$82 million passed last year under the Loan Act of 1977, comes to roughly \$119 million available in the last year.

Now, one of the members opposite thinks I ought to know how much was spent. I don't know. At least I am prepared to admit what I don't know, so I don't know. But there are people who know and those people can tell us, and those people can then come along and say, "There are X millions of dollars still available in authorized voted unexpended money," of which this Minister, under the Item

we are discussing now, has \$5.134 million available. Once we know that information and it is easily ascertained — I assure honourable members not only is it easily ascertained but the Acting Minister of Finance today undertook to give us that information. You must remember he did that in the House during the Question Period. Come along with that, lapse that amount, add it in — not all of it — only that amount which the government intends to spend this year, like the 3.5 million, put in any others that belong and then come and say, "That is the true and honest picture. Open government, we have told you all we know about the affairs of Manitoba." Because until we learned about this 3.5 million, they had not told us all they know about the affairs of the Government of Manitoba. They have hoodwinked a lot of people with talk about mess and horror stories, and the biggest horror story that broke since the day of the Budget, the day that the First Minister acclaimed would be the day when the reckoning would come, when the horrors would be revealed — the biggest horror story so far is \$3.5 million that has not been revealed by the government.

So I would suggest, Mr. Chairman, that it is not too late to come clean and it is certainly not too late to tell us what other dollars are there in this unexpended authorized authority from previous from previous years that Ministers of the Crown are planning to spend. Let's find it out. The Minister of Agriculture didn't try to hide it; he just didn't tell us until we questioned him enough so that he came with the information.

I would think, Mr. Chairman, that it would be, as I say, consonant with the protestations of the government that it wants to give a full picture and not a play of manner of exposition. That's nonsense; it is a matter of giving information. And not to hide behind this being a transitional — you know, transitional is a kind of word like "attritional." It has become a dirty word because it has been used by the Conservative people.

So I would suggest that we don't hide behind and attempt to talk around the issue, but deal with it and tell us now — this Minister should know because he is on Management Committee, he has every opportunity to find out — what other moneys are there in these Estimates figures? And if it is only \$3.5 million, then let me point out it is incorrect and improper, not logical and not decent to say that what's \$3.5 million because in the long run there will be underexpenditure and over-income variations and the 3.5 won't show up.

The fact is that we are given Estimates to debate. We are in Opposition. Gentlemen, you know that without an effective opposition you cannot have a good government and we as an opposition are supposed to be able to find out from these Estimate sheets, what are the plans of the government? And where in former years we had Current and Capital, we knew what was available. But now we don't because it pretends to be all combined. Did you want to ask a question? — (Interjection) — Oh, yes, Mr. Chairman.

**MR. CHAIRMAN:** I'll just ask the Member for St. Johns if he could perhaps direct his remarks . . .

**MR. CHERNIACK:** Wrap it up?

**MR. CHAIRMAN:** No, you have got 30 minutes in total, but could you direct your remarks this way rather than to the members across.

**MR. CHERNIACK:** Mr. Chairman, I couldn't help but be so thoroughly thrilled to see that a member of the Conservative backbench is prepared to enter into this debate and I was carried away. So I will direct myself to you and hope he will talk more. However, that honourable member said he never denied it. Well, Mr. Chairman, we knew and this afternoon I started my presentation by saying that the Minister of Agriculture is absolutely correct in saying that he doesn't have to ask for authority for that 3.5 million; all he has to ask for is this \$29-plus million. I said he was correct because I knew maybe better than he did that if it is in the . . . and if it's in a Loan Act, it doesn't lapse and it is available. What we didn't know is that it was going to be used and, gentlemen, what you didn't know and, Mr. Chairman, I am addressing you, you, Mr. Chairman, didn't know that that \$3.5 million was planning to be expended in this year. And the reason you had no reason to suspect that it would be is that your Finance Minister told you more than once that the combined spending Estimates are kept at 2.9 percent, that the combined spending Estimates for Agriculture were as shown in this Book. And therefore, Mr. Chairman, you as a backbencher had no way of knowing what was already in place to be used.

I think, Mr. Chairman, it is not too late and it would be much better if the government came straightforwardly and said, "We will lapse all previous Authority that is unused and we will revise these Estimates," and maybe for all we know it is only one line. Maybe this is the only place, the \$3.5 million, maybe the only place where there is no continuing authority. I don't know. The Minister of Highways announced that — (Interjection) — What did he say? The barrel is dry or some similar expression. "The cupboard is bare," he said.

So if that is the case, then there is no other authority that has not lapsed. Well, if that's the case, it is a very simple change. You have 3.5 million; you then show 3.5 million; you then show \$117 million budgeted deficit and you then revise your figure from 2.9 to maybe 3.1 and at least you don't have the embarrassment which was evident when the First Minister was making his various number of responses this afternoon. Because the embarrassment that he was suffering was one that I felt and I am sure all members in this room and especially his own back bench, must have been very sensitive to realize this difficult position in which the First Minister found himself and from which he tried so

desperately to extricate himself.

**MR. CHAIRMAN:** The First Minister.

**MR. LYON:** Pass.

**MR. CHAIRMAN:** The Member for Winnipeg Centre.

**MR. BOYCE:** I don't intend to use 30 minutes, Mr. Chairman. But it should be noted that when the First Minister was speaking, he used such terms as when it came to evaluating how close the government was able to project their Estimates, that there would be no significant difference. We have learned that "significant difference" means plus or minus \$50 million.

Also, as pointed out by the Member for St. Johns, we have learned what such terms as "attrition" means that you fire roughly 700 people, 500 and some from permanent and some 200 from contract.

But, Mr. Chairman, one of the things that should be underlined is that this Committee in this Legislature exists for the people of the province, not for the convenience of Provincial Auditors or anyone else. And when the Provincial Auditor points out that it is easier to have legislative control over the Estimates by having combined Estimates presented to the House, it begs the question of what about the people of the province? Because when they put out press releases like this which are absolutely meaningless, it is the public that we are fooling. And the public is becoming more and more confused. I suggest that the reason that they have gone to this particular accounting system in this particular year is because they can try to make the prior administration — put them in a darker position than they actually were.

But until such time as people are given the information that they can ascertain just exactly what they are getting for the tax dollars that we put into the common coffers to do certain things, by coming up with a balance sheet. If the Provincial Auditor insists and his argument prevails with some of the members opposite, that this is the way we should present the Estimates, then by the same token, the people of the province are entitled to know just exactly what we are getting for our tax dollars. To make the arguments and to continually make the arguments even in your press release, which is Government Services and is supposed to come out apolitically, that this restraint program, which is no restraint program and the public is slowly getting this information that it isn't a restraint program, it's the imposition of Conservative philosophy on the public — that unless the public is given a fair understanding of just exactly what they are getting for the money invested — the question before this Committee right now is relative to \$3.5 million which is in Capital. I assume that albeit he is going to spend it in this particular fiscal year, that it is relative to fixed assets and nowhere is the public going to be informed as to exactly what they got for the \$3.5 million in fixed assets. This will never appear.

Mr. Chairman, if this legislative function is becoming an administration of technocrats, then I suggest that the politicians are wasting their time.

I listened to the adroitness of the First Minister and his debating technique. You know, there are various techniques, *argumentum ad nauseum*, which is one of his favourite techniques. Nevertheless, when you have got a weak case you try to poke holes in the personalities around you, which is one of his wonts.

But if we are going to rely on technocrats then perhaps we should just give this province over to the technocrats. This Legislature serves the people of the Province of Manitoba and the picture that is being presented, especially on this particular item, is not doing the people of the province a service at all.

So I really can't understand why the government through somebody — we found out that the one-man rule is really true because the Minister of Agriculture has been absolutely silent since eight o'clock tonight. He has responded to absolutely no questions. So that the one-man rule, there seems to be more and more credence given to this particular argument. So maybe the First Minister now that he is back — and only the government can move an amendment to increase expenditures — will he accept the recommendation of the Member for St. Johns that an amendment to this particular item would be in order. But it can only be presented to the Committee or to the House by a member of the Treasury Bench. We in the opposition can't move such an amendment. It has been pointed out and pointed out repeatedly to the government — the Minister of Agriculture himself and the First Minister on the occasion that he drops in and out of the Committee — one of his other Ministers must be in difficulty in the House also.

So, Mr. Chairman, we can keep arguing and arguing on this item all night but nevertheless I think the public is entitled to the true picture, the exposition. You can use flowery words like "exposition" and all the rest of it but in the final analysis it is the people of the province that are being deprived of the true picture, something that they know. What are they getting for their dollars? The Minister says that he is going to spend \$3.5 million of existing Capital Authority. On what? On what is he going to spend this? Perhaps we should go back to that incident I used the other night where in one particular item in Public Works in a prior Committee meeting where we got hung up one night on a printing press where the opposition at that time insisted on the number of colours which could be printed and all the other specifications and why they needed this particular printing press over in the Queen's Printer. These are the kind of details that were given to the opposition in prior years.

This is a transitional period, Mr. Chairman, and I'm beginning to wonder what "transitional" means. We found out that "significant" means plus or minus \$50 million when you are talking about

taxpayers' dollars. We're finding that "attrition" means that you fire 700 people. So what does "transition" mean? It's a soft shoe dance, that the public is going to be more and more confused by the presentation. The government can clear this up tonight by one of the Ministers of the Treasury Bench moving an amendment to this particular item, reflecting just exactly how much money, by their own statement in combined Current that they intend to spend in the fiscal 1978-79.

**MR. CHAIRMAN:** The Member for Ste. Rose.

**MR. ADAM:** Thank you, Mr. Chairman. I think all in all it has been a very worthwhile exercise that we have gone through since yesterday afternoon in the Department of Agriculture. I believe that there are some very pertinent facts that have been coming forward that I think the people of this province had not been aware of up until this point in time. So in that sense, I think it is a good thing that what has happened in this department did happen. Yesterday, when the Minister threw in the towel, unable to provide the answers that we were asking of him and the staff not being able to provide him with the information that we were requesting yesterday, I think indicates that the books have been tinkered with and has caused a lot of confusion. It has been pointed out several times now that the news releases that have been out with regard to the Estimates for the Department of Agriculture, it was nothing more than trash, meaningless, because they don't present a true picture. We find now that in your department, Sir, you will probably be spending at least 11 percent more than what was anticipated. And in a way I believe I owe you an apology ' Sir, because when the Estimates were first presented in the House, I was really disappointed and in my report to the press back home I did mention that the big disappointment in the Estimates were the Department of Agriculture and the Department of Co-operative Development, and for that I was sorry.

But I believe maybe now I owe you an because now I am finding out that you are going to be spending more money, or perhaps just as much money as was spent last year. And in that respect then, perhaps I have to send another news release out this week to tell my people back home that I am sorry I misled you; the Minister told me that he was going to spend \$29 million and that's not the case. He is going to spend considerably more by his own admission. And I say that that's not good enough. —(Interjection)— Yes, and I'll tell them who misled us; I'll tell them who misled us. —(Interjection)— Yes, we have been misled right along, and I certainly am going to tell them who is doing the misleading and who is trying to hoax the public here, trying to explain away what is unexplainable.

