

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 3 June, 1982

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - EXECUTIVE COUNCIL

MR. CHAIRMAN, H. Harapiak: I call the Committee to order. We are on Executive Council on Page 7 of the Estimates on 1.(b) Minister Without Portfolio's Salary. Mr. Premier, you have no introductory remarks?

HON. H. PAWLEY: No.

MR. CHAIRMAN: We'll go on to 1.(b) Minister Without Portfolio's Salary—pass.

HON. S. LYON: I assume, Mr. Chairman, that we're coming back to 1.(a) as usual.

MR. CHAIRMAN: Yes. 1.(c) Management and Administration: 1.(c)(1) Salaries.
The Leader of the Opposition.

HON. S. LYON: Under that item, Mr. Chairman, perhaps we could pause for a moment and talk about the staff in the Premier's office and ask the First Minister if he could give us a listing of the new staff who have been added to his office in the last six months.

HON. H. PAWLEY: Mr. Chairman, what we could do is provide that in printed form. There have been staff added, but of course much of it has been filling previous positions. Would you like it verbally?

HON. S. LYON: Sure, that would be fine and then we could follow it up with a written confirmation of it. Thank you, Mr. Chairman.

HON. H. PAWLEY: Principal Secretary, Senior Officer 6 . . .

HON. S. LYON: Could we attach names, please?

HON. H. PAWLEY: That's Mr. W. Regehr . . .

HON. S. LYON: And range of salary, while we're at it?

HON. H. PAWLEY: \$54,636; L.C. Carrothers, Executive Assistant 1 - \$22,737; Assistant to Principal Secretary, A. Mitchell, P 6 - \$31,378; Communication and Coordination Officer, D. O'Connor, Senior Officer 3 - \$43,576; Secretary, J. Desorcy, AY4 - \$13,909; Policy Analyst, A. Wortsman, Professional Officer 6, \$34,149 - Protocol Officer, Kathleen Brown, Secretary, Unclassified - \$20,238; Coordinator of Premier's Secretariat, J. Wasylycia-Leis, Professional Officer 6 - \$34,149; Media Secretary, G. Cramer, Professional Officer 5 - \$26,287; Correspondence Officer, G. Feely, Clerk 4 - 17,439; Itinerary Co-ordinator, W. Gereke, Clerk 4 - 16,831; Secretary, S. Ross - 14,167; Clerk of Executive Council, M.B. Decter, Senior Officer 6 - 58,901; Secretary, V. Coombes, Administrative Secretary/Deputy Minister - 16,831.

There are currently 29 on the payroll. That com-

pares with 28 on the payroll, November 30, 1981, if one includes Mr. McCance that had been seconded from the Department of Finance to the Premier's Office.

HON. S. LYON: Mr. Chairman, that's the complete staffing of the office at the present time?

HON. H. PAWLEY: There are people that are on staff that remain with the office from pre-November 30. I understood the Leader of the Opposition to want only the additional or the new people.

HON. S. LYON: Can the First Minister advise as to what accounts for the increase in the vote from the print from 776,400 last year to 978,000 this year, an increase of about \$200,000 for approximately the same number of people?

HON. H. PAWLEY: There is the addition of one position, the Co-ordinator's position and the Premier's Secretariat. Secondly, monies in order to provide for merit increments and the other is the French Language Services which comes to 81,700.00.

HON. S. LYON: That's a new addition to the staff, Mr. Chairman?

HON. H. PAWLEY: Yes, the French Language Secretariat had been established in Cultural Affairs, transferred to the Executive Council.

HON. S. LYON: So we should see a corresponding reduction of \$81,000 in Cultural Affairs?

HON. H. PAWLEY: I assume so. It was started in the middle of the 1981-82 fiscal year.

HON. S. LYON: Starting with the Clerk of the Executive Council, perhaps the First Minister would care to give us his reasons for the disengagement of Mr. Bedson?

HON. H. PAWLEY: The basic reason, I think, is the same reason for which Mr. Bedson was appointed to serve Premier Devine in Saskatchewan.

HON. S. LYON: He was appointed because of merit to serve Mr. Devine. Was he discharged for merit?

HON. H. PAWLEY: Mr. Chairman, it has been my position and I don't think it's quarrelled with - it certainly wasn't quarrelled with by the Leader of the Opposition when he was First Minister - that certainly of all positions, the Clerk of the Cabinet has to be one that both Cabinet and the Clerk feel comfortable working together.

HON. S. LYON: Mr. Chairman, the First Minister served in the Schreyer Cabinet for eight years. Did he feel any discomfort serving with Mr. Bedson as Clerk of the Executive Council during those years?

HON. H. PAWLEY: I certainly am of the view that any

government upon taking office certainly has to examine positions such as this and the individual holding that position as to whether there are any difficulties insofar as harmonious relationship. Philosophically, the Clerk of the Cabinet is one that has to have the trust and also has to, in turn, feel trust towards the government in power. I was not satisfied that would have been indeed the case —(Interjection)— it's a personal judgment and one that I used and, Mr. Chairman, I accept full responsibility for that person's judgment.

HON. S. LYON: I return to the original point, Mr. Chairman. Did the First Minister feel any philosophical discomfort in the eight years in which Mr. Bedson served Mr. Schreyer as Clerk of the Executive Council?

HON. H. PAWLEY: It was my judgment that I would not feel as comfortable as I should with the continued service of Mr. Bedson as Clerk of the Cabinet.

HON. S. LYON: Would the First Minister not agree that Mr. Bedson was a career civil servant?

HON. H. PAWLEY: I don't know just in what form the Leader of the Opposition defines that. I am certainly not satisfied that Mr. Bedson, based upon my knowledge, would philosophically feel comfortable with the new government in place. It's a judgment call that I assume the responsibility for. I am sure the Leader of the Opposition used those kind of judgment calls in 1977.

HON. S. LYON: The Leader of the Opposition, Mr. Chairman, in 1977 didn't replace the Clerk of the Executive Council when he became Premier and the then Leader of the Opposition, Mr. Schreyer, didn't replace the Clerk of the Executive Council in 1969 when he became Premier. Why did this particular First Minister feel that he had to replace the Clerk of the Executive Council?

HON. H. PAWLEY: I think I have already responded to that, Mr. Chairman. I did not feel that the Clerk of the Council would necessarily feel comfortable, nor would Cabinet feel comfortable with the Clerk of the Cabinet and I think that answers the question.

HON. S. LYON: Perhaps the First Minister would care to give us further evidence in support of his subjective judgment that he made.

HON. H. PAWLEY: Mr. Chairman, I want a Clerk of Cabinet that I feel comfortable will indeed work towards similar objectives and I think it's a responsibility of any government upon taking office to ensure that a key position such as Clerk of the Cabinet is able to work towards the kind of mandate that is provided by the public during the campaign. Otherwise, we fail the public at large if a change is made simply in the elected office and when it comes to a key position, high paid position as well, we fail to ensure that it's someone that is going to work in a fashion that will accomplish the overall objectives. I am satisfied that Mr. Bedson would not, for instance, be able to do the work that Mr. Decter is presently doing.

HON. S. LYON: Perhaps, the First Minister could tell us what he found philosophically objectionable in Mr. Bedson.

HON. H. PAWLEY: I did not feel that Mr. Bedson would share the general philosophic approach of the new government. I made no secret of the fact that I think there must be and should be a consistency.

HON. S. LYON: I take it then, that the First Minister feels that he has that kind of elusive philosophical at-homeness with Mr. Michael Decter, who is the current Clerk of the Executive Council.

HON. H. PAWLEY: Yes. Otherwise, I would not have appointed him to that key position of being Clerk of the Cabinet.

HON. S. LYON: The First Minister then fully realizes that having made this change for philosophical and/or ideological reasons that he has now politicized the Chief Deputy Minister's position in the Government of Manitoba.

HON. H. PAWLEY: Mr. Chairman, I think there was much more politicizing done in 1977 than anything that was done November 30, 1981. The Clerk of Cabinet, of all positions, is a very key and a very political position.

HON. S. LYON: The Clerk of Cabinet, Mr. Chairman, who had served through the Roblin Government, the Weir Government, the Schreyer Government, the Lyon Government, all of sudden, after 23 years, was found to be philosophically objectionable to this First Minister. Is that what we're hearing?

HON. H. PAWLEY: As I indicated, it was my judgment. I accept full responsibility for that judgment and I certainly was not content to continue that practice. I don't think when it comes to practices, a new government has to examine . . .

HON. S. LYON: Mr. Chairman, then does the First Minister equally accept the consequence that flows from his subjective judgment, namely, that he has politicized the job of the Clerk of the Executive Council and that Mr. Decter, by virtue of that, has no security of tenure whatsoever because he has, by the words of the First Minister, admitted to be an ideological friend of the current Premier. That has not, heretofore, been a quality that is necessary for that job.

HON. H. PAWLEY: Mr. Chairman, that's rather strange coming from the First Minister who certainly didn't demonstrate any reluctance even prior to being sworn into office in 1977 to terminate the positions of Deputy Ministers.

HON. S. LYON: No, I make no apologies, Mr. Chairman, for firing two philosophical friends of my honourable friend and others for lack of competence. I am asking the First Minister, Mr. Chairman, whether the Clerk of the Executive Council, Mr. Bedson, lacked competence in his job?

MR. CHAIRMAN: I would like to caution members that Hansard is being recorded and there is difficulty for the person doing the recording unless you wait until you are recognized, so I would ask you to wait until you are recognized.

Mr. Premier.

HON. H. PAWLEY: I indicated previously that I did not feel that Mr. Bedson would be able to do the job that is presently being done and therefore he lacked the competence to do the kind of job that I expect from the Clerk of the Cabinet, which I must say is more than simply taking minutes of Cabinet meetings and should be much more than that.

HON. S. LYON: Well, of course, Mr. Chairman, we all recognize that Mr. Bedson acted over the years to Premiers Roblin, Weir, Schreyer and myself as Deputy Minister in charge of federal-provincial relations. Indeed, he was one of the most senior and one of the most highly regarded people in that field in Canada. That's why I am searching to find what it was about his character, about his philosophy, about his administrative capacity that found disfavour with the current First Minister.

HON. H. PAWLEY: Mr. Chairman, the Clerk of the Cabinet and the function that Mr. Decter is providing is way beyond simply being Clerk of Cabinet. It's a position of indeed dealing with government objectives, planning of government functions, dealing with the administration of government as a whole. I was not satisfied, from my observations, that Mr. Bedson was doing the comprehensive kind of job that is presently being done during the times that we were, certainly, in government 1969-77. It is a position that was paying \$58,000 and it requires a lot of responsibility. That is not to deprecate the responsibilities that Mr. Bedson was doing, but the responsibilities as I see that position should hold go beyond that which Mr. Bedson had been doing from my observations.

HON. S. LYON: Mr. Chairman, I am a bit confused because tonight we are hearing from the First Minister that Mr. Bedson couldn't do the job that he wanted done and yet in a press release that the First Minister issued after he had summarily dismissed Mr. Bedson, shoved him off to one side on a three-month hiatus, he was loud in his praises. I can get the press release. I have it here and perhaps the First Minister has it, in which he commended Mr. Bedson for his service to the province and so on. Is he now saying that those words were false on that occasion or are we to believe what he said tonight?

HON. H. PAWLEY: If the Leader of the Opposition had listened closely to my comments, my comment was that I was not satisfied he would have been able to do the kind of job that I had envisioned insofar as the Clerk of Cabinet was concerned. That is not to — (Interjection)— just let me finish, please. That is not to deprecate the functions and roles that he provided in his own way, which largely involved clerking Cabinet meetings and dealing with protocol.

HON. S. LYON: And federal-provincial relations and

a number of matters that the First Minister, perhaps, has conveniently overlooked or did not even know about. Is that not true?

HON. H. PAWLEY: Mr. Chairman, I again repeat, trying to avoid being repetitious, it's a responsibility of any newly-elected Premier to use judgment, that a newly-elected Premier has a responsibility to carry out mandate. This is one of the most key and most central positions in respect to government and it was my responsibility to carry out the mandate given to me, as I must say Premier Devine has done by dismissing, I believe, the person in a similar position in Saskatchewan and appointing Mr. Bedson.

HON. S. LYON: We're well aware of the politicization of the Civil Service in Saskatchewan, all of us, and we were somewhat aware of the attempts that were made to do that during the Schreyer years in Manitoba which were stopped summarily in 1977. But, I am coming back to . . .

HON. H. PAWLEY: Excuse me, Mr. Chairman, I wonder if the Leader of the Opposition is telling me there was no politicization in his office.

HON. S. LYON: We had political appointments in my office, but we didn't fire the Clerk of the Executive Council who had been a career civil servant for 23 years and that's the point we're dealing with, not red herrings or other non sequiturs.

Now, if we can get down to cases, is Michael Decter a member of the New Democratic Party?

HON. H. PAWLEY: I have not asked Mr. Decter whether he's a member of the New Democratic Party. I assume that he is. I have not asked to see his card. I know that, philosophically, he is a Social Democrat.

HON. S. LYON: Yes. Is that now in times which we hope will be rare . . .

HON. H. PAWLEY: As I believe Mr. Bedson was a Conservative.

HON. S. LYON: Mr. Bedson was not a member of any political party, Mr. Chairman, by his own admission. I never asked and never had to ask him, nor did Mr. Schreyer. Mr. Bedson was a career civil servant, which may be a classification unknown to many socialists, but it's one that is known to the public service of this country.

HON. H. PAWLEY: Let me just say to the Leader of the Opposition that Mr. Bedson was every bit as much of a Conservative, philosophically, as Mr. Decter is a Social Democratic person, philosophically.

HON. S. LYON: Mr. Chairman, is the First Minister trying to allege that Mr. Bedson was a card-carrying member of a political party?

HON. H. PAWLEY: I am talking about the philosophic view and I don't think the Leader of the Opposition should try to kid anybody and certainly I am not going to try to.

HON. S. LYON: Is Mr. Decter a member of the New Democratic Party?

HON. H. PAWLEY: He's a Social Democrat. I assume he is a member of the New Democratic Party. I have not asked him whether or not he is.

HON. S. LYON: Is it not a fact, Mr. Chairman, that the First Minister didn't have to ask him because he knew?

HON. H. PAWLEY: I say again to the Leader of the Opposition that the Clerk of Cabinet is a position that is central and is key to government. The Clerk of Cabinet sits in on all Cabinet meetings, takes notes, minutes of Cabinet meetings, has to carry out the expressed wishes of the First Minister and thus must certainly share a harmonious philosophic relationship with the First Minister.

HON. S. LYON: I come back then, Mr. Chairman, because the First Minister keeps reiterating these qualities that were apparent to all but him. Did the First Minister find that these qualities were absent during the time that Mr. Bedson loyally served the Schreyer administration from 1969 to 1977?

HON. H. PAWLEY: I certainly say to the Leader of the Opposition this: I would not have carried on with Mr. Bedson doing the same responsibilities as he did during the Schreyer years because his responsibilities were quite limited as to what I think is called for and should be required of the Clerk of the Cabinet. I did not certainly gain the impression from my observations that Mr. Bedson was given the kind of responsibilities during those years that I had in mind and have in mind for the Clerk of the Cabinet.

HON. S. LYON: Mr. Chairman, coming back to the point that I referred to earlier which I don't believe was answered, is the First Minister prepared to accept the consequence that, because of his action vis-a-vis Mr. Bedson and the hiring of Mr. Decter who is an acknowledged New Democrat, that he has politicized the most senior Civil Service position in Manitoba, a position that heretofore was not a politicized position?

HON. H. PAWLEY: Mr. Chairman, I don't accept the premise.

HON. S. LYON: Mr. Chairman, then I have to ask the First Minister, does he know what a non-politicized Civil Service is?

HON. H. PAWLEY: Mr. Chairman, I have already indicated that, in my view, Mr. Bedson was philosophically as much of a Conservative as Mr. Decter is a Social Democrat, philosophically.

HON. S. LYON: Was Mr. Decter also a full-time career civil servant with 23 years service to this government and previous service with the Government of Canada?

HON. H. PAWLEY: Mr. Chairman, one has to consider many qualities when one appoints anyone to a position. One must consider experience, ability, talent, ability to be innovative and follow out the basic

instructions that will be delivered from time to time.

HON. S. LYON: Then, Mr. Chairman, would it be the expectation of the First Minister when he next calls an election and he is succeeded by another government that Mr. Decter would have any security of tenure?

HON. H. PAWLEY: Mr. Chairman, I didn't think there was any misunderstanding about this. Any positions that are appointed by way of Order-in-Council are political and subject to change by any incoming government.

HON. S. LYON: The Premier then, Mr. Chairman, is prepared to accept the fact that he has politicized the Clerk's job, which heretofore was not politicized, and that the person presently in that job when the government changes will of course not be expected to serve an incoming new government?

HON. H. PAWLEY: I am not prepared to accept the premise that the Civil Service is any more politicized now than it was under the previous four years of Conservative Government.

HON. S. LYON: Mr. Chairman, we're talking about the job of the Clerk.

HON. H. PAWLEY: I indicated, Mr. Chairman, —(Interjection)—

MR. CHAIRMAN: Order.

HON. H. PAWLEY: Mr. Chairman, it is my view, as I've indicated before, and I think it's a public expectation that the Clerk of Cabinet sits in on Cabinet meetings, is privy to all discussions and decisions that are made in Cabinet and has to relate those decisions appropriately, that indeed such a person is in a very key, very central, position. Therefore, the government, whatever that government is, must feel comfortable with that presence.

HON. S. LYON: Now that we have established that one of the prices of the First Minister's comfort is firing the senior civil servant in Manitoba, perhaps we can get onto some of the other positions that have been replaced.

Can the First Minister tell us about the particular and peculiar qualifications for the man he appointed as Deputy Minister of the Environment and Deputy Minister of Northern Affairs, Mr. McBryde, who used to be the NDP Member for The Pas? Would you tell us about his peculiar accomplishments for these positions and what is the pay of Mr. McBryde?

HON. H. PAWLEY: Mr. Chairman, I would have to get that information. If the Leader of the Opposition had been attending the Northern Affairs Estimates, he would certainly have that information.

HON. S. LYON: The Premier appoints the Deputy Ministers, Mr. Chairman.

HON. H. PAWLEY: Mr. Chairman, Mr. McBryde has the confidence of the people that he has to work with

as a result of the previous experience he has had as Minister of Northern Affairs. We certainly are not finding anything but satisfaction from the people of Northern Manitoba. Indeed, there have been some positive developments in attempts to undo four years of inertia during the previous four years of Conservative Government in Manitoba. Mr. McBryde is capable in developing programs indeed that will continue to ensure the confidence of the people in Northern Manitoba.

HON. S. LYON: Mr. Chairman, according to the peculiar tunnel vision of the First Minister, could he tell us whether or not in his view this is a politicized appointment now, succeeding as he did a career civil servant who was moved along to become Assistant Deputy Minister, I believe, of Natural Resources?

HON. H. PAWLEY: Mr. Chairman, I don't accept that Mr. McBryde is any more a politicized appointment than the continued appointment by this government, in fact, I think, elevated position for Dr. George Johnson, the former Conservative Cabinet Minister and Member of the Legislature for many years who is a Deputy Minister in this government. No more, no less.

HON. S. LYON: Would the First Minister, before he loses track of that thought, would he care to compare the two in terms of competence?

HON. H. PAWLEY: In my view they are both quite competent and that's why we have each of them in the service of this government.

HON. S. LYON: Quite or equally?

HON. H. PAWLEY: I am satisfied that each is competent in the field that they have been appointed to. Dr. George Johnson is competent in the field as Deputy of Health and Mr. Ron McBryde is competent as Deputy Minister of Northern Affairs. Obviously, Mr. McBryde would not be competent as Deputy Minister of Health and, I daresay, Dr. George Johnson would not be competent as Deputy Minister of Northern Affairs.

HON. S. LYON: What are Mr. McBryde's peculiar background accomplishments that fit him to be Deputy Minister of Northern Affairs and of the Environment?

HON. H. PAWLEY: Mr. Chairman, the advantage of Mr. McBryde's appointment is that he has been closely involved for many years with the Department of Northern Affairs, programs in the Department of Northern Affairs. In fact, he was quite involved in the basic organization of many of the community committees in Northern Manitoba, has a very thorough knowledge of the needs of Northern Manitoba. It's unfortunate that the previous government didn't have the services of someone at least equivalent to Ron McBryde when they were enjoying government in Manitoba. They might have done better in Northern Manitoba in the last election if they had.

HON. S. LYON: Losing the one seat we had by 61 votes was not doing too badly by anyone's count.

HON. H. PAWLEY: You certainly didn't make any improvement in the other four after four years in government.

HON. S. LYON: Building a few roads for them that the Honourable First Minister and his colleagues in the Schreyer years wouldn't build is at least some testament that we have left there to the concern that we had, rather than hand-holding jobs that my honourable friends made for their political friends up there.

HON. H. PAWLEY: Mr. Chairman, there's much more to developing Northern Manitoba than building two or three roads. Maybe that translates the lack of understanding unfortunately, that the Conservative Party's had insofar as Northern Manitoba's concerned. Is it any wonder, in the last few years, the Conservative Party's standing in Northern Manitoba sunk to an all time low?

HON. S. LYON: Mr. Chairman, just for the record and the question is ridiculous even to ask, Mr. McBryde, I take it, is a Member of the New Democratic Party?

HON. H. PAWLEY: Certainly, he has been. I haven't asked whether he continues to hold a card or not.

HON. S. LYON: It's beginning to be a prequalification for Deputy Ministers, isn't it?

HON. H. PAWLEY: I must say to the honourable member, I haven't run around to find out about other Deputy Ministers whether they have Conservative membership cards or Liberal membership cards. There may very well be some.

HON. S. LYON: Let's move then on that topic, Mr. Chairman, to the Deputy Minister of Energy of Mines. Mr. Marc Eliesen was made the Deputy Minister of Energy and Mines shortly after the socialist government came to office. Tell us about his background, Mr. Chairman.

HON. H. PAWLEY: Mr. Chairman, we had previous experience with Mr. Marc Eliesen and it was quite a satisfactory experience when he was with the Department of Finance in the Province of Manitoba.

HON. S. LYON: I think, as has previously been alluded to, Mr. Chairman, Mr. Eliesen is a well-known New Democrat, having worked for the Governments of British Columbia under that regime, Manitoba under the same regime and for the Federal Government briefly. Is that not the case? Before he went to work as the Principal Research Officer for the current leader of the socialist party in Canada, Mr. Broadbent.

HON. H. PAWLEY: I wasn't aware, Mr. Chairman, that having worked for the Federal Government should disqualify anybody as a Deputy Minister in a government department in the Province of Manitoba.

HON. S. LYON: I never suggested that it did. I am just asking the First Minister if it is not a fact that this man has worked only for two Provincial Governments that were under NDP tutelage at the time and then briefly

for the Federal Government before the last four, five or six years. The First Minister will know much better than me, having worked for Mr. Broadbent as a paid worker of the New Democratic Party in the Leader's office in Ottawa.

HON. H. PAWLEY: Well, I certainly know that he worked in the government in the Province of Manitoba and we had a very satisfactory experience with him and I believe that everyone else had satisfactory experience with Mr. Marc Eliesen in his competence.

HON. S. LYON: He left Manitoba to go to British Columbia as a Deputy Minister back in 1972 or thereabouts, was it?

HON. H. PAWLEY: I know he went to British Columbia and I don't think that's any crime.

HON. S. LYON: I wasn't suggesting it was a crime, Mr. Chairman. He ceased working for the Government of British Columbia.

HON. H. PAWLEY: I believe, Mr. Chairman, that Mr. Eliesen worked for Dave Barrett when he was Premier of British Columbia for a period of time. I also believe that Mr. Bedson worked for John Deifenbaker for a period of time. I suppose Mr. Diefenbaker, that's a different story from Mr. Barrett. One is political and the other is nonpolitical.

HON. S. LYON: Was Mr. Eliesen terminated by the Bennett Government when they came into office?

HON. H. PAWLEY: I couldn't tell you. He may very well have been.

HON. S. LYON: Isn't it a fact that, after his departure from B.C. for whatever reason, that he had a small rest cure here in Manitoba under the Schreyer Government for three or six months on a contract before he took up his onerous responsibilities as the Research Director for the New Democratic Party in Ottawa?

HON. H. PAWLEY: Mr. Chairman, what I do know is that we had no reason to feel other than Mr. Eliesen was competent and I must say that we have had no reason to feel otherwise during the times that he has returned to Manitoba. I know that his Minister, Mr. Parasiuk, has had a very satisfactory experience with Mr. Eliesen since his return. There is no question as to his competency and his desire to carry out the general programs of the government.

HON. S. LYON: Mr. Chairman, just on that point, would the First Minister care to expound as to whether or not he feels that Mr. Eliesen is carrying out the philosophical resource policies of the Government of Manitoba which are in the public interest of the people of Manitoba or is he still addicted to the resource and research policies that he was, no doubt, researching and enunciating for the Federal Leader of the New Democratic Party, which policies would have long since bankrupted this country?

HON. H. PAWLEY: Mr. Chairman, I know the Leader

of the Opposition has a particular twist insofar as his views of anyone that works on federal New Democratic Party policies. It's rather unfortunate, in my view, that we haven't had those policies reflected at the federal level. Maybe we wouldn't be in such a mess as we are today in Canada, if we'd had those policies implemented.

HON. S. LYON: We might be as well off as Britain.—(Interjection)—

Mr. Chairman, did we determine, is Mr. Eliesen a member of the New Democratic Party?

HON. H. PAWLEY: I would assume he has. Again, I have not asked to see his membership card.

HON. S. LYON: So, that's three out of three so far, isn't it?

Let's move to the Deputy Minister of Labour. The Deputy Minister of Labour was a career civil servant who was moved to one side by this government when it came into office and the replacement was one Mary Eady. Perhaps, the First Minister would care to tell us about the particular accomplishments and background of this person which qualified her to be Deputy Minister of Labour of the Province of Manitoba.

HON. H. PAWLEY: Again, Mr. Chairman, outside of the fact that the First Minister doesn't like her particular philosophic bent and the fact that she's not a Conservative, we have no reason to question —(Interjection)— it's quite obvious for the last half hour. Mr. Chairman, if I could finish - if the First Minister would be courteous enough to permit me to finish his question. I'm sorry. Would the Leader of the Opposition permit me to complete my answer?

HON. S. LYON: By all means.

HON. H. PAWLEY: We have never had any reason, nor have I heard any reason from any source, as to doubt either the competency or the desire to carry out the policies of government on the part of Mary Eady.

HON. S. LYON: Mr. Chairman, that really wasn't the question. The question was, what is her background and her competency to be a Deputy Minister of Labour in the Province of Manitoba? We are not interested in the First Minister's objective judgment of her competence in the first four or five months.

MR. CHAIRMAN: Order, order. The recorder has asked me to ask you not to speak at the same time because it's impossible to differentiate who's speaking, so he is asking your co-operation so he can record for Hansard.

HON. H. PAWLEY: Mr. Chairman, Mrs. Eady was the Director of the Women's Bureau for a number of years in the Province of Manitoba, which is an important section of the Department of Labour, performed those duties well. As well, she has served in a senior position with the CLC.

HON. S. LYON: What is her academic background and so on, Mr. Chairman.

HON. H. PAWLEY: I would have to provide that to the Leader of the Opposition, Mr. Chairman.

HON. S. LYON: Perhaps that could be obtained, Mr. Chairman, before we're through tonight or whenever this carries on. Is Mrs. Eady a member of the New Democratic Party, Mr. Chairman?

HON. H. PAWLEY: Again, Mr. Chairman, I would not be certain as to whether she holds a membership card or not. I would be rather presumptuous to suggest she's got a membership card without . . .

HON. S. LYON: The Minister of Resources says he hopes she does. Can we take it as a presumption, just for the record, Mr. Chairman, that Mrs. Eady is undoubtedly a member of the New Democratic Party?

HON. H. PAWLEY: I think that the Leader of the Opposition would have to ask her. I haven't asked her.

HON. S. LYON: I'm sure that, Mr. Chairman, the First Minister didn't have to ask her because he already knew.

HON. H. PAWLEY: I don't sense that to be any question. It's just an assumption that the Leader of the Opposition is making.

HON. S. LYON: So that is subject to that verification of her party membership. That's four out of four Deputy Ministers so far.

HON. H. PAWLEY: I want to advise the Leader of the Opposition that I don't intend to canvass the Deputy Ministers of the various departments to find out whether they hold membership cards in the Conservative, Liberal or New Democratic Parties.

HON. S. LYON: Let's turn for a moment then, Mr. Chairman, to the new Deputy Minister of Urban Affairs, Mr. David Saunders, a man who was an Assistant Deputy Minister of Municipal Affairs in the previous government and who ran as a candidate for the New Democratic Party, so I take it we don't even have to ask about his party affiliation. He received his reward immediately after the election. Having lost the election, he was made Deputy Minister of Urban Affairs. Is there any need for me to ask, is he a member of the New Democratic Party, Mr. Chairman?

HON. H. PAWLEY: Mr. Chairman, he was on November the 30th. Whether he still has a membership card or not, I don't know.

HON. S. LYON: He was a candidate in the last election.

HON. H. PAWLEY: I'm not questioning that, Mr. Chairman.