So, Mr. Chairman, I ask the Minister to show the people of Manitoba what is going to be spent this year, because as these Estimates appear in the Estimates under that particular item I am not prepared to pass.

**MR. CHAIRMAN:** Appropriation 11—pass — the Member for St. Johns.

**MR. CHERNIACK:** I move the following resolution:

RESOLVED that the government give consideration to the advisability of increasing the amount in Resolution 18 by \$3.5 million to \$3.875 million and lapse the sum of \$5.134 million now in unspent capital authority for this resolution in previous Loan Acts.

Mr. Chairman, I want to speak to that so very briefly.

**MR. CHAIRMAN:** Go ahead, the Member for St. Johns.

**MR. CHERNIACK:** I want to plead with members of the Conservative backbench to speak on this matter, to just express themselves so that we have some idea of whether or not they are prepared to support the presentation of the facts as we have today learned them from the Minister of Agriculture, relating to his intention for a combined spending of current and capital moneys.

**MR. CHAIRMAN:** The Member for Winnipeg Centre on the same motion.

**MR. BOYCE:** Well, there is a motion before us. I believe that you should pass that motion. But nevertheless, the Member for St. Johns has somewhat pre-empted me, because I will advise members that I intend to introduce a motion to the House that all the existing authority lapse as of March 31, 1978. So this is just, you know, one portion of that, because this matter should be debated and debated fully. You know the Member for Pembina said, "Pass, pass, pass," as he did because he wanted to get this item through and under the rug. Because the government is not presenting a true picture to the taxpayers of the Province of Manitoba.

So if the government intends to include current and capital in this current fiscal year, and this is what they are presenting to the taxpayer of the Province of Manitoba, then let them present to the Legislature of this province just exactly how much capital they are going to spend in this current fiscal year and in future years.

So I think, relative to this specific item, that we should pass this motion.

**MR. CHAIRMAN:** The Member for St. George on the motion.

**MR. URUSKI:** Yes, Mr. Chairman, I just wanted to indicate to the honourable members across the table that the motion is as it reads, "to give consideration to". It does not tie the hands of the frontbench in terms that they have to move it, but it does ask them to give the consideration to. It

really points out the admission that the Premier has made in terms of the accounting procedures that they have presented. And I certainly believe that the Premier — of all people — should be able to accept this type of resolution because he was advocating the lapsing of the funds at the end of the year, because he indicated that this is the last year that this will be done. Only he did not tell us what would happen to the additional \$1.66 million that would carry over because the Minister only needed \$3.5 of the \$5-odd million capital available to him for spending this year.

So that of all people who should want to support this motion and argue as he did in terms of having it lapsed, is the First Minister, and I urge him to support it.

**MR. CHAIRMAN:** The Member for Rupertsland on the same motion.

**MR. BOSTROM:** Yes, Mr. Chairman, I believe that it is only fitting that this resolution be passed since the impression has been left with the public, by statements made by the First Minister and his Minister of Finance, that as a result of the change in accounting procedures that all direct expenditures, including capital, are included in these Estimates.

It is stated in the Estimates Book that is before us; it is stated in the press release which was put out by your news service. And I don't think you can hide behind some lame-brain excuse that this was a mistake by the news service, because any Minister who puts out these statements should sign these statements and be responsible for the words that are put into these statements and the quotes that are attached in them.

Mr. Chairman, I believe that in order for this accounting procedure to be an honest procedure in giving the full accounting to the public of Manitoba exactly what is being expended by this department to the people of Manitoba, then we must include in the Expenditure Estimates for the Fiscal Year 1978-79 the amount indicated — the amount that the Minister has already admitted is part of his spending plans for the fiscal year under consideration.

As far as the First Minister saying that this is some kind of a transitional period that we are going through, if the government refuses to be accountable and to put these kind of figures into their Estimates and to account to the public in an honest way for all the expenditures that they are going to make for this year, I say we are not going through a transitional period, we are going through some kind of a fudging period, which is very convenient for the government in trying to lay the blame on the previous administration for high expenditures and, at the same time, using some of those same funds that were voted in previous years to increase their expenditures in this year.

**MR. CHAIRMAN:** The Member for Seven Oaks on the same motion.

**MR. MILLER:** Mr. Chairman, before the vote takes place, and the results on looking around seem inevitable: The government has a majority here and they will vote it down. So I plead with them, because the First Minister, I think, indicated that in fact — to use, I think I'll paraphrase some of the words they used — it was a transitional year. It is difficult to explain and to justify or to understand because of the transitional period. It changed from one format to another and he conceded it is difficult. He conceded that it is difficult to follow. He can't deny the fact that the media reported in a certain way that the Information Services led them to believe certain things which in fact are somewhat different from the facts we now know.

So I would urge the government and plead with the First Minister not to simply reject this resolution out of hand, but in fact to give serious consideration to acting on the resolution and, in doing so, to remove once and for all the ambiguity which is now obvious throughout Manitoba on what the intentions of the government are vis-a-vis Spending Estimates. Not only in this department but elsewhere perhaps. But certainly, since we are dealing in Agriculture, with this department where we know that there is going to be an expenditure of approximately 11 percent more than what is indicated in the print. And so for that reason I would urge them not to simply out of hand vote it down because they have a majority and they can do as they see fit.

I would remind them that they have an obligation to see that not only is justice done, it is seen to be done. And I don't think the public in Manitoba can possibly follow the kind of accounting practices and format that has been introduced in this particular session. They can certainly clear that up instantly by accepting the resolution. I would certainly applaud them, and I think they would receive the plaudits of the electorate and the general population, who I'm sure would be happy to see the government accept this kind of resolution to clarify once and for all, so it is readily understandable, exactly the amount of money that is going to be spent or anticipated to be spent in the year 1978-79, and not hide behind some voted authorities which go back in some instances four or five years.

**MR. CHAIRMAN:** To the members of the committee, there are three persons who have indicated that they would like to speak and I hope they will address their remarks to the motion that the Member for St. Johns has put forward. The first speaker is the Member for Winnipeg Centre, then the Minister of Highways, and then the Member for Ste. Rose. The Member for Winnipeg Centre.

**MR. BOYCE:** Thank you, Mr. Chairman, of course the remarks will be directed to the motion.

I would draw the committee's attention to the motion that is under consideration, and that's what we were discussing. The motion is absolutely in order, because if you refer to our own rule 54, Mr. Chairman, and Beauchesne 268 Sub. 1 and 270 Sub. 1 . . .

**MR. CHAIRMAN:** To the Member for Winnipeg Centre, what is the problem? I have accepted the motion from the Member for St. Johns and he and others have chosen to speak to it; I don't see what the problem is regarding the way I am handling it.

**MR. BOYCE:** I didn't say you had a problem, Mr. Chairman.

**MR. CHAIRMAN:** All right, would the Member for Winnipeg Centre carry on, please.

**MR. BOYCE:** Thank you, Mr. Chairman. The motion is actually in two sections. It is actually in the section which is deliberately worded in the abstract, because as I mentioned earlier, no member of the opposition or anyone who is not a member of the Treasury Bench can enter a motion which asks the government to increase their expenditure. But the other part of the motion which asks them to delete or allow all capital authority to lapse as of March 31, 1978, is a motion which would stand in its own right and be completely in order.

Mr. Chairman, it is my understanding that this is a very important motion because as I said that I had intended and I intend to ask the Legislative Council to draft it tomorrow as a substantive motion for the House to consider, relative to the capital supply bill, that all expenditures lapse as of March 31, 1978.

So I would suggest, Mr. Chairman, that members of the committee support this motion so that they can do what they say they are going to do; that they are going to present the true picture to the Province of Manitoba, current and capital, which by the very item which was under consideration prior to the motion is not being done.

**MR. CHAIRMAN:** The Minister of Highways.

**MR. ENNS:** Mr. Chairman, I don't hold myself to be an expert on the rules, but I do question the propriety of the motion in the sense that it does call for increasing an amount of dollars to be expended by the Minister of Agriculture. —(Interjection)— Considering the advisability of — right.

**MR. CHAIRMAN:** The Member for Ste. Rose.

**MR. ADAM:** Mr. Chairman, I think that this is a very important resolution that will certainly go a long way to clear the air of suspicion that has now been created with what has come to light in the last day and a half. And I would recommend to the Minister and the First Minister that this resolution is not going to embarrass the government in any way, and it is certainly going to assure the people of Manitoba that this thing is not going to continue again next year, because we already have \$1.6 million that is going to be left in limbo. We don't know what is going to happen to that next year, unless we can clear the air right now.

This resolution is a good resolution and I would urge the Minister and the First Minister to give serious consideration to this resolution.

**MR. CHAIRMAN:** All right, to the members of the committee, I will put the question, do you want the motion read out?

**MEMBER:** Yes.

**MR. CHAIRMAN:** Moved by the Member for St. Johns, that the government give consideration to the advisability of increasing the amount in Resolution No. 18 by \$3.5 million to \$3.875 million and lapse the sum of \$5.134 million now in the unspent capital authority for this Resolution in previous loan acts.

**A MEMBER:** Gee, that's a good Resolution.

**MR. CHERNIACK:** Mr. Chairman, I would ask that this be a counted vote, and therefore that we must move into the House for that purpose.

**MR. CHAIRMAN:** I will have to get some advice from my clerk on that one.  
We go to the House gentlemen.

### SUPPLY — MINES AND RESOURCES

**MR. CHAIRMAN:** I direct the members to Page 57, Mines, Resources and Environmental Management, Resolution No. 81. 1.(a)(1)— pass — the Honourable Member for Wellington.

**MR. CORRIN:** Before I start, Mr. Chairman, I take it that the Honourable Minister will be responding to questions and participating in debate from his chair. Is that correct? I don't want to start unless things are appropriate.

Mr. Chairman, prior to the 5:30 recess, I was discussing, and there was some speculation as to the

substance of a piece of legislation on the books of our province known as the Mining and Metallurgy Compensation Act. I had detailed provisions of that Act which indicated that the intent of this Act is essentially to exempt mining and smelting operations within certain designated areas in Manitoba from liability for environmental damage caused by them. I was beginning to develop a thesis to the effect that I felt that this was unjust and an inequitable statute. I didn't think that it provided the sort of protection that a statute of this sort normally would be expected to provide.

During the recess, both myself and presumably the Minister had an opportunity to familiarize ourselves more extensively with the actual detail of the legislation and I think in order to illustrate my this particular statute being Chapter M-190 of the Statutes of Manitoba. This Act abrogates and abbreviates the normal legal situation in this province. Now the liability is severely curtailed and limited. I should tell you that within a certain designated area there is absolutely no liability for damages occasioned, directly or indirectly — and that's the wording of the actual Statute — by reason of the emission of gasses, noxious smoke or fumes, dust, including tailings dust from mining operations, noise or vibration, tailings, slag, silt or other waste or water discharges released in the course of operating these particular operations.

Now I have a very very peripheral knowledge of the mining industry and I admit that, but I think anybody who has any knowledge whatsoever knows that all these nuisances or polluting factors, whatever you want to call them, are intimately associated with the mining industry. Just reading from a technical report, it's a report of the environmental pollution panel of the President's — this is the American President's — Science Advisory Council which was tabled, I believe, before Congress in 1965, just a very short note. They noted in a report of their environmental pollution panel that large quantities of solid waste result from mining — the obvious. They say: "In the United States during 1963, more than 3.3 billion tons of waste, rock and mill tailings were discarded near mine sites. In addition the refining of ores, the combustion of coal and the production of metals and non-metallic materials result in building vast mountains of slag ash and other waste material." It goes on to indicate that, "if not properly controlled, all these things can result in serious air, water and soil pollution." They go on to say further, that "the long term environmental effects of such pollution can continue long after pollution control measures are instituted."

Well, what incentive is there for pollution control measures to be instituted when there is this type of legislation on the Statute Books of our province? I say, with due respect, very little. The blame for this can't be laid on this particular government. My research indicates the Act goes back as far as 1928. It's been revised and shown in several forms during the interim time. The last revision was 1957. Since the Honourable Member for Fort Rouge is not with us this evening, we can say that none of us suffer any culpability with respect to the implementation or the enactment of this particular piece of legislation.

As I was saying, Mr. Chairman I will detail some of the specific provisions because I think that the provisions themselves are illustrative of the unconscionable nature of this particular piece of legislation.

First point, a person who is affected by an environmental nuisance or pollution within a designated area, which is the subject of this legislation, is not even entitled to his day in court. The best he's entitled to is the appointment of an arbitrator to assess his or her damages. Now, I ask you, I ask you, is that justice? I'm looking at the Attorney-General. I suppose, I hope, and I expect, and I think, you know, because of his experience in the courts, and I know he has experience because we spent many days doing our own clerking in the Law Courts Buildings but I say, is that justice? A situation

B/ where an indivi right, he has to go to the Lieutenant-Governor-in-Council, the Cabinet, and the Cabinet has an absolute discretion as to whether or not they will appoint a person and it's stipulated. it would be a judicial person, a judge of either the County Court or the Queen's Bench as an arbiter. Now I ask you: Is that justice? Certainly not. If we were affected within our neighbourhoods, either rural or urban, if we were affected with a pollutant — and there's been talk of hog farms in rural situations in the past couple of days, I don't think that it would be sufficient for our purposes to be advised that our only recourse was by special warrant of the Lieutenant-Governor-in-Council, that unless we could convince the politicians of the day that we had a just cause, that no action could be brought before the Court. I will submit that this is iniquitous; this is absurd. It runs counter to all the institutions of our justice system and it's simply unconscionable legislation.

Now, nowhere in this particular piece of legislation is there enshrined a right of appeal. Everything I've ever learned in my work as a law student and my work as a lawyer before the courts entails the right of an individual to an appeal, that there is a heirarchy of courts in this land and that a person who feels aggrieved, if he is fortunate enough to have the funds necessary, can conduct his case. I might in parenthesis note that with the curtailment of legal aid, many of our citizens will not be able to seek their right of appeal. As a matter of fact, although it's a total digression, I might note that some of the recommendations that have been implemented from the Task Force Report have seriously abridged people's rights to obtain this sort of justice.

In any event, everything we know about justice in this country is predicated on the right of appeal. There is no right of appeal. No right of appeal at all. The arbitrator, if the Cabinet should choose him, can make a decision. Nobody knows what law is applicable. I don't know whether the common law is applicable, I have no idea how he or she will make his or her assessment. I have no idea at all. But there is no right of appeal. If you don't like it; lump it. For some of the people, there is one in the Chamber who participated in the debates on expropriation on Winnipeg City Council and I remember some pretty compelling arguments about the rights of appeal on expropriation awards. I



draw that to their attention now and I fling it down as a sort of gauntlet, a metaphorical gauntlet, that if they really do subscribe to that principle, then let them show it now and let them strike this legislation from the books.

In any event, I suppose you could say, and I expect when the Honourable Minister takes his feet, he is going to say, "Well, what matter is it?" The Clean Environment Commission has come in, I think it was 1972, it's now been created to deal with this sort of nuisance, with this sort of situation. So what difference if the person has recourse because we all know that the Provincial Government can intercede through its inspection and the work of the Clean Environment Commission and an Order can be made and a clean-up operation can take place and the government can rectify and remedy the situation.

Fine, but before, and there was a great deal of speculation as to what the government might do, but before the adjournment, before the recess, we were discussing the case — December, 1974, the factual situation took place and the case was heard in August of 1977 by the Manitoba Court of Queen's Bench, Texaco Canada in Manson versus the Clean Environment Commission. And what are we talking about, we are - talking about the abrogation of the rights of these people, these peoples of Manitoba, to reclaim their costs, the costs necessarily paid and incurred for clean-up and restorative operations resulting from damages to the environment.

It was determined in this case, and we dealt with it for over half an hour, that the Clean Environment Commission made such orders at their own peril because there was no provision, according to the Manitoba Court of Queen's Bench, there was no provision in our law for reclamation of the costs associated with that sort of clean-up operation. I was saying, and I was arguing as strenuously as I could, although people were, I think taking it with a grain of salt — I don't think they took it at all seriously — I was arguing that there should be retroactive legislation respecting this immediately, and I indicated that the former Minister responsible for this department had told me in discussions that to the best of his knowledge, that was the case.

When I showed him this particular case, he said, "It was my understanding that members of my department were working on that. They were going to bring in retroactive legislation that would give the Crown a right to sue offenders in order that these costs can be reclaimed." I went through a long discussion of the need for restraint. I subscribe to restraint in this respect. I said that restraint doesn't just entail fiscal restraint of the sort that mean cutbacks in program policy and civil servants, but when you're talking about restraints, you have to talk about recapture of expenses, too, expenses necessarily incurred because of the irresponsible actions, the nuisance creating actions of other people.

So here we are, Texaco Canada Limited, in this particular case, caused a great deal of destruction to both public and private property. The Provincial Government, at great public expense, cleaned up the mess, and the Manitoba Court of Queen's Bench told them that they had no recourse. It was too bad. The Clean Environment Commission can't act as a court and assess damages.

So I asked, and I'm saying this in a sense to edify the former Minister because he was out of the House when that took place. I want to tell him what the response was. That the government is no longer going to necessarily enact that legislation in any form. It's under consideration and advisement but there is no deadline and there's no information to be disseminated to this Assembly as to when that particular matter may be brought forward for our contemplation and consideration and debate.

So I say, because it's funny how there is always a symmetry — I say to you when we're reviewing the Mining and Metallurgy Compensation Act, let's keep in mind the Texaco Canada case and let's keep in mind the decision of Justice Wilson, in that case, the constitutional law that he interpreted, and let us look at the provisions of the Clean Environment Act of this province. I say that with all the sincerity I can muster, because, Sir, it's obvious that the only recourse we have, if the only recourse we have is to the Clean Environment Commission, if that is the only way a person can get an injunction to stop somebody from dumping all sorts of pollutants on his or her property, if that is the only way, then for God's sake, it would seem sensible that at least the public purse could reclaim its costs. I suggest that since, in the case of the Mining Compensation Act, there is no provision for private property owners to lodge a right of action against the polluting party, and therefore since presently private property owners can't assign their right to sue the Government of Manitoba, and I would argue that, that I don't think they have the right because of this legislation to assign such rights, then I would suggest that there is an absolute need to repeal the Mining Compensation Act, and most certainly there is an obligation, there is an immediate need to consider the enactment of some legislation in order to effect the right of the Crown to sue in these sorts of circumstances.

I think this argument is compelling, I think it's logical, and I think it's immediate and it warrants immediate attention. As I said, I only have two recourses. As a member of the opposition, I can either bring a Private Member's Bill . . . And I have suggested that I will do so. If in fact the member opposite, the honourable member who is responsible for this department, will not pick up the cudgel and will not respond to my invocation, then I will bring a Private Member's Bill before this House just in order that the matter can be debated, in order that it can be discussed. That is what this Assembly is for. My alternative is rather silly. My alternative is to run up and down the streets screaming from a horse. You know, this is where these sorts of issues have to be debated.

Now, I have had a great deal of trouble eliciting responses from the Minister. I am not going to berate him. I am not going to upbraid him any further. Sometimes, I must admit, I do become frustrated. I suppose I haven't yet learned the etiquette or lack of etiquette familiar to this House.

I cannot implement policy; I am not a member of a government. I can say that in three and a half

years I hope that I will be in a position to implement the policies I am discussing today. But I don't think that the interest of Manitobans, that the interests of our people' the people that we commonly represent, warrants that sort of delay and suspension. That particular course of action should be attended to as soon as possible, with expedition, and I don't think that it's something that one need discuss strictly in "political terms". It is not a matter of ideology. I think the concepts we all agree on

I remember several days ago remarks made by the Member for Roblin. I found I could take absolutely no exception to the remarks made by that member. What he said made good sense. Several members on this side, including the Leader of the Opposition, indicated that those remarks warranted consideration in this Assembly.

Those are not debatable issues. I think we all recognize the need for a serious vigilant concern in the field of the environment. So with that in mind and with all the discussion we have had in this Chamber for the need for environmental conservation for the preservation of that environmental heritage and for sound ecological strategies and policies. And we have done that in the context of many things in this Assembly. We have done that in the context of the Jarmoc affair; we have done that in the context, in the past, of hydro development. There are many issues substantive to the business of this House that have brought concerns relative to the environment before us.

So I suggest that this is not a political item, and it's one that merits serious consideration as early as possible. There is absolutely no excuse for this situation, no excuse whatsoever. First of all, the citizens in Flin Flon and Snow Lake must have the right to bring matters before the Court in the usual process. I think that is a matter of natural justice, and I think it's one that both the Attorney-General — and I just know that he responds affirmatively to that particular invocation. And it's a matter that the Honourable Minister responsible for this department must respond to.

I ask you, just to show you how iniquitous this Act is, here is something that I must say, I almost fell off my chair when I read it. Do you know that the need in this province to issue a complaint with respect to environmental damage is more onerous than the burden placed upon a complainant in a rape proceeding? You can rape an individual and the complainant needn't give as much of an outcry, public outcry, as that required by this legislation for the rape of the environment in this province.

It's tragic. Do you know that in this province, you have to give notice of the damage, by mail, to the person offending, so you so it has to be within thirty days of the damage occurring. So within thirty days you have to get yourself off to a lawyer, even if you happen to be in a remote northern community, and you have to presumably have this section read to you, and I might tell you that I don't think, with due respect, that many lawyers are even familiar with this particular piece of legislation. I went to Law School and never saw it. I practised law for some five years and never saw it, I never had any reason to peruse it. —(Interjection)— The honourable member will speak for himself, and I might say that he does so more eloquently than you. In any event, there is no opportunity, I would submit, for a person who is ignorant of the law, as most of us are — I think it's fair to say that 98, 99 percent of us are ignorant of most of the detail of the adjectival law of this province and country — there is no opportunity at all for a person of that sort of limited experience, the majority person, the representative person in our province, to have recourse to this sort of notice.