HON. S. LYON: I presume that we can make the safe assumption that he's still a member, unless he revoked his membership. So, that's five out five is it, Mr. Chairman, so far? Five out of five senior Deputy Ministers in this government in the last six months who have

been appointed to their positions, one of the qualifications for which at least was that they had to be known New Democrats or card-carrying members of that party and the First Minister sits here tonight and says that he hasn't politicized the senior levels of the Civil Service of Manitoba. Let's hear his defense.

HON. H. PAWLEY: Mr. Chairman, there is no defense to be offered because there is no allegation that is worth responding to. Mr. Chairman, there are a number of other Deputy Ministers that the Leader of the Opposition has carefully refrained from mentioning that had been appointed in the last six months who, to my knowledge, are not New Democrat? I don't know what membership cards they hold, if any; Mr. Poyser, Mr. Ron Duhamel, Nick Carter. It's quite selective for the Leader of the Opposition to single out certain people for castigation.

Mr. Chairman, I want to also make it very clear to the Leader of the Opposition that the criteria that is important is that there be compatibility with the government in power as well as competency, that some individuals have been appointed who are obviously not New Democrat. There have been other individuals appointed that have been New Democrat. As far as I'm concerned, to have a membership card in any particular party will not be a basis for disqualification.

HON. S. LYON: Mr. Chairman, according to my account, Dr. Duhamel, who is the Assistant Deputy Minister of Education, was made the Deputy Minister and he was an appointment from within the Civil Service. Mr. Edwards, who is the Chairman of the Health Services Commission, was appointed the Deputy Minister of Health from within the Civil Service. All of the other appointments that my honourable friend has made as Deputy Ministers, the other five, are all New Democrats. Now, if my honourable friend wants to say that he is not politicizing the Civil Service, perhaps he'd care to answer that.

HON. H. PAWLEY: Is the Leader of the Opposition suggesting that Mr. Carter and Mr. Poyser, that were brought in from outside the Civil Service, are card-carrying New Democrats? I don't know. Maybe the Leader of the Opposition knows people's politics better than I do.

HON. S. LYON: I admitted that Mr. Duhamel was promoted from within the Civil Service, but I said that five out of the seven appointments that this First Minister has made have been acknowledged New Democrats.

HON. H. PAWLEY: Five out of how many?

HON. S. LYON: Seven.

HON. H. PAWLEY: Where does the Leader of the Opposition place Mr. Carter and Mr. Poyser?

HON. S. LYON: Mr. Poyser is not a Deputy Minister. Need I remind the First Minister, Mr. Chairman? Mr. Poyser is a part-time Chairman of the Civil Service Commission and that was a good appointment, I may say. After we had restored some integrity to the Civil

Service Commission in 1977. I was pleased to see the First Minister - and I'll give him this compliment - appoint somebody who had been a career civil servant as Chairman. The previous Chairman of the Commission, who had been moved along to other positions in the Civil Service and has now come back to his reward as Chairman of something or other under this government, under that particular Chairman had been a severe degradation of the Civil Service in Manitoba. So if my honourable friend wants to talk about that tonight, I'm good for hours.

HON. H. PAWLEY: Mr. Chairman, I mentioned Mr. Carter who I appointed Deputy Minister of Resources.

HON. S. LYON: Mr. Chairman, the Honourable First Minister wants to make or appears to be wanting to make comparisons all the time and about the need for philosophical compatibility with his particular form of government. Would he care to reflect back for the previous four years and name any one of the Deputy Ministers, most of whom are still in place, who were appointed by the previous government because of their political philosophical compatibility? Would he say that about Mr. Bailey or would he say that about Mr. Ron Johnson? Would he say that about Mr. Mason? Would he say that about Mr. Brighty? Would he say that about Mr. Thompson? Would he say that about Mr. Curtis? Would he say that about Mr. Miller? Would he say that about Mr. Hryhorczuk? Would he say that about Mr. Brako or Mr. Forrest or Mr. Anderson, that they had to be philosophically and politically compatible with the previous government or they wouldn't have stayed on?

HON. H. PAWLEY: I would say that about Dr. George Johnson and Paul Jarvis.

MR. S. LYON: Anybody else?

HON. H. PAWLEY: I am sure there are others but, Mr. Chairman, I'm not quite as paranoid as the Leader of the Opposition is about running around to find out who is Conservative and who is Liberal among the Deputy Ministers. I haven't gone back into the origins of their appointments, those that have been appointed in the last four years. Those are no longer here. Two names come readily to mind and as I mentioned earlier, we are very, very pleased to continue the services of Dr. George Johnson.

HON. S. LYON: And Messrs. Bailey, Johnson, Mason, Brighty, Thompson, Curtis, Miller, Hryhorczuk, Brako, Forrest and Anderson, I presume? Or have any of them been found to be philosophically incompatible with this bunch?

HON. H. PAWLEY: Mr. Chairman, the objections that the Leader of the Opposition had to some of the earlier appointments didn't seem to be based upon competency, but the fact that they were New Democrats. I suspect that some of the people mentioned may or may not have supported other parties besides the New Democratic Party but, unlike the Leader of the Opposition, I'm not particularly worried about finding out as long as they're doing a competent and loyal job for the

government. I know that if it had been the Leader of the Opposition, that he would already have been scouting around, I suppose, to trace back through the files to find out whether or not they were satisfactorily loyal or not.

HON. S. LYON: Mr. Chairman, we are well aware of what appears to be the main requirement for an appointment to a Deputy Minister having gone over five out of the seven, that they've had to be, using that euphemistic term, social democrats or New Democrats or socialists or whatever term you wish. If my honourable friend wishes to go back and name any one of the previous deputies who was appointed because he was a Progressive Conservative, let him do so now.

HON. H. PAWLEY: Mr. Chairman, I mentioned a number of individuals that were appointed within the last six months who to my knowledge have no New Democratic Party ties, so the Leader of the Opposition is quite incorrect when he suggests that they had to be New Democrats. —(Interjection)—

Mr. Chairman, if I could complete my remarks. I would appreciate it if the Leader of the Opposition would extend me the same courtesy I'm attempting to provide him.

Again, to Mr. Ron Duhamel, Mr. Nick Carter, Mr. T. Edwards, that have been appointed. So that the statement, they have to be New Democrats, is absolutely false.

HON. S. LYON: Mr. Chairman, I thought that we had reached a level of understanding here that nobody is talking about the career civil servants; Mr. Duhamel, Mr. Carter, who was a career civil servant and the one other that the First Minister named. We are talking about the new socialists that he brought in, the itinerant paladins who move about this country working for socialist governments. Tell us about them. Have dogma, will travel.

HON. H. PAWLEY: Mr. Chairman, it really astounds me to hear the Leader of the Opposition talk in the way that he is. He seems to be intent on desiring to divide people into the good people, the non-socialists and the bad people, the socialists. In my view, there are competent socialists, there are incompetent socialists; there are competent non-socialists and incompetent non-socialists. It happens that some of the Deputies that have been appointed have been New Democrats; it happens that a number of them, whether they were appointed from within the Civil Service or brought in from outside the Manitoba Civil Service, are non-New Democratic orientation. I know that the Leader of the Opposition if he was in government would be not hiring any so-called, as he grinds his teeth, socialists. That is not the case with this government, there has been a mix.

HON. S. LYON: Mr. Chairman, I think we can leave it as established that five of the new seven Deputy Ministers that I've gone over, appointed by the First Minister are, by his own admission or by general acknowledgment, New Democrats. And if my honourable friend wants to talk about the past and about his version of

politicization of the Civil Service, I'm prepared to leave it to the jury of public opinion in Manitoba as to who's doing what to the civil servants at the senior levels.

HON. H. PAWLEY: Mr. Chairman, I'll gladly accept that challenge from the Leader of the Opposition and I have no doubt as to the response of Manitobans. The Leader of the Opposition is using the figure 7, I believe it's 8 Deputy Ministers that have been appointed in the last six months.

HON. S. LYON: Mr. Chairman, would the First Minister, going back to his staff, care to tell us what is the current division between what one might call the political side of the staff and the professional or full-time Civil Serviceside of the staff? How many of the people that he has mentioned on his staff would he categorize as being political and how many would he categorize as being professional civil servants, starting with the Clerk of the Executive Council?

HON. H. PAWLEY: Well, the Clerk of the Executive Council is carrying out a professional responsibility.

HON. S. LYON: But he's a political appointment.

HON. H. PAWLEY: Well, just as Mr. Bedson was a political appointment, anyone that is appointed by way of Order-in-Council is subject to revocation by the government that is in power at any given time.

HON. S. LYON: He wasn't revoked by the current Governor-General of Canada, but he's revoked by this Premier. Let's call him political because he is from now on.

What about Mr. Regehr, the Principal Secretary to the Premier? Would you call him political or professional?

HON. H. PAWLEY: Mr. Chairman, the same way that Mr. McCance likely was, who was seconded from the Department of Finance so that the monies that were allocated for Mr. McCance's salary didn't show up in the Executive Council Estimates.

HON. S. LYON: Mr. Regehr is the Past President of the New Democratic Party of Manitoba?

HON. H. PAWLEY: Yes, I didn't realize there was any secret about that.

HON. S. LYON: I don't want to be unfair, Mr. Chairman, but it wouldn't be unfair then to classify the Past President of the New Democratic Party of Manitoba who's now in a job paying - what is it again - as Principal Secretary to the Premier?

HON. H. PAWLEY: Maybe what I should do is go down the entire list, Mr. Chairman. —(Interjection)—

MR. CHAIRMAN: Order.

HON. H. PAWLEY: Mr. Chairman, I would like to do some comparing of positions which might be quite helpful to the Leader of the Opposition.

HON. S. LYON: What is Mr. Regehr's pay, first of all, Mr. Chairman?

HON. H. PAWLEY: I've already given you that information earlier.

HON. S. LYON: I'm sorry I didn't mark it down. I didn't catch it. I've got all the others.

HON. H. PAWLEY: Well, we read it. We read all these positions out. Do you want us to go through them all a second time?

HON. S. LYON: I've got them all except Mr. Regehr's pay.

HON. H. PAWLEY: \$54,000.00.

HON. S. LYON: It would be agreed that that's now a political position, the Principal Secretary to the Premier?

HON. H. PAWLEY: Now, I'd like to, Mr. Chairman, just run through so that we can maybe save some time. Mr. Regehr, previously of course it was Mr. McCance that I mentioned that was brought in from the Finance Department; the Secretary to the Premier before, Mr. Lyon, was S. Goerzen, now it's Bernadette Boulet; Executive Assistant before was J.D. Lees, to the Leader of the Opposition when he was First Minister, now it's Mr. L.C. Carrothers; formerly there was an Executive Assistant to Mr. O.A. MacPhail, now the Assistant Principal Secretary doing comparable work is A. Mitchell; there's Communication and Co-ordination Officer, D. O'Connor, Secretary; there is J. Wasylycia-Leis; there was a Co-ordinator of the Premier's Secrétariat in Mr. Lyon's day of W.R. McCance at \$46,950; there was a Media Secretary, J. Armit to the then Premier, now Leader of the Opposition, at \$37,287, J. Armit who's doing the same work as G. Cramer with the present administration who's earning \$26,287; then we had Mr. Bedson at \$58,901 and now Mr. Decter is fulfilling that function, plus other functions that were not earlier carried out, at the same salary; then we had Mr. Leitch who was Senior Officer 2, previously.

HON. S. LYON: Mr. Decter, I take it then was appointed to the Clerk's job at the same salary as Mr. Bedson, who'd been in the job for 23 years?

HON. H. PAWLEY: Yes.

HON. S. LYON: The Minister of Resources says, a little bit more brains though, a remark that I'm sure in years to come he'll wish he hadn't put on the record.

HON. S. LYON: Mr. O'Connor is now the Communication and Co-ordination Secretary for the First Minister at a salary of \$43,576.00? That's correct?

HON. H. PAWLEY: Yes, well I thought - this is the third time I've mentioned the salary. Maybe we could help the Leader of the Opposition by committing ourselves to make sure that we have the printed material to him because we have already gone over that I think

it's three times now.

HON. S. LYON: Mr. Chairman, we may mention it three dozen times and my honourable friend will remain here as long as we want to mention it.

HON. H. PAWLEY: Mr. Chairman, I don't know whether the Leader of the Opposition's misreading me. I'm not complaining about the length of time. What I am concerned about, the Leader of the Opposition appears to be having some difficulty taking notes from what I'm saying verbally and I'd like to assist him by providing him with the printed material as soon as we're able to.

MR. CHAIRMAN: The Clerk tells us you can get the material printed if it would be of help to the Leader of the Opposition. Would you like it printed?

HON. S. LYON: Mr. Chairman, to the First Minister, Mr. O'Connor is the Communication and Co-ordination Secretary at \$43,576.00? Yes or no?

HON. H. PAWLEY: Yes.

HON. S. LYON: And what are his responsibilities?

HON. H. PAWLEY: He's got a number of responsibilities. In fact, what we should do is probably give the Leader of the Opposition the full job description.

Mr. O'Connor is responsible for government communications insofar as the government as a whole in the First Minister's Office.

HON. S. LYON: Mr. O'Connor previously was Executive Assistant to the First Minister when he was Leader of the Opposition?

HON. H. PAWLEY: Yes.

HON. S. LYON: May I add, served him very very well. He's a competent man.

HON. H. PAWLEY: Yes, he is very competent. No one has ever questioned Mr. O'Connor's competency.

HON. S. LYON: Certainly not I. What was Mr. O'Connor receiving as the Executive Assistant to the Leader of the Opposition?

HON. H. PAWLEY: I don't know. I think it was \$22,000, \$23,000.00. No? Somewhere in that neighbourhood.

HON. S. LYON: I believe that the Executive Assistant's job carries a salary of that, so I congratulate Mr. O'Connor in doubling his salary by virtue of the election win. He's a good man.

Is the Information Services Branch of government under Mr. Norm Donogh, which heretofore reported to the Minister of Government Services and his Deputy, is that branch now reporting to the Premier through Mr. O'Connor?

HON. H. PAWLEY: That is correct.

HON. S. LYON: Then Mr. O'Connor, we should be in

no doubt, is a political appointment?

HON. H. PAWLEY: Yes, he's appointed by way of Order-in-Council.

HON. S. LYON: I daresay, Mr. Chairman, that my honourable friend when he was Leader of the Opposition didn't appoint Mr. O'Connor because he liked the colour of his hair. He was, was he not and is and remains and is not proud himself to deny it; he doesn't want to deny it; he's a Member of the New Democratic Party and a good member of that party. Why be bashful about it?

HON. H. PAWLEY: Mr. Chairman, I didn't realize I was being bashful.

HON. S. LYON: I find nothing wrong with that at all. I think he's an extremely competent New Democrat. There aren't many of them around but he's one of them.