Do you know that it says that in the absence of such mailing of notice, any claim for compensation shall be disallowed? You're out of luck. If you didn't do it within thirty days, and by mail, and to the right person if you could locate him, her or it, you're out of luck. You've got nothing. You don't even have the arbitrator, if the Cabinet exercises affirmative discretion and allows you to go to the panel of arbitration. I ask you, is that justice? If there is someone opposite that would submit that that in effect is justice, as they have come to know and understand it, I would be interested to hear them respond. I would be chagrined, I would be shocked. I think I would become indignant if they defended it. But I ask you, is that justice? I say, Sir, it is not justice. It's alien to our tradition. This old fossil, this anachronism, as I said, stems from some legislation in 1928, which I presume was an incentive to bring mining industry to this province, which I presume no matter how much members opposite proclaim the need for all sorts of industrial incentives and subsidies and so on and so forth, I presume that it's no longer necessary. I can't assume that the existence of the mining industry in this province is predicated on this sort of cheap legislation.

So that's the extent of the legislation that pertains in this particular case. There's a tie-in. I want to stress that. There's a tie-in between these two pieces of legislation, the Clean Environment Act and the Mining and Metallurgy Compensation Act. I say that we have to give the people of Flin Flon a right. We have to give them the same rights that are available to all the other citizens of this province. If we enact that legislation that will allow for an assignment of rights, individual rights to the province, then the people of Flin Flon won't even have to incur the costs, because we, the people of Manitoba,

through the Clean Environment Commission, will be able to take up the cudgel, we will be able to undertake restorative operations, we will be able to go before the Courts with those rights assigned to us, and there will be no problem. So I ask and I invoke the Minister responsible for this, to tell us, tell us tonight, whether or not — and I know that the matter has only been under debate now for some hour and a half — tell us whether or not he is willing to give consideration, but serious consideration and within a limited time frame, not in the infinite. The world doesn't work wonders in the infinite.

I quote again from the President's Advisory Council. I'm quoting American sources, by the way, because I've noticed that there is a predilection on the part of certain select members of the Treasury Benches to quote American presidential sources, so in keeping with that tradition — I suppose it's a new tradition of this Assembly, a precedent as it were, since we're talking about law — I will quote again from the President's Advisory Council, a group that can be trusted, because they're affiliated with the presidential office of the United States, and not presumably with the NDP because everybody knows the NDP, in any way, shape or form doesn't exist in the United States of America.

"The long term environmental effects of such pollution can continue long after pollution control measures are instituted, so we have to act quickly."

It's very very discouraging to sit and to receive this, as I said earlier, this sort of stonewall from the government. Tell us what your plans are. We're not asking you for the detail. I'm not asking you for the specifics. If your plans are to bring this matter before the Cabinet for discussion, tell us so, and tell us within what time limit we might expect that to be done. Because two years or four years are too late. And as I said, I'll be glad to do it. I'll do my best to convince my Cabinet in three and a half years years that these measures should be taken. But it may be too late. So please tell us if you're willing to do it while you have the stewardship of this province in hand. Please. Thank you.

**MR. CHAIAN:** The Honourable Minister.

**MR. RANSOM:** Well, Mr. Chairman, I do want to thank the Honourable Member for Wellington for bringing this obviously very important situation to my attention and to the attention of the House, the matter respecting the Mining and Metallurgy Compensation Act. I had perhaps wrongfully assumed that I had inherited a tight ship when I took over this department, and I must confess that I didn't go back searching for this sort of anomaly. I have some considerable amount of respect for the administrative capabilities of the former Minister, and in that regard, I have to assume that the former Minister had some very valid reason for ignoring a recommendation that was made to him some seven years ago to have this particular Act repealed, and that recommendation, Mr. Chairman, was made by the Planning Secretariat, Planning and Priorities Committee of Cabinet in a report in January 1972. I must agree that on the surface, Mr. Chairman, I have to agree with the Honourable Meer for Wellington that this obviously is a serious shortcoming. But on the other hand, I have to bear in mind my respect for the administrative capabilities of the previous Minister, and I therefore will have to investigate this matter from an objective independent point of view before I could make any promise to the honourable member.

With respect to his second point concerning the Clean Environment Act, I believe that the record will show that my response was that I was familiar with the situation to which he referred, that it was under active consideration, and that he would very shortly know whether or not we would be introducing legislation. Now I don't think you have to think about it too far, Mr. Chairman, before one would be able to understand that.

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

**MR. GREEN:** I'm going to be very brief, Mr. Chairman. I'm going to be very brief that I do not recall the recommendation. If there is one thing that people talk about, it's my infallible memory. Here it proves to be fallible. I do not recall the recommendation. I didn't know that the Act existed because nothing ever came up under the Act. I had much greater priorities in 1971 than the repeal of a particular piece of legislation. But I don't recall the Act, I don't recall the recommendation.

**MR. CHAIRMAN:** 1. (a)(1)—pass — the Honourable Member for Churchill.

**MR. JAY COWAN:** Yes, thank you, Mr. Chairman. During the Estimates the Honourable Minister spoke of a technical group that was being put together to assess the data presented by the proponents in the Polar Gas issue, and I'm wondering if he can tell us at this time — and he may not be able to as he said it is in the process of being formed — but if he could tell any of the members of that technical group.

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

**MR. RANSOM:** I just hesitate to say, Mr. Chairman, who the actual members of the technical committee are. They will be drawn from various departments of government. I certainly can find out who the members are, but I simply assume that when my administrative people undertake to appoint someone with particular technical competence to serve on a committee like that, I frankly have not concerned myself with the names of the individuals involved.

**MR. COWAN:** Thank you. Perhaps then the Honourable Minister could indicate to us how many

members are projected to be in this group?

**MR. RANSOM:** Enough to carry out the assessment, Mr. Chairman.

**MR. COWAN:** Could the Minister tell me what will be their specific responsibilities in carrying out that assessment then?

**MR. RANSOM:** Well, Mr. Chairman, they will be assessing the environmental impact statements filed by Polar Gas and they will be advising me, and through me the Cabinet, and they will also be providing some technical interpretation to our representative on the assessment panel as well.

**MR. COWAN:** In order to provide that technical assistance or that technical knowledge to those persons named, what powers are they going to be allowed in order to investigate that data which is put forth before them by Polar Gas?

**MR. RANSOM:** Perhaps the honourable member could be a little more specific in terms of his question. I really don't understand what he means by "what powers they will have".

**MR. COWAN:** For instance, would they have the powers to call witnesses? Would they have the power to form research groups of their own? Would they have any sort of investigative powers?

**MR. RANSOM:** Their initial responsibility, at least, Mr. Chairman, is to look at the published environmental impact statement and assess that statement from a technical point of view.

**MR. COWAN:** Will they be confined to assessing only the Polar Gas environmental statement or will they be assigned to assess other statements that may come by their way during the course of their term?

**MR. RANSOM:** Well, Mr. Chairman, I'm really not aware of any other statements that might happen to come by this technical committee. They have been established to assess the Environmental Impact Statement filed by Polar Gas and to advise me and the Cabinet and our representative on the assessment panel, as to the suitability of the Impact Statement from Manitoba's point of view.

Now if they find some, what they consider to be shortcomings in the Impact Statement, then I'm sure that they will bring that to our attention and we would have to take some appropriate action at that time.

**MR. COWAN:** Yes. On a different point, Mr. Chairman, has the Minister been approached by any native groups, representatives of native communities, or native leaders in regard to the proposed route of Polar Gas which runs through northeastern Manitoba?

**MR. RANSOM:** No, Mr. Chairman.

**MR. COWAN:** In that case has the Minister, himself, or any of his delegates, approached either the native groups, native communities or native leaders to elicit their response to the proposed route?

**MR. RANSOM:** The assessment panel, the Federal Environmental Assessment Panel, on which we will have a member, will, we hope, be holding five public hearings in Manitoba and that will provide opportunity for public input, and I presume that the native groups, having established a pipeline committee, would be making representation at one or more of those hearings.

**MR. COWAN:** Is the Minister saying that he knows of a pipeline committee that has been established by Manitoba native groups?

**MR. RANSOM:** It is my understanding, Mr. Chairman, that there is such a committee.

**MR. COWAN:** Could the Minister then inform us as to whether those members of that group are proponents or antagonists to the proposed pipeline route through northeastern Manitoba?

**MR. RANSOM:** I am not aware of any positions taken by that committee, Mr. Chairman, only that a committee exists.

**MR. COWAN:** Would the Minister be going to meet with that committee to discuss their views on the pipeline?

**MR. RANSOM:** If the committee requests a meeting to discuss that, Mr. Chairman, then of course I would.

**MR. COWAN:** Yes, I thank the Minister for that. Would the Minister initiate a meeting with that same group if they do not initiate one with him?

**MR. RANSOM:** Well, Mr. Chairman, I don't see really that it's our responsibility to go seeking the various interest groups that may exist with respect to this question.

The Federal Government in co-operation with our government and other provincial governments as well, I believe — but at least us — are establishing the process whereby the public can make their views known on this issue. And I'm assuming if our recommendation for five public hearings in Manitoba — if that recommendation is met — that that will provide quite adequate opportunity for the public expression of concern or support, whatever it may be.

In addition to that, I understand that an interest group will also have the opportunity to review the Impact Assessment Statements and prior to the hearings make representation to the panel saying perhaps that they see some deficiency in a part of the study, and drawing that to the attention of the panel prior to the hearings, which would then provide the opportunity for the panel to communicate with Polar Gas and bring this alleged discrepancy to their attention so that there's a two-stage process which they can go through which seems to me to be adequate in terms of getting public hearings.

**MR. COWAN:** Is the Minister at this point capable or does he have knowledge of when exactly and where those public meetings will be held?

**MR. RANSOM:** No, I don't know precisely, Mr. Chairman. We had hoped that they might be held in October in five centres. I can't name all five, so I hesitate to name any of them. But I understand that that date may not even be able to be met.

**MR. COWAN:** I would not hold the Minister to naming all five. I'm wondering if I could ask him though, to name those that he does recollect at this moment.

**MR. RANSOM:** The only one that I can be reasonably certain of would be Thompson, Mr. Chairman, but I'm sure that I can quickly find out what the other recommended centres were.

**MR. CHAIRMAN:** The Honourable Leader of the Opposition.

**MR. SCHREYER:** Mr. Chairman, quite apart from the question as to where and when there will be meetings held with respect to briefing and advising those who will be living in that part of the province that will be affected to whatever degree by the location of the proposed Polar Gas pipeline, could the Minister perhaps deal with this question to some extent? The Minister was not here at the time but in the past 12 to 18 months period, if he were to peruse Hansard he would find that the now Minister of Finance, the now Minister without Portfolio responsible for the Task Force, and perhaps one or two others, pursued lines of argument and questions here in this House with respect to Polar Gas being coaxed, cajoled, pleaded with, induced, incentivized — if I can make up a verb — so as to change their minds with respect to the proposed location of the Polar Gas route coming in from the Northwest Territories, swinging across the extreme northeast corner of the province and into Ontario, coming to the Trans-Canada Pipeline at some place just at Napinka. Is it Napinka? Nakina? I always get those two place names confused.