HON. H. PAWLEY: Maybe the Leader of the Opposition could also go through some of the former incumbents in the various positions and advise of their membership cards too.

HON. S. LYON: Nobody's finding any fault with Mr. O'Connor. What I'm trying to get at is this - and not trying to get at, we know it - I just want the First Minister to confirm what the people of Manitoba should know.

HON. H. PAWLEY: Mr. O'Connor, I've never made any bones about it, has worked very closely with me and has been very loyal and competent individual that has shared my political philosophy.

HON. S. LYON: Good. And for the first time in the history of Manitoba the Information Services of this province are reporting to a political appointee of the Premier. Is that not right?

HON. H. PAWLEY: Mr. Chairman, I don't see any difference between reporting to Mr. O'Connor and reporting to a Minister that is very political. So, Mr. Chairman, I didn't realize that Ministers were non-political if the Information Services were reporting directly to them.

In this case I must say that the responsibility of Information Services remains the ultimate responsibility of the First Minister. I might also just add for the information of the Leader of the Opposition, I'm not sensing any allegations of politicization of the Information Services.

HON. S. LYON: Mr. Chairman, I'm merely trying to get at some facts that my honourable friend seems to be very shy about admitting. He shouldn't be so super sensitive. The Information Services in the last six months, by Order-in-Council of this socialist government, is reporting to Mr. O'Connor, who is the Communications and Co-ordination Secretary to the Premier, an acknowledged political appointee. I'm merely asking the First Minister, is it not the fact that's the first time in the history of Manitoba that the Information

Services have been asked to report to a Minister through another political officer?

HON. H. PAWLEY: I couldn't tell the Leader of the Opposition whether that's been the case previously or not. In the days of Mr. Weir, the Information Services fell within the Executive Council. I don't know whether they reported to anyone prior to Mr. Weir. I don't know whether it makes that much difference frankly, Mr. Chairman. It's a question of whether or not Information Services has been changed insofar as its basic role of providing information. That has not been the case.

HON. S. LYON: Well, Mr. Chairman, one can understand my honourable friend's apparent confusion. News services and propaganda to socialists seem to be one and the same, but all we're trying to find out is whether the News Service which heretofore was a professional activity of the Civil Service of Manitoba is now reporting to the First Minister through a political appointee?

HON. H. PAWLEY: Well, Mr. Chairman, I thought I had told the Leader of the Opposition that five minutes ago.

HON. S. LYON: Fine, okay. So that's a third political appointee. We have Mr. Decter, Mr. Regehr and Mr. O'Connor as we go down the list. Could the First Minister tell us about Anna Lee Mitchell, the Assistant to the Principal Secretary? What are her responsibilities and is she a political appointee? There's nothing wrong with having political appointees. All governments do.

HON. H. PAWLEY: Yes, in the same way that Olive MacPhail was a political appointment that was doing similar work.

HON. S. LYON: She was the Secretary's Assistant, yes. Right, acknowledged. Fired before your government came into office, you fired her.

MR. CHAIRMAN: Order.

HON. H. PAWLEY: Mr. Chairman, I would assume that Anna Lee Mitchell would be fired in the same way that Olive MacPhail was fired.

HON. S. LYON: By the outgoing government.

HON. H. PAWLEY: Yes, sure.

HON. S. LYON: And what is her job? She is a Member of the New Democratic Party, of course?

HON. H. PAWLEY: Yes.

HON. S. LYON: Okay, so that's four we have. As Assistant to the Principal Secretary, she works as an assistant, I take it in the political sense, to Mr. Regehr who is the former President of the New Democratic Party, who is now the Principal Secretary to the Premier, at \$31,378.00.

Now, we have the next person, Judy Wasylycia-

Leis, Co-ordinator of the Premier's Secretary, at \$34,149.00. What are the responsibilities of that person?

HON. H. PAWLEY: The Correspondence Officer, the Itinerary Co-ordinator, the correspondence and appointment secretaries all report to her.

HON. S. LYON: Is Ms. Wasylycia-Leis a Member of the New Democratic Party as well?

HON. H. PAWLEY: I assume so. She is a political appointment in the same way that there were so many previously that were appointed politically as well, in the same office.

HON. S. LYON: I don't know why my honourable friend's so defensive, Mr. Chairman. I'm just merely trying to elicit a few facts.

Tell us then, Mr. Chairman, —(Interjection)—

HON. H. PAWLEY: Mr. Chairman, I don't want the Leader of the Opposition to be under any misunderstanding. I want to assure him that I'm not sensitive at all. Just as there are appointments that are made of by Order-in-Council now as there was during his term in government, I'm just rather amazed that the Leader of the Opposition thinks that there's anything particularly different from the times that he was responsible for the same office.

HON. S. LYON: Mr. Chairman, Ms. Arlene Wortzman, Policy Analyst at \$34,149, is also a member of the New Democratic Party?

HON. H. PAWLEY: She is philosophically certainly in tune with the New Democratic Party.

HON. S. LYON: What are her responsibilities, Mr. Chairman, as Policy Analyst?

HON. H. PAWLEY: She is doing Planning and Program Analysis on behalf of the government which is continuing on the kind of function that Mr. McCance would have performed.

HON. S. LYON: Or perhaps Mr. Leitch?

HON. H. PAWLEY: Or Mr. Leitch, I'm sorry, who was terminated I believe prior to November 30 by the outgoing government.

HON. S. LYON: Yes. Mr. Garth Cramer, the Media Secretary to the Premier, what does he do at \$26,287.00? Does he assist Mr. O'Connor? He's the second person in the communications field in the Premier's office whereas heretofore there had been one. What are his special responsibilities?

HON. H. PAWLEY: Media Secretary, appointments, speech writing, involved with various press conferences and press events.

HON. S. LYON: Which of these people if I might ask, Mr. Chairman, or have we come across the relevant name of the person in the Premier's office who is

doing the study, perhaps even on a contract basis, into the Information Services provided by the various departments of government including, I take it, the major Information Services under Mr. Donogh?

HON. H. PAWLEY: That was a contract position and you're thinking of Mr. Wepler.

HON. S. LYON: Wepler? W-E-P-L-E-R?

HON. H. PAWLEY: Two "p's."

HON. S. LYON: W-E-P-P-L-E-R, and he is attached for contract purposes, I take it, to the First Minister's Office?

HON. H. PAWLEY: That is correct.

HON. S. LYON: Is he on a three month, six month, one year . . .

HON. H. PAWLEY: His responsibility on the contract carries on to June 30th.

HON. S. LYON: June 30th, and what may we expect from this period of employment when he ceases being employed? What may we expect to receive?

HON. H. PAWLEY: First, I don't want the Leader of the Opposition to misunderstand because I think the Leader of the Opposition used the term "Information Services." That's not what Mr. Wepler is dealing with. He is dealing with general information and the various information units that exist within government in the various departments and is bringing in recommendations pertaining to that because we have at the present time a lack of co-ordination, a lack of consistency in many respects, in ensuring that communications are properly and effectively provided to the public. If the Leader of the Opposition wants, I could go into more detail insofar as the terms of responsibility in respect to that contract.

HON. S. LYON: The one item we would like to have, it may already be on the record but if the figure isn't readily handy to the First Minister, what is the salary attached to that contract for the period expiring June 30th? I presume it's a six-month contract.

HON. H. PAWLEY: He's receiving \$3,000 a month.

HON. S. LYON: Three thousand. Now Leslie Carrothers, the Executive Assistant, obviously a member of the New Democratic Party because that's what Executive Assistants are there for . . .

HON. H. PAWLEY: That's right, in the same way that J.D. Lee's was.

HON. S. LYON: Of course, no apologies need be made. My honourable friend needn't feel his skin tightening on him at all.

So then of these appointees that we've talked about Messrs. Decter, Regehr, O'Connor, Ms. Mitchell, Ms. Wasylycia-Leis, Ms. Wortzman, Mr. Cramer and, of course, Leslie Carrothers are all political appointees?

HON. H. PAWLEY: Yes, they are in the same way that - I don't recall just how many political appointments were terminated by the outgoing government prior to November 30th, but they would . . .

HON. S. LYON: 60 or 70.

HON. H. PAWLEY: How many?

HON. S. LYON: 30, 40, 60, 70 . . .

HON. H. PAWLEY: In the same way I would assume - mind you, it won't happen for many many years I'm sure - that people holding these positions would be terminated the same way as the previous government terminated their political appointments. In fact, I have now the printed forms that might help the Leader of the Opposition if we could have them distributed.

HON. S. LYON: Are there any others in the offices enumerated by the First Minister following upon Leslie Carrothers, there was a secretary, a protocol person, correspondence and so on - any of those people that the First Minister would designate as being political appointees?

HON. H. PAWLEY: The others that I made reference to went through the Civil Service and we're talking of Feely, Gerecke, Ross. All the others are the Civil Service.

HON. S. LYON: Mr. Chairman, are there any other appointments or transfers of Deputy Ministers that are being imminently contemplated by the First Minister? The second part of the same question: if so, can we expect that a practice will be followed whereby, which was followed by the previous government in a number of cases, not in all cases, professional hiring people will be asked to see if they can obtain the best talent in Canada regardless of the political background of the person? Is there any hope or expectation that that practice might come into play under this?

HON. H. PAWLEY: We have just completed, I believe, something that I don't believe has occurred before in Manitoba either during the Leader of the Opposition's term in government as Premier or under the previous New Democratic Party Government, '69-77, a process that I've been very pleased with and that is Civil Service hiring of a Deputy Minister and that is in respect to the Deputy Minister of Cultural Affairs, in which there have been quite an extensive interview process. I believe that the Minister of Cultural Affairs has already made a decision in respect to the appointment. That name can be provided to the Leader of the Opposition; I don't have it right here at the moment but we can get it. I believe that person is taking over responsibility on August 1st of this year.

HON. S. LYON: We would appreciate that information, Mr. Chairman, now or in the course of the committee hearing tonight.

MR. CHAIRMAN: 1.(c)(1)—pass.

HON. S. LYON: No, Mr. Chairman —(Interjection)—

You'll get used to it. —(Interjection)— Courtesy is something you have to learn, but you'll get used to that too.

HON. H. PAWLEY: Mr. Chairman, I'm sorry I have to correct an earlier statement. I can't give the Leader of the Opposition the name of the person I made reference to because we're still negotiating salary.

HON. S. LYON: Fair enough. In that connection, could the First Minister indicate why the services of Mr. Prefontaine, the previous Deputy Minister were not renewed when his contract ran out?

HON. H. PAWLEY: As I recall it, Mr. Prefontaine offered his resignation and his Minister recommended the acceptance of the resignation. I think Mr. Prefontaine indicated in his resignation that he felt that was a proper course for a Deputy Minister, one that he in his opinion wanted to follow.

HON. S. LYON: Was there any particular reason for the government not renewing that contract? He was here on an exchange contract from the Federal Civil Service for a stated period. Was there any reason for not renewing that contract by reason of competency or anything else?

HON. H. PAWLEY: No, I think it's simply that Mr. Prefontaine tendered his resignation. The resignation was accepted and based upon the recommendation of the Minister.

HON. S. LYON: And there are no other Deputies at the present who are being contemplated or in the mill for change?

HON. H. PAWLEY: Not at the present time, I'm advised of maybe one or two retirements.

HON. S. LYON: Mr. Chairman, during the last two to three years in the Premier's Office, as the First Minister will readily understand, there was a great deal of time spent by the Clerk of the Executive Council, the First Minister, the Attorney-General and a number of his staff on the Constitutional proposals of Prime Minister Trudeau on that particular rather elongated discussion. Negotiation period came to one juncture point in November. Can the First Minister indicate, having regard to the fact that there will be I believe within a year another Constitutional Conference, who will his principal advisers in this respect be?

HON. H. PAWLEY: The Attorney-General, of course, will be involved. The Leader of the Opposition is referring to the upcoming conference pertaining to Aboriginal and the Treaty Rights' commitment that was given by the First Minister. The Attorney-General and the Attorney-General's Department will be involved in respect to recommendations. There is no one specifically in a technical sense who is working on a paper presentation but it will be the Attorney-General's Department.

HON. S. LYON: I take it from what the Attorney-General has said that Professor Gibson from the Uni-

versity of Manitoba is doing some Constitution related work. Would he be regarded as one of the principal advisers to the First Minister on Constitutional matters or not?

HON. H. PAWLEY: Yes, he certainly would be but I'm not certain whether he will be involved in respect to the particular conference the Leader of the Opposition is referring to, but it could very well be that Professor Gibson would be providing input. There's been no decision made.

HON. S. LYON: Professor Gibson, I believe and I'm subject to correction on this, was among that level of academics who was rather more favourably disposed to an entrenched Bill of Rights than most of the academicians who found their way around the Table in the course of the First Ministers' Conferences on this matter. May I ask in a general way, does the First Minister happen to share the views of Professor Gibson with respect to the need for a fully entrenched Charter of Rights in Canada or does he rather favour the compromise that was arrived at, namely, one which preserves parliamentary supremacy by reason of the parliamentary override which is contained in the present document?

HON. H. PAWLEY: I would prefer to have a Bill of Rights that does not enshrine parliamentary override.

HON. S. LYON: I take it what my honourable friend is saying, Mr. Chairman, is that he would prefer to have a Charter of Rights entrenched with no parliamentary override. Is that what we're hearing?

HON. H. PAWLEY: That is correct.

HON. S. LYON: That was the position that of course was in direct opposition to the position that was taken by Mr. Blakeney, who at that time was the only NDP Premier in Canada. The First Minister has succeeded to that position now for a while. Could I ask if this position that he holds is such that he can not visualize a set of circumstances wherein the parliamentary and/or the legislative override would be required to be used by this Legislature or by the Parliament of Canada in order to ensure that the law of the country was not being legislated in a way by the courts which was contrary to the will of the people?

HON. H. PAWLEY: I am not conscious at this time of any of the provisions that the Manitoba Government would want to override. Now experience may tell us otherwise, but I'm not aware of any of the provisions at this particular point that the Attorney-General or myself as First Minister would want the Province of Manitoba to override.

I'd like to just add some further information for the Leader of the Opposition. Professor Gibson, Kerr Twaddle, Brian Schwartz and Colin Gillespie are all advisers on Constitutional matters at the present time.

HON. S. LYON: Mr. Twaddle is still retained by the government? He was the Chief Counsel of course for the government in the action brought against the . . .

HON. H. PAWLEY: Yes. We haven't checked his card. We don't intend to.

HON. S. LYON: I haven't either, he's one of the best counsel in Canada. —(Interjection)— Mr. Chairman, the Attorney-General is trying to get his two bits worth in, but Mr. Twaddle of course acted as the lead counsel for Manitoba during the time when the Premier of Manitoba at that time happened to be the Chairman of the Conference of Premiers and as a result Mr. Twaddle acted in a very distinguished way, ultimately as lead counsel for the eight provinces who successfully opposed Mr. Trudeau's unilateral package.

Now getting back to the point that I was on, we're well aware of the Attorney-General's opinion on this matter because he's spoken out to the Manitoba Association of Rights and Liberties or L.R. or R.L., whatever the group is, MARL, and said that he can visualize no circumstance under which the parliamentary override would be used by this Legislature to ameliorate against the Bill of Rights or some interpretation of the Bill of Rights that might be made by some court. I'm not in any way trying to put words into the Premier's mouth, but I rather thought that he was being a bit more prudent than that, in saying that he can't visualize such a circumstance but that it might well exist. Am I right in my understanding?

HON. H. PAWLEY: That would be basically correct. I indicated that I cannot see any of the existing provisions where the government of the Province of Manitoba would want to use its power of override. If indeed circumstances indicated otherwise in the future, then government would have had to assume responsibility for looking at what would be a very important decision as to whether same would be justified or not. I do not foresee that at this stage.

HON. S. LYON: Mr. Chairman, let me perhaps suggest a scenario in which I think the proper prudence of the First Minister as opposed to the rhetorical flamboyance of the Attorney-General might be wiser. A good number of years ago, and indeed the First Minister and the former Attorney-General will be familiar I am sure with the law, the Legislature of Manitoba in its wisdom saw fit to make an amendment to The Child Welfare Act which enabled courts to order medical treatment to be given to children where that medical treatment was being denied children in a life-saving way because of legitimate religious beliefs of the parents.

Now we have a Bill of Rights or a Charter of Rights which talks about freedom of religion. I'd like to ask the First Minister to visualize a situation like this, that you might have such a child in need, for instance, of a blood transfusion, which was the case in point some 20-some-odd years ago. A court under the provincial legislation still in force could order that transfusion to be given. Theoretically at least, the parents holding firmly to their religious belief - no one is criticizing this belief - could now under the Bill of Rights under the section dealing with freedom of religion go to the court and seek to have the provincial law nullified on the basis that their freedom of religion was being denied if the court were to order the transfusion to be given to that child. Is that a circumstance, Mr. Chair-

man, in which the First Minister in his, I would think, wiser prudence would be prepared to recommend to the Legislature that an override take place and that the law of Manitoba be declared to be superior to that of the Charter of Rights section which, if followed through, would of course possibly cause the child to die.

HON. H. PAWLEY: If indeed that was the case as outlined by the Leader of the Opposition, but I don't claim to be a criminal lawyer or a constitutional lawyer, but I would tend to think that the example given by the Leader of the Opposition would not here be applicable because I would think - and the Attorney-General's a former professor of criminal law - that . . .

HON. S. LYON: That's no guarantee that his opinions are any better than yours.

HON. H. PAWLEY: I would tend to think that . . .

HON. S. LYON: Mr. Chairman, some of us don't have to have a traffic map to find our way to a courthouse like the Attorney-General. However, let's carry on.

MR. CHAIRMAN: Order.

HON. H. PAWLEY: I would be inclined to think that, in the given case, that would be an infringement of the criminal law, that there would be a situation involving criminal neglect. I would think in that case that the criminal law would prevail.

HON. S. LYON: Mr. Chairman, there was a situation, I can tell the First Minister, some 20 odd years ago where that fact, somewhat akin to those that I have presented as a theoretical or a hypothetical scenario, did occur. The child died and as a result of the child dying the Legislature of Manitoba in its wisdom enacted a law which would permit the courts to move in and override the lack of consent of the parents and order the medical treatment to be given as a lifesaving measure.

Now, we realize that this is a hypothetical situation, but I am asking the First Minister, would he not consider that assuming that set of circumstances, which may or may not come about - pray God they won't come about - would he not then be prepared to request the Legislature of Manitoba to override the Charter of Rights in order to save lives?

HON. H. PAWLEY: I'd be inclined to think that the opening section in the Charter, dealing with the "subject to reasonable limitations that are acceptable in a parliamentary democracy," would protect the children in the kind of case that the Leader of the Opposition has provided us with.

HON. S. LYON: Mr. Chairman, I'm heartened at least to hear the First Minister say that he is like most of us, not all knowledgeable. We can't visualize all circumstances, but he is prepared as was the wisdom of the nine Premiers at the time to admit of the validity of an override clause because of the fact that we just can't, none of us, contemplate all of the circumstances in which an entrenched Charter should be applied

holus-bolus without reference to the community will, community values, the mores of our society, and so on.

HON. H. PAWLEY: Excuse me. I don't want to be misunderstood because I had indicated to the Leader of the Opposition that I'd prefer to have no overriding clause, so I wouldn't want the Leader of the Opposition to interpret my remarks as support for the overriding clause. I cannot foresee a situation by which the overriding clause would be necessary or indeed that we would want to use that clause in Manitoba.

HON. S. LYON: Mr. Chairman, perhaps the First Minister can refresh my memory legitimately. I have no accurate recollection of the position which he took as Leader of the Opposition vis-a-vis the topic of an entrenched Charter of Rights. It seems to me that there was no position for some time and then a position which seemed to say, well, the Charter's a good thing, but not necessarily an entrenched Charter. Can the Honourable First Minister, Mr. Chairman, enlighten the Committee as to what the position of the NDP was in Opposition and is it the same as the position that he has just enunciated now vis-a-vis the Charter of Rights?

HON. H. PAWLEY: Mr. Chairman, the Leader of the Opposition is incorrect when he indicates there was no position, and I could indeed recirculate a response that was provided to the Winnipeg Free Press questionnaire of September, 1980, which I believe was just prior to the Constitutional Conference, in which First Ministers were attending that was held here in Winnipeg in which I dealt with the position of the then Opposition pertaining to the Constitution. Our position was in support of an entrenched Bill of Rights and I believe there was considerable debate in the 1981 Session in which my colleagues expressed that support for an entrenched Bill of Rights.

MR. CHAIRMAN: I wonder if we're getting a little off the Estimates by discussion of this subject?

HON. S. LYON: Not really. We'll get to it sooner or later. If we don't do it now, we'll do it somewhere else. I have no more questions at the moment. I have some more, Mr. Chairman, that I'll come back to.

MR. CHAIRMAN: 1.(c)(1)—pass - the Member for Fort Garry.

MR. L. SHERMAN: It was mentioned by the Honourable First Minister earlier, and it may not be a major point in terms of some of the substance under discussion at this time, but I think it is important because of what is on the record and I believe some clarification is required. I didn't want to interrupt the continuity of the questions and answers that were being exchanged between the First Minister and my Leader, hence I waited until now to raise it.

I want to go back to the parallel that the First Minister drew between the appointment of Mr. McBryde as Deputy Minister of Northern Affairs and the appointment by the previous government, by the Progressive Conservative Government, of Dr. George Johnson to

a senior position in the Department of Health. The First Minister has used the example of Dr. Johnson's appointment as Acting Deputy Minister in the Department of Health as in fact a parallel and a justification for appointments such as the appointment of Mr. McBryde and I don't think that's entirely fair, Mr. Chairman. Fair or not, I suggest to the Committee that it's not accurate. I raise it because it's not the first time that Dr. Johnson's name has been used in this way and I feel that the way it's being used is unfair to the individual himself. This government elected to retain Dr. Johnson in a capacity in the Ministry of Health at a senior advisory level and that was their perfect right, but if they simply did that in order to provide themselves with a justification for political appointments of their own, then I think that is rather a cynical move to have made. It isn't the first time that Dr. Johnson's name has been used in this way.

I would ask the First Minister with respect, Mr. Chairman, if he doesn't see some very clear distinction between the appointment of Dr. Johnson by the previous government and the appointment of Mr. McBryde, not the least of them being the fact that Dr. Johnson was never appointed Deputy Minister, he was appointed Acting Deputy Minister? Now, that distinction may be small, but nonetheless it's there. He was appointed Acting Deputy Minister for the very reason that a search was being conducted for a Deputy Minister. We were not entirely successful in that search, but certainly we had candidates in mind and we approached them. Because of the area of expertise and competence involved, it had not been possible to conclude that search entirely, but there is a distinction in the title and position to which Dr. Johnson was named and the title and position to which Mr. McBryde was named.

Further to that, Mr. Chairman, Dr. Johnson ceased to be a Minister of the Crown in the Province of Manitoba and the MLA for Gimli on June 25, 1969, and he was appointed to a position in the Department of Health by our government in 1978. He had been out of the active field of politics for nine years, back in medical practice for nine years.

Mr. McBryde ceased to be a Minister of the Crown and the Member for The Pas on November 17, 1981, and he was appointed a Deputy Minister by this government, if memory serves me correctly, in January of 1982, two months later. In fact, he was still an active political partisan.

Further to that, Mr. Chairman, Dr. Johnson supplanted no one as Acting Deputy Minister and he wasn't brought in to supplant anyone. The First Minister may recall that the Department of Health and Community Services was split and for reasons of expertise it was deemed desirable and agreeable with Mr. Ron Johnson that Mr. Ron Johnson, who was the Deputy Minister of the combined department, should be Deputy Minister of Community Services. That made it necessary for us to undertake a search for a Deputy Minister of Health. It was in those circumstances that Dr. Johnson who was serving in the department then as an advisor, was named Acting Deputy Minister.

So, Mr. Chairman, I would just like to ask the First Minister if, in fairness, he would not see some considerable difference and distinction in those two

appointments and if he does not consider it somewhat unfair that Dr. Johnson's name should be - well, I won't say repeatedly - frequently used in debates of this kind as an argument employed by the government to defend their appointments? I am not standing in accusation of the First Minister for his appointments. I'm simply asking him whether those appointments cannot stand in the First Minister's mind on their own without having to use the contrived argument about Dr. Johnson as a justification for them?

HON. H. PAWLEY: First, I want to background for the Member for Fort Garry the background to the discussion. I'm not sure whether the Member for Fort Garry was present, but the Leader of the Opposition was making reference to five individuals that had been appointed Deputy Ministers during the present government's term. Four of those five indeed have had, to my knowledge, no previous record of sitting in any Legislature or Parliament in Canada, but it seemed to be a topic of some discussion on the part of the Leader of the Opposition insofar as four deputies, all competent able people, who have their own obvious political philosophy.

So, now I say to the Member for Fort Garry, if indeed he is making that point about Dr. George Johnson, the four that the Leader of the Opposition was and I say was actually attacking their credibility as being Deputy Ministers in this government, that would even be more remote insofar as those four than the Dr. George Johnson situation. Mary Eady has had to my knowledge no previous political office, elected office; Marc Eliesen; the only one that has had a previous elected office was Ron McBryde.

The point that I made and I make it again, I would not want Ron McBryde to be the Deputy Minister or have a senior position in the Health Department nor would I want George Johnson to be Deputy Minister of Northern Affairs. I believe that they each will do an extremely competent job in their own role. At the same time, I say and the fact is there, it's clear, they each have a previous active political record. I'm not holding that against George Johnson, as has been demonstrated since we have assumed office nor, I can tell the Member for Fort Garry and I wish the Leader of the Opposition was here, am I going to hold it against the former Honourable Ron McBryde, nor would I hold it against the Honourable George Johnson.

I say to the Member for Fort Garry, we get into very thin ice when we start to cast names about, because if he is arguing that George Johnson some way or other is more remote because there was a longer space of time between his elected office and his being appointed to a senior position in the Department of Health, then surely the others that the Leader of the Opposition mentioned that weren't ever at any time holding elected office are even much more remote, and yet they were the subject of earlier controversy this evening.

MR. L. SHERMAN: Mr. Chairman, the fact is that I was here and I did witness the earlier exchange between the First Minister and my Leader and Dr. George Johnson's name, position and history was not raised by the First Minister in comparison to the appointments either of Mary Eady or the appointments of Mr.

Eliesen or the appointment of Mr. Decter or the appointment of any of those individuals who fit into the context of the argument to which the First Minister has just referred. I made a notation at the time that Dr. Johnson's name came into the conversation, injected into it by the First Minister, when the question arose about Mr. McBryde. It's not the first time that this has happened. Indeed, I have heard spokesmen for the present government compare the two appointments in the past, the appointment of Dr. Johnson and the appointment of Mr. McBryde.

My point, Mr. Chairman, is that it is not an honest comparison because Dr. Johnson was not in active politics when he was appointed and Mr. McBryde was. Dr. Johnson was not brought into supplant a Deputy Minister and Mr. McBryde was. Dr. Johnson, in fact, was never appointed Deputy Minister. His position was temporary while a search was going on, but more than that, my point is that if this government really believes in the value and the virtue of Dr. Johnson and that is why they retained him, can we not dispense with this rather unattractive comparison all the time of Dr. Johnson's appointment whenever the government feels sensitive about an appointment like that having to do with Mr. McBryde?

It appears that the primary value —(Interjection)— no, it doesn't suit Dr. Johnson very well and as a friend of Dr. Johnson's, it doesn't suit me very well. The Minister of Agriculture says, it doesn't suit me very well. It certainly doesn't suit me very well. If the Minister of Agriculture had any sensitivity for the person, Dr. George Johnson, it wouldn't suit him very well. Everytime an argument is raised as to the appointments of a political nature made by this government - not every time, that's an exaggeration - but a number of times, this was not the first time, spokesman for the government have said, well, what about Dr. George Johnson. My question is, is that the justification for the retention of Dr. George Johnson, so that the Minister of Agriculture and other spokesmen for the government and the First Minister can say, well, we're appointing Ron McBryde, etc., etc., because the Tories appointed Dr. George Johnson?

Well, that's the cynical interpretation that appears to be emerging from the continual raising of this argument about Dr. Johnson because the two positions do not equate. The two circumstances equate in no way whatsoever, Mr. Chairman. Mr. Ron McBryde was a warm body right out of politics.

MR. CHAIRMAN: Order, order.

MR. L. SHERMAN: I use that term deliberately for emphasis in the political context, Mr. Chairman. Dr. George Johnson was nine years out of politics, nine years back in private practice. Now, it takes a considerable and a cynical stretch of political imagination to compare those two appointments and I submit to the First Minister and to the Minister of Agriculture, who seems suddenly to be interested in this subject, that is an unfair use and exploitation of the appointment and the services of Dr. George Johnson to keep raising that as the justification for the appointment of Mr. McBryde and that is the context in which it was raised by the First Minister.

Mr. Chairman, the record will show that the name of

Dr. George Johnson and the references to his appointment were brought into the discussions in this committee when the Leader of my party raised the question about Mr. McBryde. The Minister of Agriculture can protest that all he likes, but it is on the record and it's been done before. I would ask the First Minister and his colleagues to cease and desist if they have any sensitivity for Dr. Johnson whatsoever.

MR. CHAIRMAN: 1.(c)(1)—pass.