In any event, there were high hopes on the part of at least two or three honourable gentlemen who now occupy the Treasury benches and high hopes expressed by certain members of the Chambers of Commerce of a number of communities in the Norman region, all these high hopes to the effect that Polar Gas could be induced to change their minds if only my colleague, the Member for Brandon East, then Minister and myself could be more persuasive.

Now that my honourable friends opposite have the opportunity to be persuasive or to demonstrate that they are unable to be persuasive, I would like to know if there are still concerted efforts being made by the Province of Manitoba to attempt to get Polar Gas to change their minds at least to the extent of putting the line of pipe, instead of across the northeast top of the province, on a line straight south, past South Knife Lake, between Thompson and Split Lake on through the north Interlake and hooking up with the Trans-Canada either west of Headingley or conceivably somewhere around Ile des Chenes.

If that was the concept or the dream, can the Honourable Minister indicate if there are concerted efforts still being made and if so, is he very much involved, or is that something that the Minister of Finance is more or less attempting to bring about?

**MR. RANSOM:** The Minister of Finance is the Chairman of the sub-committee of Cabinet that will be dealing with the issue of Polar Gas, and my main concern and responsibility, of course, as Minister of this department, is with the environment impact that it will have on the environment. But I believe the First Minister made statements with respect to the routing of the line and that we have engaged a council to be able to represent us at either the National Energy Board hearings or before the Environmental Assessment Panel. I'm confident that this issue will be addressed and the Honourable Leader of the Opposition will have opportunity to deal with it in more detail when the Minister of Finance is before the House with his Estimates.

**MR. SCHREYER:** Well, Mr. Chairman, it is in fact not so much a matter of detail. There is of course a horrendous amount of detail with respect to the building of a project of that magnitude. It will literally serve one if not the most large-scale and costly engineering projects of this century in Canada; if not

the largest, it certainly will be one of the largest, so one can only sort of surmise as to the million of details involved.

But my point in rising now doesn't have to do with detail. The Minister will have his hands full in terms of making sure that there are the convening of meetings so that those people most directly involved will be in a position to be briefed up and in a position to respond with their own views and fears and hopes.

Also there will be need to convene meetings of — I can just see it — numbers of public servants, interdepartmental co-ordination and all that, that's not what I'm getting at. What I'm getting at is, can the Minister advise if the government of the Province of Manitoba is pursuing a policy of active intervention, an active representation to Polar Gas Limited, to attempt to induce them or coax them — persuade them I guess the word is — to change their minds with respect to the locating of the proposed line of pipe?

It would have a significant difference in impact on Manitoba if the line comes through central Manitoba on a north-south axis, pretty well central all the way from the 60th parallel at the Northwest Territories to within a few miles of the south Interlake, which is to say, the Winnipeg region, before it hooks into the Trans-Canada pipe as opposed to going what? — 60, 70 miles west of Churchill and south crossing the Nelson a few miles either side of Gillam and then somewhere inbetween Red Sucker Lake and Island Lake, and then swinging sharply into Ontario.

I know too, that there were intimations — I'm not sure that Hansard will bear this out, but I believe it will — that there were intimations by some honourable gentlemen opposite when they sat on this side, that the Province of Manitoba should even consider the putting in of some \$5 million, was it? — of equity investment into Polar Gas, which, by the way, would be very much counter to the kind of talk we've been hearing from the new Minister of Industry and Commerce who seems to be determined to sell off assets at one-third the price.

But the Member for River Heights, now the Minister without Portfolio, was in fact — is it not correct — attempting to lead us by the the hand when we were the government to invest \$5 million in a business venture which is admittedly of a tremendous magnitude but the return on investment of which is quite frankly dicey to say the least unless Canadians in the future are going to be paying something well in excess of \$2.50 per Mcf and when that day comes of course and it goes up to three, then it will be profitable. So you can see that the dynamics here are such that it almost boggles the mind. I'm not suggesting that the venture will be money-losing, but it will be money-making, a conventionally prudent investment only if natural gas is retailing in the neighbourhood of \$2.50 to \$3.00 per Mcf which would be roughly, you know, twice as much as it is today, and it has gone up quite a bit already.

So I guess I will confine my question at this time to two points: One, is there active representation with respect to getting them to change their mind with respect to the line that they will follow, the locational line? And the second, is the province actively considering the investment of equity in Polar Gas?

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

**MR. RANSOM:** I guess, Mr. Chairman, that it is a question of judgment as to the activeness with which we are pursuing that. We are not actively pursuing it to the extent that there are any immediate plans for an intervention, to my knowledge. So to that extent it is not active. To the extent that we have established the committee and have appointed the person to co-ordinate the government's position, that some internal discussions have taken place, then it is under active consideration.

As far as the investment goes, I would to the best of my knowledge say that that is not under active consideration.

**MR. CHAIRMAN:** The Honourable Leader of the Opposition.

**MR. SCHREYER:** Mr. Chairman, at least I have an answer then to one of the two questions, for which I thank the Honourable Minister. May I add further that if that is a formal decision, it is one with which I would not quarrel so at least we can agree on something.

I can quarrel with the Member for River Heights because just as I stand here, I say that Hansard will show that a year ago and two years ago, he was — and also the incumbent Minister of Finance, the present incumbent — they were both advocating provincial input of capital or equity investment, presumably as a lever in order to get the line to come through Manitoba. What the two honourable gentlemen didn't realize is that on an engineering project of that magnitude and presumably the people involved with Polar Gas are talking about something in the order of \$7 billion to \$9 billion, that a \$5 million equity investment is hardly going to be something that will tilt the balance. In fact, the decision made by Polar Gas, the first important decision was not whether they would be going northeast or mid-central Manitoba with their pipeline, but whether they would be going west of Hudson Bay at all. And indeed, if the Honourable Minister will find time to read up on perhaps what is now academic but nevertheless interesting recent history, he will find that some time in and around 1975 and 1976, there was a very active lobby working from the Province of Quebec, I think as much nongovernmental and governmental in that province, to try to swing the pipeline east of Hudson Bay entirely. What made the difference was not the rumoured possibility of the Province of Manitoba putting in \$5 million equity because if that were so, then as my colleague the Member for Inkster pointed out on more than one occasion, Ontario or Quebec, they could match that and triple it and we

would be into a poker game. But in fact what made the difference was that the cost of coming west of Hudson Bay was in the order of magnitude of \$1.5 billion less. That makes a difference.

But now that the Honourable Minister has been candid enough to say that the equity investment in Polar Gas is not being seriously contemplated, I would still like to put on the record, not expecting an answer this evening because I believe it would not be fair to press the Minister this evening further on it, but to pose the question for some early future date as to whether there is any kind of systematic, active representation by this province to the Polar Gas people with respect to variation of their proposed line of pipe within Manitoba so as to come through the more densely settled part of the province and by the way, save some miles of new pipeline construction. It will not save the distance in terms of transmission, but it will save distance in terms of new installation and that's obvious enough.

I want to know how successful my honourable friends are, not the new Minister but the Minister of Finance and the Member for River Heights, I want to see how successful they are in following up on their own exhortations.

**MR. CHAIRMAN:** 1.(a)(1)—pass — the Honourable Member for Churchill.

**MR. COWAN:** Yes, Mr. Chairman, I would like for just one moment to go back to the detail that we were discussing before the Honourable Leader of the Opposition so ably entered the debate. I would like to do so for a number of reasons because it seems as though there might be some active intervention in what route the Polar Gas pipeline would take through the Province of Manitoba and I would like to know from the Minister if he has done environmental impact studies or if he has access to environmental impact studies on either of those two routes?

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

**MR. RANSOM:** To date, Mr. Chairman, the only impact studies that have been done are on the route that goes through northeastern Manitoba into Ontario.

While I'm on my feet, Mr. Chairman, and I don't know if I should refer to it, at the risk of inciting further response, I nevertheless would like to make reference to two or three points that the Honourable Member for Inkster made this afternoon in what I assumed at the time was more or less his wrap-up contribution to the Budget Debate although I am sure that he is not held to that in any way. He takes some delight in referring to what he calls "rural socialism" of the building of roads and drainage structures, the sort of infrastructure that is necessary to maintain the economic nature of the rural area. Many of these things that are the sort of things that individual people cannot do on their own; there is not someone standing by to undertake those sorts of activities as there is in the mining industry, for example. What I find to be the interesting aspect to this position that this sort of endeavour is branded as "rural socialism" is the degree to which the rural people fail to see it as such and although the member may make what he considers to be a perfectly rational and devastating argument, in fact the reality of it is that people don't perceive it to be that way, and so often it is what people perceive to be the case which really is important.

He also referred again to the size of the Civil Service, saying that last year there were 680 permanent and term positions and this year there are 690. Therefore, really there has been an increase in the size of the real Civil Service, choosing to ignore, of course, the contract employees that were in the department. That's his choice, if he wishes to ignore that. But again, I can only point out to the public, when they see a person who is employed by the government, who is paid by the government, and who perhaps drives a government vehicle, they do not in fact differentiate between those persons as to whether they are contract, term, or permanent. They see them as civil servants. And in terms of the numbers of people that are involved, then I maintain that there has been a decrease in the number of people in the department.

He also has referred a number of times to what he terms, I believe, the cowardice of the people on this side of the House to undertake actions that we are undertaking without giving the real reasons for it, and in fact we're not dealing from principle but simply from the need for restraint. I would say, Mr. Chairman, that that is a position which is certainly a defensible one from our point of view, in that during the campaign last fall, we said that we would do a number of things, a number of things that we have since done: reducing the income tax; taking off the Gift Tax, Succession Duties; repealing the Mineral Acreage tax; reducing the size of the Civil Service; cutting back on spending. We said at that time that those were the kinds of things that we felt were necessary, and we said that we would do them, as a matter of a political position. We said that we would do that. At the time, of course, the size of the deficit was at a level, I believe of understanding roughly in the neighbourhood of \$30 million on current . . .

**MR. GREEN:** . . . based on your changes, 130, capital deficit, \$30 million.

**MR. RANSOM:** It's not the actual figures that are important. . .

**MR. GREEN:** Right.

**MR. RANSOM:** . . . as far as my position is concerned, Mr. Chairman, it's just that we said in advance that there was a need for this sort of action, and having taken over the government after campaigning on that basis, we find that indeed there is the need for that sort of action, and the position that we are taking now, I see as essentially the same position that we were taking before, but one that we consider to have more urgency now than even when we were in the course of the campaign last fall.

Just on the off-chance that we might be somewhere close to the end of the debate on these Estimates, Mr. Chairman, I would like to, at this point, thank the honourable gentlemen opposite for the manner in which the questioning and the debate have been carried out. I feel there has been a sincere effort to elicit information and I thank them for their approach to that.