MR. L. SHERMAN: We are not passing; we have other questions. My colleague, the Member for Arthur, has questions.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, there is an area of concern that I've had, particularly as it relates to the farm community, and I would like to just ask the Premier if he couldn't confirm for me some of the statements that he has made and some of the documents that he has put his name to, Mr. Chairman.

MR. CHAIRMAN: Where does this fit in?

MR. J. DOWNEY: Mr. Chairman, if you don't feel it's fair that we should ask the Premier questions on statements that he has made . . .

MR. CHAIRMAN: We are on the Estimates of his . . .

MR. J. DOWNEY: Mr. Chairman, I will get specifically to the part of the Estimates wherein which the Premier has indicated that he would give support to the beef industry in statements made by him. If he's not prepared to or if you, Mr. Chairman, are not allowing me to ask him questions about statements that he has made, then I think the whole purpose of . . .

MR. CHAIRMAN: Possibly, it would be more appropriate when we come to the Minister's Salary, then we can have a wide range of discussion. At this time, maybe we could move on with the Estimates.

MR. J. DOWNEY: Mr. Chairman, if the Premier is somewhat sensitive and a little nervous about answering, I can wait until that particular time and I'll yield the floor to my Leader if he has further questions in this area.

MR. CHAIRMAN: 1.(c)(1)—pass?

HON. S. LYON: No, Mr. Chairman. On the General Administration of the First Minister's office, Mr. Chairman, whereas Mr. Bedson used to act in a position without title, actually as Deputy Minister of federal-provincial relations, who is occupying that position at the present time?

HON. H. PAWLEY: Federal-provincial relations?

HON. S. LYON: Yes.

HON. H. PAWLEY: Mr. Decter.

HON. S. LYON: Mr. Decter is doing that and what were the other responsibilities, Mr. Chairman, that the First Minister said that Mr. Decter had that were additional to those responsibilities that he surmised that Mr. Bedson had?

HON. H. PAWLEY: Some of Mr. Leitch's responsibilities.

HON. S. LYON: In terms of policy co-ordination.

HON. H. PAWLEY: That's right.

HON. S. LYON: The Western Premiers' Conference, as I understand it now, has been postponed because of the Saskatchewan election until the fall, I believe?

HON. H. PAWLEY: Yes, it has been postponed from June 8th, 9th and 10th until September. I don't believe the date has been re-established yet.

HON. S. LYON: And the First Ministers,' that is, the Annual Premier's Conference at which all ten Premiers will be present, that is slated I believe this year for Nova Scotia. Are the dates the same? Will that be held before the Western Premiers' now because of the change?

HON. H. PAWLEY: I expect it will be. I believe the First Ministers' Conference is scheduled for the third week in August in Nova Scotia.

HON. S. LYON: Reference has been made during the course of the Session, Mr. Chairman, to the Economic Conference of November, 1978, at which all ten Premiers and the Prime Minister brought forward an economic blueprint for the country. Some might say it has been honoured more in the breach than the observance, particularly by the Federal Government. That particular blueprint was reinforced and undergirded again at the last full meeting of the ten Premiers in August in Victoria, B.C. Could the First Minister say, from the most recent Economic Conference, if he has noticed any fundamental changes in the attitudes of the Premiers towards supporting the fundamental principles of that communique of 1978?

I realize he may not have it in front of him but I can tell him, and I'm sure he can accept my undertaking in this regard, that the main thrust of it was that the private sector was the main engine which fueled our economy in Canada and that government should not be doing things that are inimical to the private sector, but rather should be working with the private sector in order to insure that the economy worked properly and expanded as reasonably as possible. That document, of course, was signed by all ten Premiers at the time including Premier Blakeney. Is there anything in that statement with which the current Premier of Manitoba would find himself at odds?

HON. H. PAWLEY: I would want to see the communique first, before I would be able to advise whether or not I agreed with it in totality or not. I do know that at the recent Federal-Provincial Conference that there seemed to be some broader minded attention and desire to apply economic remedies than the one just

outlined by the Leader of the Opposition. I sensed from many of the submissions that Premiers were increasingly accepting a role for both public and private investment. So, I say to the Leader of the Opposition, it seems to me that approach that he has outlined probably would be narrower than certainly my observations at the Federal-Provincial Conference. It certainly would be narrower than my own.

HON. S. LYON: I was merely trying to indicate to the First Minister, Mr. Chairman, that was one of the fundamentals. There were a number of other sections to that economic blueprint at which perhaps the First Minister can take a look before, perhaps at another session, we get to his salary. I would appreciate sincerely though having his view on that because, as I say, as recently as August of 1981, that remained the considered view of the ten Premiers of Canada. If there has been any fundamental change in that, it would be interesting to know.

It would also be interesting to know, Mr. Chairman, the extent to which, if any, the First Minister of this province would find himself in divergence with what was really a broad highway approach to economic development in Canada which seemed to offer some hope, and may I say, some confidence to the business community at that time, which confidence has regrettably since been sadly eroded. So, without trying to impinge upon his time, I realize he has many other things to do, if he could perhaps take a look at the 1978, November communique. It won't take too long to read. In fact, I believe I filed it as a sessional paper during one of my speeches in the House. I would like to find out if there has been any substantial change in that blueprint which . . .

HON. H. PAWLEY: Yes, well, certainly I'll be interested in looking at that. As the Leader of the Opposition knows, none of the files that the Leader of the Opposition had when he was Premier are accessible to me. Is he telling me that it's somewhere else? We have it.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I wonder if the First Minister can indicate whether he intends to stand his Cabinet during this year or any of the successful applicants in this room.

HON. H. PAWLEY: The answer to (a) is yes; (b) maybe. I wish the Leader of the Opposition were still here because I just wanted to add very quickly, if I could, that there has been a clear shift on the part of the First Ministers in Canada to support for lower interest rate and more of a criticism really of the federal monetary policy than I think would have been the case in the earlier communique.

MR. G. MERCIER: By how many does the First Minister intend to expand the Cabinet?

HON. H. PAWLEY: I have not decided how many at this stage. All that I do know is that the 14 are doing an excellent job, but 14 is a little on the small side.

MR. G. MERCIER: Mr. Chairman, is the First Minister considering establishing a Department of Intergovernmental Affairs?

HON. H. PAWLEY: Not at this stage. As the Member for St. Norbert knows, federal-provincial relations do fall within this department. I'm not at this stage intending to divide that responsibility to a separate department.

MR. CHAIRMAN: 1.(c)(1)—pass; 1.(c)(2) Other Expenditures—pass; 1.(d) Government Hospitality—pass; 1.(e) International Development Program—pass.

HON. S. LYON: Mr. Chairman, has the First Minister got a list of those major projects? I don't want the detail of them, but they usually break down into items of 20,000 - 30,000 each. Have we a list of what those programs would be for this expenditure?

HON. H. PAWLEY: We can provide last year's. Apparently we've had no submission this year. I should also in fairness point out to members that this is the same amount as last year and we will be reviewing that amount as to some possible revision for next year in reviewing the program.

MR. CHAIRMAN: 1.(e)—pass; 1.(f) French Language Services, 1.(f)(1) Salaries—pass.
The Leader of the Opposition.

HON. S. LYON: Could the First Minister indicate, Mr. Chairman, in this total vote of \$81,700 transferred over from Cultural Affairs, what was the vote last year for that office when it resided in Cultural Affairs?

HON. H. PAWLEY: There was no vote because it was started in September of 1981 by the previous government and it then rested in the Department of Cultural Affairs and I believe, if I'm correct, that Mr. Roger Turenne and his secretary were both brought on staff in September of '81.

HON. S. LYON: Is this one of the votes or one of the appropriations, Mr. Chairman, which will see additional Civil Service establishment added to it?

HON. H. PAWLEY: No, there's no addition contemplated in this fiscal year.

HON. S. LYON: No addition at all. So the \$81,000 is for the staff as inherited by the First Minister or as seconded to him from the Department of Cultural Affairs in December, January or whenever the case may be?

HON. H. PAWLEY: That is correct.

MR. CHAIRMAN: 1.(f)(1) Salaries—pass; 1.(f)(2) Other Expenditures—pass; which leads us to Information Services, No. 2.; 2.(a) Salaries.

HON. S. LYON: On Information Services, there's been some reference earlier to Mr. O'Connor's position and the fact that Mr. Donogh in the Information Services is now reporting to the First Minister through

Mr. O'Connor. Can the First Minister give us the rationale or the reason for that move of Information Services from: I believe the Department of Government Services over to his Office?

HON. H. PAWLEY: Well, Mr. O'Connor is responsible for overall communications, including the First Minister's Office, and it appears to be an arrangement that is working quite satisfactorily.

HON. S. LYON: Well, Mr. Chairman, that's hardly a rationale. What was the motivation for changing the departmental structure of Information Services from the Department of Government Services where it had resided for some time over to the Premier's Office?

HON. H. PAWLEY: Probably to some extent the very same reason that former Premier Weir would have. Communications in my view is a very central and a very important aspect of government. I think that governments frequently get themselves into difficulty not because of the programs but because of communication and if indeed communication is a priority, then I think that we ought to demonstrate the importance of information and information service and communication and that is the reason for transferring it to the Executive Council.

HON. S. LYON: What change in staff has there been in Information Services? I see the vote is slightly reduced. The salary vote is up from \$477 to \$490 which is not much. Other Expenditures are up \$119 to \$131.00.

HON. H. PAWLEY: There's an increase in a Clerk in the Citizens Inquiry Service. That is a position that was originally occupied but has been borrowed from Consumer and Corporate Affairs. So when Information Service was transferred, it was necessary to establish the new SMY as Consumer and Corporate Affairs carried on with the use of theirs.

HON. S. LYON: And what is the establishment breakdown for Information Services at the present time, Mr. Chairman?

HON. H. PAWLEY: I'm sorry, I didn't get the question.

HON. S. LYON: The establishment breakdown for . . .

HON. H. PAWLEY: Could we distribute that in the same way as we did the others?

HON. S. LYON: Yes, that's satisfactory. That's coming around now, is it, because I have some questions.

HON. H. PAWLEY: I wonder if we could go on to other items and come back to this. Would that be possible?

HON. S. LYON: Well, Mr. Chairman, I'm agreeable. Any of these catch-up items we can leave till the Minister's Salary if that's more convenient.

HON. H. PAWLEY: Okay. I concur with your submission, your suggestion.

HON. S. LYON: There may be a disposition, Mr. Chairman, subject to the First Minister's wishes to clean up items tonight, leave the Salary open and then go at it again the next time the committee meets . . .

HON. H. PAWLEY: Monday or tomorrow.

HON. S. LYON: . . . and we could pick up those items on that occasion if that's agreeable.

MR. CHAIRMAN: 2.(a) Salaries—pass.
The Member for Fort Garry.

MR. L. SHERMAN: I'd like to ask the First Minister, with the change in authority relative to the Information Services Branch and the vesting of that authority in the Executive Council Office, if he can tell the committee what the role and the authority of the Executive Council extends to in terms of information? Does the Executive Council or does an officer in the Executive Council, Mr. O'Connor or whomever, make the decision as to what is news and what is not news?

MR. CHAIRMAN: Mr. Premier.

HON. H. PAWLEY: No, that responsibility would still be the Minister's as to whether or not they approved any particular Information Service release or not. Ministers are required to give approval, so that responsibility still must ultimately rest with the Minister as to whether any given release is issued at any time.

MR. L. SHERMAN: So that individual items of communication or information or news emanating from the government for dissemination to the public of Manitoba do not originate or are not initiated by the officer in the Executive Council Office who is in charge of Information Services, is that correct?

HON. H. PAWLEY: Sometimes it does initiate and then it's forwarded to the Minister for the Minister's approval, or the Minister will contact Information Services to prepare a given release on the Minister's behalf. That's been the practice, I believe, for 26 years and there's been no change in that practice.

MR. L. SHERMAN: Is there any change in the role of the Director of Information Services, Mr. Norm Donogh, where that function of identifying news and determining news is concerned?

HON. H. PAWLEY: No, there has been no change in that.

MR. L. SHERMAN: So that Mr. Donogh still has a function and a responsibility for suggesting to the government and to the various Ministries what is truly of news value and what should be covered and disseminated from a news and journalistic point of view and he participates in the determination of that subject matter?

HON. H. PAWLEY: Yes, there's been no change insofar as the guidelines that had been followed. There's been no new directives or changes in procedure.

MR. L. SHERMAN: Thank you.

MR. CHAIRMAN: The Member for Arthur.

MR. J. DOWNEY: Mr. Chairman, the First Minister on February 26th through the Information Services, which were under discussion, put out a press release stating that his government would co-operate closely with the beef producers to develop a reasonable provincial approach to assist in the stabilizing of Manitoba's livestock industry and that they would do so in the absence of a federal beef stabilization program.

In view of that statement, Mr. Chairman, would the First Minister not have been held in a little better light at this particular time with the beef producers and the farm community if in fact prior to that, and possibly the First Minister can correct me if I'm wrong, on November 5th, which was prior to the election, that he was visiting one of his constituent's farms where in fact . . .

HON. H. PAWLEY: No, it wasn't in my constituency, if I could just correct the honourable member.

MR. J. DOWNEY: Maybe the press were incorrect, but it was at the farm of Walter Bodnarus in the area just north of the City of Winnipeg, I believe possibly in the Gimli area - maybe not in his constituency - but the now Premier at that particular time is quoted in the Winnipeg Free Press as of November 5th by Ingeborg Boyens. Mr. Pawley concluded these efforts by - and I'll quote from the Press article: "Pawley gave the farmers his assurance that an NDP Government would come to their aid quickly with an income assurance program similar to Saskatchewan's. 'I don't mean by that, dragging it into months and into years,' he said."

Mr. Chairman, to further challenge the First Minister or ask him the question of why he would come out with such misleading statements to an industry that he had given such assurances . . .

HON. H. PAWLEY: Excuse me, just on a point of order, and I don't want to make it difficult for the member, but I do have to ask whether or not this item would not be best left till Monday. I think it's clearly out of order under Information Services.

MR. J. DOWNEY: Mr. Chairman, I'm referring to a News Service item that was put out on February 26th by Information Services, an area which we are discussing. If the Premier is somewhat sensitive to this line of discussion . . .

HON. H. PAWLEY: No, not at all. I just don't want . . .

MR. J. DOWNEY: . . . I could see why, because of the misleading statements that the Premier is finding himself having made. I won't take too many minutes, Mr. Chairman, but I would like to have the Premier's response to his assurance to the beef industry.

Again, Mr. Chairman, following on the same line, his Minister of Agriculture on January 8th in a report in the Brandon Sun again indicated, and this was the 8th of January, that "the province will have to go ahead with its own program to aid beef producers if no fed-

eral plans are revealed in the next month to six weeks." This, Mr. Chairman, to the Premier, again indicates that therein the month of February would in fact have a support program.

Mr. Chairman, I'm wondering why the Premier now to this point has not given instructions to his Minister of Agriculture to get off the hang-up that he's had with three principles of changing the operation of the beef cattle producers' operation by forcing them to feed out cattle, by forcing them to market through a central marketing agency and sign up for six years.

I would hope that in light of the election promise and the election pledge that he wasn't going to allow it to drag into months and years, that in light of the facts that we're now looking at, that's in fact happened, and he has broken the confidence that he should have with the farm community, as the Premier has admitted in many of his statements and speeches that agriculture is the backbone of the province. He has now broken that trust as the Premier and I think, Mr. Chairman, that the farm community deserves better than that.

I would like the Premier's response, Mr. Chairman, in light of the fact that he was going to give immediate assistance to the beef industry and in fact was elected by some beef producers in certain areas on that pledge.

HON. H. PAWLEY: Mr. Chairman, I want to ask the Member for Arthur whether or not the first Information Service release he was reading from was my release or was it the Minister of Agriculture's release?

MR. J. DOWNEY: No, Mr. Chairman, it was February 26th. It was the Premier. It's headed: "Strength in Farm Programs Planned. Restrictions are Proposed on Absentee Owners." It's dealing with the Throne Speech and respecting absentee ownership: "Premier Pawley had noted in February." Then we turn it over and we again refer to statements made by the Premier. It is specifically, I would say, a press release that is directed from the Premier's Office because the Premier is quoted in the press release. As well, Mr. Chairman, respecting absentee ownership, "Premier Howard Pawley had noted, in a February 22nd speech to the dairy producers or dairy association . . ." You know, it's all referring to statements made by the Premier, so I would think, Mr. Chairman, that he would want to back up his statement that he made coming through Information Services.

HON. H. PAWLEY: Mr. Chairman, the statement relates to the Throne Speech and I must congratulate the Member for Arthur of his stretching the rules in some way to ensure that he can discuss the Throne Speech in the reference to the Beef Stabilization Program during the Information Services Item in the Estimates of the Executive Council. I don't mind discussing it with the member, but I'm wondering if the member would concur with me it might be just more reasonable and I'm looking at the Member for Virden who is a pretty solid stickler for rules, if we wouldn't be better to deal with it under the Minister's Salary.

MR. CHAIRMAN: The Member for Virden.

MR. H. GRAHAM: Seeing as how I was asked, Mr.

Chairman, if it comes under a bulletin from the Information Services, I think it should be discussed now.

HON. H. PAWLEY: Mr. Chairman, I am disappointed. I had a lot of confidence that the Member for Virden would apply the rules in this instance quite objectively. Mr. Chairman, I'm prepared to respond if it's indeed your wish that I enter into discussion under this item.

MR. CHAIRMAN: I'm wondering if it could wait until the Minister's Salary, then we could discuss it all and have a wide-ranging discussion and we could move on with the other articles that are left in the Estimates.

MR. J. DOWNEY: Well, I appreciate the First Minister's concern and I also respect his request to the Member for Virden to make a ruling on it seeing as he's having difficulty. —(Interjection)—

MR. CHAIRMAN: Order. Mr. Premier.

HON. H. PAWLEY: Mr. Chairman, I wonder if I could help the member out. I don't want to break the rules and on the other hand I want to help the member so we can discuss this item. Maybe the information release he's referring to was my speech to the Dairy Convention rather than the Throne Speech.

MR. J. DOWNEY: Well, Mr. Chairman, I've given the date, I can . . .

HON. H. PAWLEY: But it would state there in the Information Services Release whether it's the Dairy Convention or the Throne Speech. The date of the Dairy Convention apparently was released on both, so I think that I could respond to the question by the fact that it's in reference to the Dairy Convention. So I think we can all rest a little bit more content.

I'm satisfied that the Minister of Agriculture is doing quite a satisfactory job in what was committed during the campaign in respect to the establishment of a Beef Stabilization Program. The commitment that indeed we provided to Manitobans was very clear and I regret that it's not as clear as it should be to the Member for Arthur. That is the Member for Arthur's problem, Mr. Chairman.

The New Democratic Party was going to pursue policies to bring about prosperity to Manitoba farms and our commitment was to sit down immediately with the beef producers of Manitoba. Now, within a very early stage after the swearing in November 30th, the Minister of Agriculture did this very thing. He commenced to meet with the beef producers in the Province of Manitoba and to do what indeed was promised, to sit down with the livestock producers immediately after the election to discuss and to implement the kind of support program that will permit producers to continue production.

I'm reading from a statement October 22nd. I believe that the Minister of Agriculture has lived up to that commitment and it's my understanding from what I have been hearing that indeed there is some significant progress under way. Now, it's true that the Minister of Agriculture has had to pick something up after many many months of neglect by the previous Minis-

ter of Agriculture during the previous Conservative administration, but I think under the circumstances in six short months he's made tremendous progress after what he's had to follow. —(Interjection)—

MR. CHAIRMAN: Order.

MR. J. DOWNEY: Mr. Chairman, with a response like that I would think that the Premier should take a couple or three days to do a little bit more research instead of just shooting off the shoulder like he has and coming out with that kind of irresponsible statement, because I think that the farm community is passing judgment and we will continue, as the responsibility of an Opposition, to point out those areas where we think improvements can be made. I would hope that the Premier would take the time until he gets to his Salary to reassess the statement that he'd made and go over some of the earlier statements as a First Minister.

One other area, Mr. Chairman - the Premier has answered some questions dealing with the Constitution - this is one which is again pretty much a concern of the farm community and that's on the right of Canadian people or rights of Manitobans to have the right to land ownership. I would ask if the Premier of Manitoba's position is along that line of the Federal Leader of the New Democratic Party who voted down the right to own property that was proposed by, I guess it was led by J. Gaplin, Constitutional Committee in the House of Commons, when in fact there was an amendment to the Charter of Rights that in fact the Canadian people would have the right to own property entrenched in that Bill of Rights. I would like the Premier's response to that particular question. In fact, seeing he has answered on some of the . . .

HON. H. PAWLEY: It's not an item that I expect that I'll be required to deal with during this fiscal year, in fact, during our term. I'm not aware of any Constitutional Conference contemplated to deal with that subject. I know that when the previous Conservative Government was in office in Manitoba, they opposed the insertion of that clause and certainly we've had no —(Interjection)— well, yes, which would have included that clause. —(Interjection)— Mr. Chairman, you can't have it both ways.

MR. CHAIRMAN: Order.

HON. H. PAWLEY: The Leader of the Opposition has interjected about opposing the whole clause but what the former Minister of Agriculture is trying to do is to find out if we would support this property right provision. I said that the previous government opposed that. The Leader of the Opposition is correct, they opposed a Charter totally. So the members can't have it both ways; either they oppose all entrenched rights or they can't suddenly pull out property rights and attempt to champion the need for property rights in the Constitution. —(Interjection)—

MR. CHAIRMAN: Order.

MR. J. DOWNEY: I want to make it very clear. I, as well, was in the same position to oppose the very

principle of entrenching a Charter of Rights in our Constitution. Under the previous Conservative Government in the Province of Manitoba there was the confidence of the people in the common law system in this country and the belief that we had through our legislative protection, the right to ownership—(Interjection)— Well, Mr. Chairman, when we are dealing in the Province of Manitoba, the Minister of Agriculture—(Interjection)—

MR. CHAIRMAN: Order. I think we are way off the Estimates at this point. I know it's off, so . . .

MR. J. DOWNEY: If the First Minister is somewhat a little touchy about talking about ownership and that type of thing, I'm prepared to pass the particular section and deal with it under his Salary. Possibly, he will at that particular time tell us what his position is on the ownership of land in the Province of Manitoba as it relates to the right to own property.

HON. H. PAWLEY: It's clearly out of order under this section, Mr. Chairman.

HON. S. LYON: On that point, Mr. Chairman, I didn't insert the explanatory notes, but under Information Services if one is able to and wants to read it, it says, "provides Manitobans with a knowledge of government programs." The member in question is asking about a government program.

HON. H. PAWLEY: Mr. Chairman, could I maybe respond to the Leader of the Opposition? It's not a government program.

HON. S. LYON: We are well aware that private property is not a government program.

HON. H. PAWLEY: It wasn't a government program during the previous Conservative administration to advocate this particular provision. I, frankly, have not spent any time in looking at the pros and cons of this particular issue and I don't feel the compelling need, when we have many other much more compelling concerns at this point, for me to sit down and to spend hours examining the worth or not of the constitutionality of the proposed provision that the Member for Arthur would suggest.

MR. CHAIRMAN: 2.(a)—pass; 2.(b)—pass; 2.(c) Acquisition/Construction—pass.

HON. S. LYON: Mr. Chairman, under (b), what is recoverable from Canada? What would that arise from, \$57,300?

HON. H. PAWLEY: Mr. Chairman, half of the Citizens Inquiry Service and I gather this has been a continuing recovery, year by year.

MR. CHAIRMAN: 2.(b)—pass.

Resolution No. 6. Resolved that there be granted to Her Majesty a sum not exceeding \$622,000 for Executive Council for Information Services for the fiscal year ending the 31st day of March, 1983—pass.

MR. CHAIRMAN: That moves us on to No. 3., Advertising Audit Office. 3.(a) Salaries.

The Leader of the Opposition.

HON. S. LYON: Mr. Chairman, could the First Minister tell us who are the members of the Advertising Audit Committee and who is the chairman of that group?

HON. H. PAWLEY: Mr. Dan O'Connor, Allan Cohen, Marguerite Simons and in each case where it flows from a department, a departmental representative.

HON. S. LYON: I take it then that Mr. . . .

HON. H. PAWLEY: Mr. O'Connor is the Chairperson.

HON. S. LYON: Mr. O'Connor is the Chairman. Mr. Chairman, this is the same Mr. Dan O'Connor who is the Communications and Co-ordinations Secretary for the Premier to whom the Information Services Branch of government now reports and Mr. O'Connor, you're telling us, is also the Chairman of the government's Advertising Audit Committee?

HON. H. PAWLEY: Yes.

HON. S. LYON: Mr. Chairman, does the First Minister not feel that this represents a collection of tremendous power in the hands of one politically appointed bureaucrat, who is there because of his political affiliations, to do the audit job as well as to have the Information Services report to him? Does the First Minister not feel that there is some danger of political propaganda seeping not only from Information Services, but into the Audit Branch as well?

HON. H. PAWLEY: Maybe I should point out to the Leader of the Opposition that Mr. O'Connor replaced Don Leitch, who was a P.C. appointment also in charge of policy co-ordination.

HON. S. LYON: He was in charge of policy co-ordination. He was not a communications man; he is an economist.

HON. H. PAWLEY: But he was a Progressive Conservative appointment to chair this particular committee.

HON. S. LYON: Of course, yes he did, but he did not have the Information Services. He was not the propaganda Czar that this Minister has created out of Mr. O'Connor. Could my honourable friend, Mr. Chairman, the First Minister, tell us why he is creating this propaganda Czarism in Manitoba?

HON. H. PAWLEY: Mr. Chairman, the Leader of the Opposition had answered the question about 30 or 45 minutes ago. He recognized and I recognized the competency of Mr. O'Connor and he does assignments very effectively; No. 2, I would like to stress to the Leader of the Opposition this government does place communications in a priority role.

HON. S. LYON: Obviously, Mr. Chairman, and this government has placed communications and Adver-

tising Audit in a completely partisan position and this is certainly a new breakthrough even for a socialist government in Manitoba.

HON. H. PAWLEY: Mr. Chairman, I mentioned before that the former Chairman of this committee was Don Leitch. From all reports that I have, he was a loyal Progressive Conservative appointment. I find it somewhat amazing that the Leader of the Opposition would suggest, some way or other, it is now much more political because Mr. O'Connor rather than Mr. Leitch is the Chairman of this committee.

HON. S. LYON: Mr. Chairman, if my honourable friend can't see the relationship between one person having control over the Information Services of government which is supposed to be generating the hard facts and the same person having control over the advertising of government which can tend to be a propaganda role for government, then my honourable friend perhaps needs some lessons from some of his left wing friends as to how this is done in other jurisdictions because this is precisely the way it's done.

HON. H. PAWLEY: Mr. Chairman, the Leader of the Opposition must have forgotten that a member of the original advertising committee was Mr. Jim Armit and I believe I mentioned Mr. Jim Armit's role in the previous Conservative administration in Manitoba. I seem to recollect he was in charge of communications in the —(Interjection)— excuse me, if I could just complete my remarks - office of the former Premier, Sterling Lyon, in the Province of Manitoba.

HON. S. LYON: No problem at all, he didn't have the Information Services.

HON. H. PAWLEY: Just a moment, I want to just finish . . .

HON. S. LYON: You're finished, all right.

HON. H. PAWLEY: Designated as media secretary at a salary of \$37,287, just by way of information, nothing beyond that.

HON. S. LYON: Mr. Chairman, can we go back to square one? Is Mr. O'Conner the same O'Connor who has Information Services reporting to him now, the same Mr. O'Connor who for the first time in the history of this province has been put in charge as a political appointee of Information Services? Is this the same man who is now chairing the Advertising Audit Service? That's a very simple question.

HON. H. PAWLEY: Mr. Chairman, the Minister, which is namely myself, assumes full responsibility as Minister for Information Services, not Mr. O'Connor.

HON. S. LYON: We know who's running it, Mr. Chairman. Would you give us, Mr. Chairman, the second name, I believe, was Mr. Allan Cohen?

HON. H. PAWLEY: Mr. Allen Cohen, that is correct.

HON. S. LYON: What is the designation of that per-

son? Is he a political or Civil Service appointment and what salary is he at?

HON. H. PAWLEY: The Minister is here. He is a career civil servant.

HON. S. LYON: From what department?

MR. CHAIRMAN: Order.

HON. H. PAWLEY: The Leader of the Opposition might be interested in knowing that Mr. Allan Cohen served throughout the Conservative administration in the Department of Agriculture and has served as a career civil servant during that time. He now serves as a career civil servant in the Department of Cultural Affairs.

HON. S. LYON: And the other members, Mr. Chairman, please?

HON. H. PAWLEY: Marguerite Simons.

HON. S. LYON: She's the professional who's been there for a long period of time? And who else?

HON. H. PAWLEY: Then a representative from the Department, depending upon the Department that's interested in the advertising.

HON. S. LYON: The Department of Economic Development and Tourism is one of the big spenders, Mr. Chairman, of advertising dollars. Could the First Minister, Mr. Chairman, advise who is the customary representative of that department on the Advertising Audit Committee?

HON. H. PAWLEY: The Deputy Minister and also, I am advised, the Assistant Deputy Ministers in other departments, some departments, have been the representatives. So, it would be the Deputy Minister of Economic Development and Tourism.