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

**MR. GREEN:** Mr. Chairman, the debate on this subject is going to continue. It won't continue necessarily on the Minister's Estimates, but it's going to continue. The Member for St. Matthews, when I left the House for a few minutes yesterday, made some very interesting remarks which I did not hear, and which maybe he was annoyed that I didn't hear, but I went out to answer the telephone. He said, "The Estimates is not the place to fight the election campaign." Mr. Chairman, that's where he is wrong. Every place is the place to fight the election campaign. And it's not the last election campaign that we are fighting, it's the next election campaign. That is the purpose of a political forum, and I'm sorry the Member for St. Matthews doesn't know that. He has never sat in Opposition and he has sat in government misconstruing that what the Opposition is here for is to be a cheering section to the government. The purpose of the Opposition is to indicate that the faults that it sees in the government program and its philosophy, and at the same time to propose alternative philosophies and programs which they feel would be better.

Mr. Chairman, the Minister has chosen to raise several subjects again which I wish to deal with. I can't help but not deal with them, and if I deal with them on these Estimates or deal with them in the future, it won't make much difference.

The Honourable Minister is dealing with the deficit, and more and more strange things come out about this deficit. First of all, we were told that we left the Conservatives with a deficit of \$225 million, a hundred of which they knew about, was in the Capital Estimates of last year when they were sitting in the House. So they can't claim any special problem because of that \$100 million. \$30 million which was budgeted for last year. And then they said and it's interesting, Mr. Chairman, they didn't say it's \$100 million higher, they said it's five times as high as what we expected. Presumably if we had a deficit of \$60 million budgeted, it would have been better, because it would only have been twice as high, if we had got to 130 million. The fact is that it was still \$100 million when they claimed that there was an excess.

I accepted this statement, even though it was incorrect, even though it was based on very preliminary returns, which the First Minister now says, "These things are not written in stone and we cannot take them as certain, and even a year from now they may change." But I accepted it and said that therefore the Conservative albatross, the horror stories, which they were feigning for the purpose of saying that we don't like to reduce you to 2.9 percent, we don't like to lay off 400 people, but it's the albatross, it's not our philosophy, we would like to spend all of this money.

That is the kind of story that was being told, and the Conservative Party are now suffering by that story. They are hurting, not us. But \$100 million is \$10 million a year, and therefore, if you talk about an albatross which changes your spending from \$1.6 billion, to \$1.610 billion, that's the shape of this albatross, up until the time of Budget night, when we were told that it wasn't \$130 million, it was \$80 million. So the albatross was \$55 million, or more in the neighbourhood of \$50 million, and that's, Mr. Speaker, when I referred to the cowardly position and to the Big Lie of the Conservative Administration. Because that amount you collected before you called the Legislature together. You put two cents on gas, which is \$7 million a year, which is \$2 million more than it takes to retire \$50 million.

My problem, Mr. Chairman, is not in losing respect for the philosophy of Conservatism, although I disagree with it, I still believe that it is a sound philosophy, and can be argued. My argument is that the Conservatives have lost respect for Conservatism and would resort to a cheap trick, like suggesting that they were in terrible financial conditions; even though the financial houses of the United States rate us AA, they went around, in order to try to sell themselves on the proposition that we had left them a problem. That, Mr. Chairman, is cowardice. It's first of all fraudulent, and secondly, cowardly. That's the point I was making, and that's the point, Mr. Chairman, I'm going to continue to make, and furthermore, the revelations that were made by the Member for Seven Oaks and the Member for St. Johns today, indicate that the extent of the fraudulence has not yet come out. The extent of how fraudulent this presentation has been will still be heard from.

The Minister wishes to say that he wouldn't, he still feels that the program that they sold is what they are doing now. That's fine. As a matter of fact, I happen to believe that this Minister would not have relied on his present program, in blaming his existing program on the New Democratic Party administration. He has to live with that crowd and he'll live with them. He would not have relied on them. That is essentially the strategy of the Member for Lakeside, the Minister of Finance, and the First Minister. That's the brain trust behind that wonderful strategy for us, because we will receive the benefit of it.

With regard to the civil servants, when I started my questions on that subject I didn't believe that



there were no civil service reductions, I said that the civil service reductions would be eaten up very quickly by an accelerated pace of hiring and by a retreat from this policy of letting go by attrition, which has no rhyme nor reason. You'll have to undo that. You'll have to come back to starting to hire people on the basis of what makes sense, not attrition. I'm going to give the Minister his best position, which he is not entitled to, because surely there are certain contract people who are hired for a certain purpose. You, yourself indicated that there were certain people hired for the Souris Basin study, which would normally be let go and if he doesn't agree with that, Mr. Chairman, then he doesn't understand. There are certain people who are on government payroll who are not there on a steady basis, and would be let go in a normal course. But given his best position, the bottom line is that last year's vacancies were 111, this year's vacancies are 61, and therefore, 50 people can be let go without any reduction in staff, because your vacancy factor has been reduced by those 50 people.

Mr. Chairman, the point that I made the first night when I didn't have the actual figures, is that that can accelerate, and it's so coincidental, Mr. Chairman, that it would be very unfair to use it as an argument but this year's staff complement equals last year's staff actual. The figures are the same to the extent of less than one hundredth of one percent. 758.10 or something, and 758.30, so take one percent over 750, and the difference in those figures is less than one hundredth of one percent. I know that the Minister didn't plan that he's going to have a staff complement, which if he filled every position, would give him the same number of people he had last year. That just happens to be an interesting coincidence.

The bottom line figure is the vacancy figure, and the vacancy has been reduced by 50 percent, and the reduction by 50 percent is 50 people and if he can reduce it by another 50 percent, you are right back to where you started from, and supplementary hiring will do the rest. So, this is perhaps the closing of the Estimates, Mr. Chairman, or very close to the closing of the Estimates although the Minister is entitled to respond and then I am entitled to respond ad infinitum. I think it has been an interesting discussion. I think that this department has in miniature represented the kinds of things that are happening throughout. The revelation that the expenditure Estimates are 2 million higher because of capital authority, which was not spent last year, which is available for expenditures this year, applies in this department as well, to the Department of Water Resources, and I think that has to be, but more and more we will learn about the actual position, the actual spending position. This afternoon, we calculated in one week that there are \$5 million more in expenditures by the Conservative administration. The leaking taps with nobody in control are starting to leak and if they leak at the same rate in the next 51 weeks as they leaked in this week we will have to have certain Conservatives over on the other side calling Mr. Lyon and his government Socialists, and getting out because they don't believe it. But that remains to be seen, Mr. Chairman.

**MR. CHAIRMAN:** I.(a)(1)—pass — the Honourable Member for Churchill.

**MR. COWAN:** Yes, thank you, Mr. Chairman. I would like to get back to some details once again. I would ask the honourable Minister that if a group has been formed to actively seek an intervention in the proposed route running from the northeast corner of the province, what route would they be specifically be proposing?

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

**MR. RANSOM:** I don't think I could answer that in specific terms, Mr. Chairman.

**MR. COWAN:** Could the Minister answer that in general terms?

**MR. RANSOM:** The general term would be, I believe, what is known as the Interlake Group and which the Honourable Leader of the Opposition described in general terms.

**MR. COWAN:** Then that route that would run down the centre of the province, would the Minister foresee, if that were the route chosen, a series of five public meetings so to speak to assess the impact of that route and he had initiated with the northeastern route?

**MR. RANSOM:** I couldn't at this stage foresee how many hearings there might be on such a route, Mr. Chairman, that the present hearings that are organized, are organized on the basis of the route that is proposed to go into Ontario.

**MR. COWAN:** Could the Minister then indicate to me, Mr. Chairman, the structure of one of those hearings, what would be discussed and what methodology they would pursue at those hearings?

**MR. RANSOM:** Well, as to what would be discussed, Mr. Chairman, I assume that it is the environmental impact of the Polar Gas proposal. As to the actual nature of the hearings, I can't answer in detail on that, although it is my understanding that they will attempt to be rather informal in some cases, but I cannot answer the question in detail.

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

**MR. COWAN:** Yes, thank you, Mr. Chairman, I am in somewhat of a quandry here, Mr. Chairman. I

would ask the Minister if he would at this time take into consideration the number of communities that would be affected by a proposed pipeline and if a pipeline were to go down the northeastern corner of the province, these are communities in my constituency that would be either directly or indirectly, but to some substance, affected by that route. Going down the northeastern corner it would enter somewhere near Tadoule Lake, a community that is accessible only by air and winter road. Then it would go by Churchill, a community that is accessible only by rail and air. It would go down by Gillam, a community accessible again by air and rail, Split Lake, winter road — excuse me, all-weather road now and rail and air; Ilford, rail and air; Shamattawa, air only; God's River, air only; God's Lake Narrows, air and winter road, and maybe it would effect — oh, excuse me, Red Sucker Lake, which is air only — and maybe the effect might be of less substance, but it might be enough impact there to warrant a hearing. It would affect the communities of Oxford House, Garden Hill and St. Theresa Point. Some of these communities being native reserves and some being Metis communities and some being industrial or excuse me, less traditional communities in the north.

If it were to follow the centre route, it would affect the following communities, Brochet, accessible only by air; Lac Brochet, again only by air; Tadoule Lake; Lynn Lake, accessible by road, rail and air; Leaf Rapids, accessible by air and road; Granville Lake, accessible only by air; Split Lake again; and South Indian Lake, accessible by winter road and air. And the reason I point out as to how one can get into these communities is because it is also the way that one can get out of these communities. And in many cases, the only way that one can get out of these communities, is by air, an expensive process at the best of times. And the air service to these communities is not always what it should be, which would mean enumerable delays, maybe holdovers in communities or maybe even have to charter flights. If in that being the case, I would expect that my constituents in these communities, Mr. Chairman, that my constituents would want to make representation to these committees, but they could only do so say, if the meeting was held in Thompson or the larger industrial centres. They could only do so at great cost to their own persons, and I am wondering if the Minister at this time, would indicate that he will take in the consideration the travel accommodations available to these people and undertake to ascertain whether they can have meetings in more of the communities so that a person that is in the community that is directly affected can make representation to these committees.

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

**MR. RANSOM:** Well, Mr. Chairman, I share the honourable member's concern that the communities involved should have not only an opportunity but a fair opportunity in terms of the recognition of their isolation to be able to make representation, and without making it a definitive statement, I believe I can recall that there was some provision being talked of for transportation from remote areas, but I certainly will take note of the honourable members comment and I'm quite prepared to inquire further into the proposals and I can communicate that to the honourable member.

**MR. CHAIRMAN:** The Member for Churchill.

**MR. COWAN:** Thank you, Mr. Chairman, I appreciate the Minister's concern. I also appreciate that he cannot at this time give us any definitive answer, but I would like to ask in that case, is he supportive of hearings being held in all the communities affected or realistic transportation subsidies or transportation means being implemented for those persons in those communities to be able to travel to the hearings themselves, and that would include per diems, that would include accommodations if necessary plus a travel subsidy.

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

**MR. RANSOM:** Well, Mr. Chairman, I believe that the proposal was that there only be one or perhaps two hearings in the province and it's a recommendation that has been put forward by my department that there be five hearings in place of that, and that recommendation was made in recognition of some of the geographic isolation of the communities involved. I assume that the assessment that my people carried out within the department indicated that that would be a reasonable number to have. And again, I take note of his comment with respect to the need for transportation and will try to assure that those people do in fact have the opportunity to make representation at those hearings, without suffering undue hardship because of it.

**MR. CHAIRMAN:** Member for Churchill.

**MR. COWAN:** Thank you, Mr. Chairman. We have discussed generally this evening, and through these Estimates the Polar Gas Pipeline, the different proposed routes and the government's intentions somewhat in dealing with that pipeline. But we have only scratched the surface, Mr. Chairman. The debate has been short and in that respect the debate has been ominous because this debate that we have had, this discussion on the Polar Gas route that we have had, has raised more questions, Mr. Chairman, than it has answers. It is not surprising that it does so because realistically and in fact, Sir, there are more questions than there are answers when we start discussing a project the magnitude of a pipeline that extends over 2,000 miles across the north of this country.

We are entering the realm of the unknown. There are technical questions, Sir. There are questions that even Polar Gas consortium itself cannot answer. There are questions that Arctic Gas cannot answer. There are questions that are at this time, at this juncture, they are unanswerable as to the feasibility of the pipeline. And can it work? It really has never been proven, Sir that it can work without imposing great hardship culturally or environmentally in the area that it travels through. There are economic questions that have to be dealt with. Questions such as who benefits by the pipeline. Where does the gas go? Why does it go there instead of somewhere else? And that would have some importance, Mr. Chairman, on which route the pipeline takes.

Who profits by the gas? And this perhaps is an ideological question. I won't get into it too much unless the Minister would want to, but it is still a question that has to be considered. Who profits by the flow of the gas through that pipeline? Who suffers because of that pipeline, Sir, in economic terms? There is going to be economic dislocation as that pipeline comes through, infrastructures will have to be built. There will be an impact which is unmeasurable. Here again is an area where the questions are perhaps more readily accessible to us than the answers. But what will be the impact on the native economy? Because, Mr. Chairman, there is a native economy functioning in northern Manitoba, and it is not the same as the southern economy.

In times of unemployment we all have to ask ourselves about the job-creating benefits of this pipeline and there are questions there. How many jobs will be created, Sir? For what duration? Who will get them? What training will go along with it? These are all questions that have to be answered. In the Minister's case, of particular concern to him are the environmental questions. Who is harmed by this pipeline environmentally, because I can stand here, Sir, and I think realistically and honestly say to you and say to this House that there are no ecological benefits that will accompany the Polar Gas Pipeline or any pipeline. It does no good to the land that it goes through. It despoils the wilderness. And the wilderness, Sir, is a nonrenewable resource, once you despoil the wilderness you have despoiled the wilderness, you do not bring it back to its wilderness state again.

It travels through areas of immense and quite fragile eco-systems that are non-replacable because once you disrupt the eco-system, Mr. Chairman, you have disrupted it to the point where you most likely will not be able to bring it back to the point at which it existed before, to the state at which it existed before, bring it back to its original status. There are short-term impact studies to be done on the pipeline, and there are long-term impact studies. As I said before, the north is a sensitive eco-system. It has endured for centuries, as I might add, the people in the north have endured for centuries. But it has never before been faced with an onslaught of the magnitude of the Polar Gas Pipeline. Never before, Sir.

There are questions about the environment, that are without answer now. They are beyond our realm of knowledge, what would be the albedo effect if there is a spill of oil, and believe me, Sir, I agree with the Berger Commission, who said that we are talking now, not about a pipeline but about an energy corridor, because if we build a gas pipeline through the Province of Manitoba, we are in effect building an energy corridor, oil will follow; because at the end of that pipeline, Sir, there will be increased exploration because there's a readily accessible path to get those products to market.

There will be roads that follow, Sir. There'll be infrastructure that we can't imagine. I just might take the opportunity to read from the Berger Report about one of the permanent facilities that Arctic Gas proposed for its pipeline. This is just one of a number — in this case the Polar Gas — pipeline I'm not sure exactly how many, but I know it's in the dozens, Sir.

There will be an airstrip, seven miles of all-weather gravel road — this is where nothing existed before, Sir — a wharf, temporary facilities will include a construction camp to house an 800-man pipeline crew. Once the pipe is laid there'll be a 200-man compressor station, a construction crew, a material stockpile site, two or three gravel pits and many miles — they don't indicate how many miles — but many miles of snow roads.

The construction of that complex will require 2 million cubic yards of gravel and other barrel material. The permanent compressor station — and we will need compressor stations in the case of the Polar Gas pipeline — I'm not sure that these temporary or permanent facilities will follow exactly the same format, but we can use them as somewhat of a guide.

So the permanent compressor station will have between 6 and 10 large steel buildings. There'll be a 30,000 horsepower turbine compressor, a 17,000 horsepower refrigeration equipment, propane condensers to dispose of the waste heat from the refrigeration units, and that we will have in Manitoba if they choose to refrigerate the pipeline going through here, and I think that we have to assume that they will because they are going through areas of permanent and continuous permafrost.

There will be a workshop, garage, storage, control rooms, communications equipment, office area, living quarters for the operation and maintenance staff. There will be outside storage areas for repair and maintenance materials and vehicles, extra pipe, fuel, propane, a flare stack, an incinerator, a sewage lagoon, a communications dish to hook into the Unik Satellite — and I can't say for sure that that will accompany the proposed Polar Gas pipeline, but it is conceivable that it will.

All this, this permanent facility, Sir, will require a fenced gravel pad about 1,000 feet square. The noise from the generators — and this is according to an Arctic Gas engineer — the operating noise of the station turbines at the fence line of the station would be equivalent to the noise level within 100 feet of an urban freeway in mid-morning. Where nothing before existed, we have the equivalent of an urban freeway at mid-morning.

There'll be a material stockpile, and in this particular case there will be a wharf — I'm not sure whether there'll be any wharfs along the one in the Polar Gas pipeline — but if there were it would handle tens of thousands of tons of supply including 88 miles of pipe, which alone would weigh about 85,000 tons — and all this would require 350 acres of clearing on a very fragile eco-system, Mr. Chairman.

So the questions that are raised here, the long-term impact, the magnitude, the cumulative effect, the cumulative impact of the environmental damage that is going to be done, technical questions, ecological, economic questions, they're all very important, Sir, and they all need answers before we proceed. I would suggest that we need answers before we even initiate active intervention, because once we initiate active intervention we are, in effect, compromising ourselves to accept the pipeline. We are asking them to bring the pipeline in. We are — in the terms of the First Minister — breeding some sort of dependence upon Polar Gas. We are at their behest.

While all these questions are important, there is another question that is just as equally important, yet far too often forgotten — ignored. And that's a cultural question. You see, Berger said it better than I could. He said it better than most people can, because he went out and studied. He talked to the people. He wanted to find out the answers. And what Berger said, Mr. Chairman, Berger said that the north is two things. One, it is a frontier. And that is how I view the north, Sir; it's my cultural bias. I'm sure that is how most people in this room view the north. And in the north we are talking about north of the 53rd as a frontier.

But just as the north, Sir, is a frontier to us and again I refer to what Berger referred as "cultural replacement".

Now, what that means, Mr. Chairman, is that if we go back in history when the early Hudson's Bay Company and their explorers landed on these shores in much the same area, I might add, as where this proposed pipeline is going to go through, — allegedly may go through — when they did that a native culture greeted them. An independent native culture that had endured for centuries of hardship in the north but was prosperous, was happy and was ongoing; that's what greeted them when they came there — a culture all onto its own that had developed onto its own because there were no outside influences. It was a pure culture. But what they did, and what they succeeded in doing, was to replace that native culture with their own culture. And a culture is something that has values.

So what they have done is they have replaced the native culture that greeted them — happy, prosperous and independent — with their own value system. And they had to do that. They had to do that economically, Mr. Chairman, because they needed workers. In this case, they needed trappers to trap the furs for them, because, believe it or not, for all their expertise in getting across the ocean and in landing on the shore in the large boats that they came in, for all that expertise, they would not have survived in the land that greeted them without the co-operation — and co-operation given freely — of the native culture that greeted them, of the native peoples.

So they had to replace that culture because that culture didn't breed the dependency. And I don't know whether I should keep coming back to that and keep harping on the dependency and the breeding of dependency. But I feel it is indicative of this government's intentions, and I feel that it is dangerous, also. In this case, it is dangerous to the native people who live in that list of communities that I named earlier.

What is surprising, Sir, is not that they attempted and succeeded in great measure to replace that culture, but what is surprising is that there is any native culture left today with that onslaught — the rail coming through — and all these economic benefits — all this pushing back of the frontier is also the pushing back or pushing away of somebody's homeland.

But I can tell you that the native culture did survive and, if anything, Sir, it is making a comeback because the native people are realizing the importance of their own culture. They are realizing just how well off they were before those early Hudson's Bay explorers came over. But now, facing that culture that has survived — what has survived and is trying to rebuild, sincerely and honestly is trying to rebuild, Sir. And I hope that, as an opposition and as a government, and as legislators and as trustees of this province, that we would help it rebuild.

But the fact is that the Hudson's Bay Company, back in the early 1800s, late 1700s lies pale besides Polar Gas consortium today. They are just not in the same boat. They just not going to have the same impact. Polar Gas is going to rip the heart out of the north, if it goes through, without — and I make that very clear, Sir — without considering the cultural impact, the environmental impact and the economic impact that it is going to have on the lands it traverses.

The Honourable Minister, as a member of government, is a trustee of that land, is a trustee of those people, and is a trustee of all the cultures in Manitoba's society. And this, Sir, is a hard task because now he is a Minister and he has ministerial responsibilities; now because he has taken it upon himself and he is a trustee, he must sit in judgment. And by his own admission, Sir. I am not imposing these restrictions on him. I am not imposing this task on him — this hard chore, by his own admission, he must protect the environment, that is what he has to do.

I would suggest to him, if I can be so humble — and I'm not going to come in here as a rookie MLA and suggest to the Minister how to run his department because I am sure the Minister is capable of running his own department. I trust he is capable, and I'm not so sure he would listen to me at any rate, even if I did. So I'm not going to be either so presumptuous or so stupid. Well, perhaps I am, I guess. When I have the chance, perhaps I will be a bit presumptuous; I retract the stupid part of that.

I would suggest to him that he must not, that he cannot, use as his terms of reference when he is viewing this pipeline, the economic feasibility. That he cannot play off the economics versus the

environment, because if he does that then the outcome is preconceived and all these meetings he is holding, all these hearings, and for all the hullabaloo, we know what is going to happen.

No, that is not his terms of reference. I would suggest, if I were in his place — let me put it that way — if I were in his place, I would not want to use those terms of reference. Because I would consider, in his place, it would be my duty to preserve the environment. And that's something that he considers, because he said in his words before this House that he intends to protect the environment.

Now, here is where we may differ a bit, and that's not to say that one opinion or one method is more valid than the other one, I would protect the environment at all costs — at all costs. You cannot use the dollar as terms of reference for something this important, something this far-reaching, or for something this long-lasting. A dollar, which we have all seen lately, floats with gay abandon up and down, up and down, it has differing values at any one time, which comes and goes. No, if I were in his place, I would base my decisions — and I would hope that he would base his decisions — on the tomorrows, because the tomorrows will come with far more certainty than the dollars, or the value of the dollars, or Polar Gas. The tomorrows will come.

So he must sit in judgment today. It is his responsibility — with an eye not on profits, that's not his responsibility, I would suggest, but with an eye on the future, and a fragile future. And he does so not under the best conditions, Mr. Chairman. For it is a fact that we know too little about the north. Otherwise we wouldn't need the hearings. We know far too little. I would suggest to the Member for Roblin, after 20 years of NDP government because the north was neglected for so damn long, that in eight years we aren't going to make up what 100 years of their government did.

**MR. CHAIRMAN:** Order please. —(Interjection)— The Honourable Member for Churchill.

**MR. COWAN:** Thank you, Mr. Chairman. If there ever was a group with the collective colonial mentality, it is the group that sits across from us.

Mr. Chairman, the Minister is faced with a balancing act. His must be a balancing act. He is going to have to juggle the questions. He is going to have to juggle the answers, while all the time while he is doing this, while he is trying to keep the ball in motion, trying to make the decisions, someone keeps throwing new data at him. New questions, new answers and all of them will be conflicting. And that, Mr. Chairman, is no prophecy, I don't make that up. It has happened. It has happened recently. It will happen again to this Minister when he enters that arena of discussing the pipeline.

For an example, Sir, in the spring of 1975 Arctic Gas in making its presentation before the inquiry said: "We fully understand the problem of frost heave." I will not go into the technicalities of frost heave, but they said they fully understood the problem, okay, that they be able to overcome the problems of frost heave. Their findings, Mr. Chairman, were disputed at that inquiry. At the time, Mr. Ken Adams, from the Environmental Protection Board and a Mr. Peter Williams from Carleton University disputed the findings, that they knew how to handle the onerous problem of frost heave.

And after listening to the presentations of these two honourable and learned gentlemen Arctic Gas came back and said: "Yes, we do understand the problem of frost heave and it is their findings that are at fault, not our own." Well, Sir, in October of 1976 Arctic Gas came back before the inquiry and at that time it didn't reaffirm its earlier findings, Mr. Chairman, but it informed the inquiry that in the spring of 1975 there had been continuing malfunctions in their testing apparatus, that in fact their measurements were inaccurate and that they had new data and they had reassessed and assessed this new data and they were presenting it before the Board and that they would at this point have to implement totally new methods and different procedures. That they were, in the first place, wrong, and these are the questions and answers that the Honourable Minister is going to have to juggle. And that is not an isolated case. There are many other cases of questions of a technical nature which are the easiest, Sir, to answer. That these questions were answered differently by the same people on separate occasions.

And the difficulty of the Minister's task, Mr. Chairman, is compounded by what will be the impact of any errors that would happen to make and he is not infallible. He will be the first to admit that. The mistakes that are made in pursuit of the pipeline will be around a long time to remind him of his errors. If they are momentous enough, they will destroy a culture. At the very least, if they are momentous they will destroy a fragile eco-system where it takes hundreds of years for one tree to mature, to grow back, and hundreds upon hundreds for a forest to regrow.

And not only will he have to avoid the pitfalls of major mistakes which are entirely possible and perhaps probable, but he will have to ensure that damage does not occur as a result of what has been called destruction by insignificant increment. A creeping insidious destruction, but just as devastating. Destruction that can affect environment and cultures alike. The process goes like so, you make one small error, Sir, in the process and because you have done damage, the next time you come to question your ways and means, you say, "Well, we've already done this and it's gone bad so what happens if we make another mistake?"

I have just a few more minutes, Mr. Chairman, I would like to finish if I could. It is not often that I get an audience of this size. Although I could suggest more interest on some of the honourable members part. —(Interjection)— We will tighten it up as much as possible.

And now, without indicating support or non-support of the principle of a pipeline through Manitoba or the practical application of a pipeline through Manitoba, for there will be time to talk about whether we support or don't support that in the future, and I would suggest that I, like the honourable members opposite don't have enough information at this point to make that momentous decision. But I will now express a certain amount of concern of the Minister's handling of the issue

and I have to admit in all fairness to the Minister that I was somewhat gratified and somewhat pleased to find that he will undertake to initiate hearings if they are justified in the more remote communities. Because we are faced now with an incredible lack of knowledge in the pipeline. There are critical gaps of information. There is far too much misinformation, through no one's fault, just the fact that we are delving into something new here. We are entering into the realm of the unknown. And there will be misinformation that accompanies that journey. For much of that information, Sir, there are no known answers. Study all we will, study all we might, have all the hearings we wish, there are no known answers. We are going to have to take some of it on faith if we take it at all.

So, with an issue of such great potential harm to the environment, cultural and physical, he is taking on a trust, a trust onto himself. He freely admits that he has to be, for the duration of his term as Minister responsible, custodian of that environment. What has been his answer? In many cases, Mr. Chairman, it has been cutbacks in the department. Grant that there will be a technical group, but we don't know who will be on it yet. We don't know exactly how it will perform, its function, what kind of support it will get from the government, what its overall responsibilities will be. It will be he says, to assess information, not gather it. Well, there are only two sources of information to my way of thinking, Sir, one is Polar Gas, whose information we admit might be a bit biased, and the other is the Federal Government.

Well, in the first case, of using Polar Gas information to assess the environmental impact would be like putting Dracula in charge of the blood bank. —(Interjection)— Or as the First Minister says, having a vulture say grace, I believe I got it correctly, or a weasel in charge of the chicken shack, whatever.

And in the second case, if they are relying upon information from the Federal Government, they are being somewhat hypocritical unless they are exhibiting now or informing us of some new-found confidence in the Federal Government, because it was just days ago that they said that they can't rely on the information gathering services of that same Federal Government in Northern Manitoba. And the Minister of Northern Affairs, and probably justifiably so, although I'm not going to say for certain at this time, went out and commissioned the census to be done by his department because the information they had was incomplete and inaccurate. So, they don't trust the Federal Government to count heads in Northern Manitoba. I would suggest that they can't trust the Federal Government to complete accurate environmental impact studies. But they are willing to bet the future of the north of this province on that expertise that they showed so little confidence in just two days previous. If it is not hypocritical, Mr. Chairman, it is at least contradictory.

And in closing, —(Interjection)— very good, thank you, Mr. Chairman, I will close quite quickly then, I would just like to say that there is a juggernaut, and I use the dictionary definition of that, "a large overpowering force," poised on Manitoba's door step. It is knocking, Mr. Chairman, and it wants in and the Minister that sits there and so ably has gone through his Estimates and I congratulate him on that, is the keeper of the keys. I hope that he shows great concern and compassion when he answers the door. Thank you.

**MR. CHAIRMAN:** 1.(a)(1)—pass; Resolution 81—pass.

Resolution 81: Resolved that there be granted to Her Majesty a sum not exceeding \$1,085,800 for Mines, Resources and Environmental Management — Administration \$1,085,800—pass.

## D2

### Department of Agriculture — Resolution 18

**MR. CHAIRMAN:** This Resolution was made in Room 254 in Committee. Moved by the Honourable Member for St. Johns that the government give consideration to the advisability of increasing the amount in Resolution No. 18 INT47 by \$3.5 million to \$3.875 million and lapse the sum of \$5.34 million, now in the unspent capital authority for this Resolution and previous loan acts. Are you ready for the question? The Honourable Government House Leader on a point of order.

**MR. JORGENSON:** I have some serious doubts as to whether this Resolution is in order in the abstract or otherwise. And I quote from Rule 242, Subsection (2), found on page 203, of Beauchesne's Fourth Edition, which says, "The only motion allowed when a Resolution is under consideration in Committee of Supply, is that the amount be reduced, or that the Chairman leave the chair either without making a report or to report progress on certain Resolutions."

It is obvious, Sir, that this particular Resolution is requesting the committee to increase the amount and therefore in my opinion out of order. I would suggest, Sir, since the hour now is ten o'clock, I ask the Chairman to take his motion under consideration and perhaps report tomorrow when the House meets in the Committee of Supply.

**MR. CHAIRMAN:** The Honourable Opposition House Leader.

**MR. GREEN:** In speaking to the objection, I would understand, Mr. Chairman, that there is no reduction or increase as to the amount that the member who put the Resolution, put it in the abstract probably unnecessarily. There is no increase or reduction in

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expenditures by the government by virtue of that Resolution. There is merely a replacement of a sum from one column of the Estimates to a sum in the other column of the Estimates. Mr. Chairman, the fact is that the Member has merely moved that the format of the Estimates be changed and that the amounts that are there will show a lapsing in one area and an increase in expenditures in another area. Well, then the motion is perfectly in order on that basis.

**MR. CHAIRMAN:** The Honourable Government House Leader.

**MR. JORGENSEN:** I would suggest it be taken under consideration by the Chairman of Committees and make a ruling when the House meets in Committee of Supply tomorrow.

**MR. CHAIRMAN:** The Honourable Member for Winnipeg Centre.

**MR. BOYCE:** Further to the point of order, Mr. Chairman, it might well be the decision is to take it under advisement. If you do Sir, I would suggest that you check 270, Sub (1) of Beauchesne where it says that it can be moved in the abstract to increase, but it says also in 268, that it can be moved not in the abstract to reduce. And in the Committee in Room 254, I'd of said it was my intention to move a substantive amendment to the Supply Bill that all capital authority lapse. I would suggest, Sir, that if we are to take it under advisement that we do so, but nevertheless if you will check 270, Sub (1) you will find that it is completely in order to move an increase in the abstract.

**MR. CHAIRMAN:** The Honourable Opposition House Leader.

**MR. GREEN:** I am advised in consultation with the Member for St. Johns that now the motion that he makes complies completely with the rule that is mentioned by the Government House Leader, because his motion is to change the item in amount on one line and to reduce, to lapse a greater amount which would result in a reduction of expenditures, not an increase in expenditures. That being the case, Mr. Chairman, it falls completely in the category of the rule mentioned by the House Leader.

**MR. CHAIRMAN:** The Honourable Government House Leader.

**MR. JORGENSEN:** Mr. Chairman, I move that the Committee rise.

**MR. CHAIRMAN:** I will take this matter under advisement and give you a ruling tomorrow. Committee rise. Call in the Speaker.

*The Chairman reported upon the Committee's deliberations to Mr. Speaker and requested leave to sit again.*

### **IN SESSION**

**MR. DEPUTY SPEAKER:** The Member for Radisson.

**MR. KOVNATS:** Mr. Speaker, I beg to move, seconded by the Member for Portage la Prairie, that report of Committee be received.

**MR. DEPUTY SPEAKER:** Agreed? (Agreed) The Government House Leader.

**MR. JORGENSEN:** Mr. Speaker, I move, seconded by the Member for St. Johns, that the House do now adjourn.

**MR. DEPUTY SPEAKER:** Agreed? (Agreed) The House is now adjourned until 2:30 tomorrow afternoon. The Member for Seven Oaks.

**MR. MILLER:** Point of order, Mr. Speaker. What report is being accepted here? There are two Committees.

**MR. JORGENSEN:** Considered as one.

**MR. DEPUTY SPEAKER:** The House is now adjourned until 2:30 tomorrow afternoon.