HON. S. LYON: Can the First Minister tell us if advertising contracts, take for example with the Department of Economic Development and Tourism, are they being allotted now on a tender basis or on a basis whereby different advertising agencies are asked to present proposals for the advertising program for the year or what is the basis?

HON. H. PAWLEY: It's done on the basis of proposals being submitted and I understand it's a standard procedure that has been followed for some time.

HON. S. LYON: Since the change of government, have there been any advertising agencies that had contracts, that had those contracts taken away from them by the Advertising Audit Committee?

HON. H. PAWLEY: There are no contracts as such. In some situations, new agencies have been appointed.

HON. S. LYON: Could we find out which agency's services were terminated by the government and what agency succeeded and in the various departments

and the size of the contracts that were given to them.

HON. H. PAWLEY: Mr. Chairman, I have got the agencies that have been appointed so far. Maybe, the Leader of the Opposition would like to have me list those agencies?

HON. S. LYON: Yes, and we would also like to have the ones that were terminated and the ones substituted therefor.

HON. H. PAWLEY: You know, first, the Leader of the Opposition would be interested to know that Foster Advertising Limited has been appointed to do Destination Manitoba and Manitoba Liquor Control Commission. I might get into some trouble with some of my colleagues here. Foster Agencies.

HON. S. LYON: That's a well-known national agency, Mr. Chairman.

MR. CHAIRMAN: Order.

HON. S. LYON: I encourage the First Minister to carry on to see if he can maintain the same level of competence as he did with the first announcement.

HON. H. PAWLEY: Except, I hope they do a better job for us than they did for the Conservative Party in the last election. Gordon Hill Advertising; McConnell, that's for Natural Resources; Gordon Hill Advertising (Western) Ltd.

HON. S. LYON: And that's replacing whom?

HON. H. PAWLEY: I don't know. Does it replace anybody? No. I understand that these are awarded on the basis of contracts which I understand has been - it's following the same traditional manner of assignment and work being given. McConnell Advertising Ltd., Labour and Manpower and Hire a Student; McKim Advertising Ltd., that's Manitoba Crop Insurance and Manitoba Public Insurance Corporation; M.H.G. Advertising Ltd., Manitoba Telephone System.

HON. S. LYON: M.H.G. Advertising Ltd. That's not a national company that I've ever heard of. McKim, Foster, we know those names.

HON. H. PAWLEY: Muller Hirayama and Graves.

MR. CHAIRMAN: Order.

HON. H. PAWLEY: Muller Hirayama and Graves.

HON. S. LYON: Is that a Manitoba company?

HON. H. PAWLEY: Manitoba company. It's a national company and it's based in Manitoba. That was the Manitoba Telephone System. The Palmer Jarvis Limited, Agriculture Marketing and Manitoba Public Insurance. They have some part of the Manitoba Public Insurance, Palmer Jarvis Limited. Next is Paul Phelan and Perry Limited, Education and Community Colleges; R.K.W. Advertising, Consumer and Corporate Affairs Rent Regulation. I don't know what R.K.W. is,

but maybe the Leader of the Opposition does. Westcom Communications Ltd., Travel Manitoba; —(Interjection)— Credo, no. Credo's not here.

MR. CHAIRMAN: Order.

HON. S. LYON: Mr. Chairman, I thank the First Minister for that information. Could he also obtain for us - if he doesn't have it now, it's understandable. We can get it when the committee next meets - the names of the companies that were carrying contracts with the government and the departments and/or Crown corporations to which they were attached who were terminated when the government changed on November 30, 1981?

HON. H. PAWLEY: There were no terminations. We can provide the list. There have been no terminations, unlike the 1978 situation.

HON. S. LYON: If there were no terminations, then are we saying that contracts ran out and there was no need to terminate or what was the situation, because obviously there were new appointments made?

HON. H. PAWLEY: It is an ongoing process and the new appointments were made. We can provide the list for last year.

HON. S. LYON: Yes, that would be desirable. And the same list, could it be provided, Mr. Chairman, I heard the name MPIC mentioned a couple of times, could we have the same listing of who formerly had the contracts for, by way of example, Manitoba Hydro, and who presently has the contract for Manitoba Hydro, who formerly had the contract for Manitoba Telephone System and on and on?

HON. H. PAWLEY: Yes. There obviously will be some changes because this is being submitted on the basis of who presents the best presentation. So, I trust that it's not the same, identically, as last year.

MR. CHAIRMAN: 3.(a) - the Member for Fort Garry.

MR. L. SHERMAN: Mr. Chairman, I'd like to ask the First Minister about the advertising media buying service.

HON. H. PAWLEY: Excuse me, I didn't get that.

MR. L. SHERMAN: I would like to ask the Minister a question about the advertising media buying service, Mr. Chairman. I appreciate that the agencies which he has just enumerated are hired on the basis of presentations that they make and contracts are struck with them for creative and production, but the buying service is done through the Advertising Audit Office. I would like to ask him whether the Audit Office provides a complete advertising media buying service or whether some media purchases are made through the advertising agencies, which he has just enumerated?

HON. H. PAWLEY: It's complete.

MR. L. SHERMAN: All media buying is done through

the Audit Office as has been the case for some years in the province, is that correct?

HON. H. PAWLEY: That is my information.

MR. CHAIRMAN: That's 3.(a)—pass; 3.(b) Other Expenditures—pass; 3.(c) Public Sector Advertising—pass.

HON. S. LYON: There's an increase, Mr. Chairman, of \$1 million there. Can we have some explanation of that?

HON. H. PAWLEY: I think I should point out to the Leader of the Opposition that a suggestion that there's an increase of \$1 million is misleading because the figure for last year does not include \$683,000 of advertising, which was budgeted by individual departments and agencies in 1981-82, that was not reflected in the printed Estimates. The actual figure for 1981-82 was therefore \$2,983,000.00. The increase in actual planned spending therefore is only 8.3 percent, which I think would be reflected by increased rates. In fact, the rates have gone up more than 8.3 percent. It's a decrease in spending this year over last year because, unfortunately, last year the Estimates did not reflect the total advertising needs and as I mentioned, there was a Special Warrant for \$683,000 to cover —(Interjection)— yes, the previous administration's advertising wasn't included in the printed Estimates.

MR. CHAIRMAN: Order.

HON. S. LYON: The increase, Mr. Chairman, that is being called for then, according to the figures just given by the First Minister, is in the order of about \$300,000 or 8 percent or 10 percent, whatever he says. Could we have a general breakdown as to how that \$3,230,900 is to be allocated?

HON. H. PAWLEY: I understand that so far we have only spent \$200,000 of that. These are the allocations. It's rather lengthy.

HON. S. LYON: I think if they could distributed that would satisfy the purpose and then they can be included as part of the Hansard, Mr. Chairman. Quite satisfactory to me to save the First Minister's voice.

MR. CHAIRMAN: 3.(c)—pass.

HON. S. LYON: No, Mr. Chairman. Within that allocation, I presume that one of the items that would be budgeted for was the insert, the very colourful, attractive insert that each of us in Manitoba received last Saturday, I believe it was, from the Department of Economic Development and Tourism, that is everyone who received the Winnipeg Free Press. I don't know if it was also an insert in the Winnipeg Sun or not. I think the circulation of the Winnipeg Free Press is what 100-some-odd-thousand now, 200-and-some-odd-thousand? The point is, I am not criticizing the content of the insert. It was an advertising piece touting Manitoba as a holiday place. I agreed with the thrust of it and so on, but what I'd like to know is, what

was the cost of that one insert alone?

HON. H. PAWLEY: We can obtain that information. The Minister responsible usually provides the order to the Advertising Audit Department and answers insofar as the expenditure is concerned, but I think we can get that information. As the Leader of the Opposition knows, these sums are fully recoverable from the department involved.

HON. S. LYON: Oh, I realize that. I am just trying to get some idea. As I say, I'm not finding fault with the nature of the advertising. It's tourist advertising which I think all governments support. It would be of interest to know however, and I think the taxpayers would want to know, out of this sum of \$3,230,000, what amount of that would be eaten up just by that one insert in the daily papers? The Free Press advertising rates have gone up and a multi-colour insert done on shiny paper like that is not an inexpensive item according to the experts.

HON. H. PAWLEY: We will get that information. It's certainly budgeted for within this total figure though.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Chairman. In the Estimate line of \$3,230,900, does that include all of the advertising budgeted by the various departments, Tourism as an example, etc.?

HON. H. PAWLEY: Yes, and the Crown corporations in addition to the departments.

MR. D. ORCHARD: So that MTS, Manitoba Hydro, MPIIC, those advertising budgets are within the \$3.25 million?

HON. H. PAWLEY: In the sheet that we'll distribute, we will demonstrate the allocation to each department and Crown corporation.

MR. D. ORCHARD: Mr. Chairman, to the Premier, does my memory serve me correct in that last year in the wind down days of the Session, do I recall some rather severe criticism by the First Minister, who was then Leader of the Opposition and a number of his colleagues, about the extravagance of our administration in terms of advertising and doing needless advertising?

HON. H. PAWLEY: No, what you heard as I can recall was a sharp disagreement with the nature of the "Stay in Manitoba" ads that were being run by the Department of Economic Development.

MR. D. ORCHARD: Then, there was some criticism about the amount of money we were spending. Not the amount of money, just the nature of the ad?

HON. H. PAWLEY: The amount of the money that was being spent for that type of ad, yes.

MR. D. ORCHARD: Would it be fair to say that we can expect some criticism from your colleagues in the

Treasury Bench for now not only spending what we spent last year - I think the figure of \$683,000 in Special Warrant or Sup-Supply that you've indicated - you've not only budgeted for that, but you've added \$300,000 on top of it. What sort of an objectionable advertising campaign do you expect to be able to put out to Manitobans with that?

HON. H. PAWLEY: The Member for Pembina obviously didn't hear my remarks earlier. One is that the increase is less than the cost increase. So that by way of constant dollar, we are looking at an actual decrease from last year.

Secondly, insofar as the criticism of advertising, we have always made it very clear that we have no disagreement with informational advertising, advertising that is designed in order to provide information to Manitobans. I think that's very important that advertising be used for that purpose. What I sharply disagreed with and I believe most of my colleagues, I'm sure all my colleagues, was the kind of political advertising that took place in respect to those "Stay in Manitoba" ads.

MR. D. ORCHARD: Then, from that statement, we can go home tonight and sleep peacefully and without worry that this new administration is undertaking any sort of a political advertising campaign, shall we say?

HON. H. PAWLEY: I would expect the Members of the Opposition to do their duty and if they sense that some advertising is less informational than it should be that they would point it out to the government as we did when we were in Opposition to the then government.

MR. D. ORCHARD: Then, I take it that since you were so highly critical of that style of advertising, that should we make those criticisms legitimately, you would immediately withdraw that kind of advertising. Is that correct?

HON. H. PAWLEY: Mr. Chairman, that didn't happen with the previous government. Obviously, they didn't agree with our criticisms at the time and carried on and increased, in fact, a Special Warrant - not all was for that obviously - but there was a Special Warrant that was passed during the 1981-82 fiscal year.

I would have to say to the Member for Pembina that each individual Minister does take responsibility insofar as the advertising in that Minister's Department.

MR. D. ORCHARD: But in light of the criticism that you levelled, you certainly would be very sensitive to any criticism we might level to you about political advertising, because I have no doubt in the fond recollections I have of the latter term of the Schreyer administration, some very political advertising, and this First Minister is now telling us that he certainly would not undertake any kind of politically tainted advertising as he criticized us for doing; he would not repeat that very same mistake. I hope I can get that assurance . . .

MR. CHAIRMAN: We're having difficulty hearing up here so I'm sure Hansard is having difficulty recording

as well.

MR. D. ORCHARD: Well, the Premier says he was highly critical of our advertising because it was political in his view, and we would hope that he doesn't do that, and if he were to start a political advertising campaign that was drawn to his attention, he would withdraw it because he objected to it so strenuously when he was Leader of the Opposition. Mr. Chairman, the government can't get that kind of assurance out of the Premier.

HON. H. PAWLEY: Mr. Chairman, I have already answered the question. I don't like the process of just repetitiously answering repetitious questions.

MR. D. ORCHARD: Mr. Chairman, I'm sorry, but I didn't hear the First Minister indicate that he would not undertake political advertising.

HON. H. PAWLEY: Mr. Chairman, what I indicated is that the ads that were run last year were not of an informational nature. I have no disagreement with ads that are informational in nature. The particular ads that I take exception to were ads that had no informational nature whatsoever. Now, it's going to be a question of the judgment of opposition members as well as government members in the future as to whether the ads at any given time are informational or not. It seems to me the Member for Pembina is dealing with a very hypothetical situation rather than a factual situation.

MR. D. ORCHARD: We shall see.

MR. CHAIRMAN: The Leader of the Opposition.

HON. S. LYON: Mr. Chairman, in any case notwithstanding the protestations of anguish by the First Minister and some of his colleagues around the Table about the Special Warrant for \$600,000 that had to be passed to cover advertising that related to industrial benefits and other matters of that nature last summer, we can take it from these figures that amount of \$600,000 has been very nicely folded into the total Budget that is being voted this year, which is \$300,000 more than was spent last year. So my honourable friend's objection has been totally with respect to the kind of ads, certainly not with respect to the expenditure of the \$600,000, because he's going to spend that and more. Is that not the case?

HON. H. PAWLEY: Mr. Chairman, my disagreement was with the Leader of the Opposition's comments when he first asked a question suggesting that we were spending \$1 million more in advertising this year than the previous Conservative administration, which is fallacious, because we had to Special Warrant \$683,000 . . .

HON. S. LYON: Why didn't you footnote it?

HON. H. PAWLEY: . . . that was expended during their term in government that was not covered for in printed Estimates.

HON. S. LYON: There's nothing hidden in that. All

you have to do if you want to make the Estimates more understandable, Mr. Chairman, surely the First Minister should know, is make a footnote of that.

HON. H. PAWLEY: Mr. Chairman, then the Leader of the Opposition should be more careful in the framing of his questions. Rather than assuming that this government is spending \$1 million more than the previous government . . .

HON. S. LYON: And that's what it says.

HON. H. PAWLEY: . . . he might have first wanted to check the Special Warrants that had to be obtained in order to cover expenditures by his government that weren't included in their printed Estimates.

HON. S. LYON: Mr. Chairman, we thank the First Minister for his explanation of the difference in the figures of 2 million 3 to 3 million 2. He's trying to make some juvenile point about that being covered by Special Warrant. That's fine, he can get his jollies out of that; we're aware of the point.

My submission very simply is this: that his protestations of anguish when he was in Opposition about extra money being spent, \$600,000 or whatever being spent on advertising, lasted about as long as it took him to be sworn into office, because he's voting that \$600,000 and another \$300,000 over and above it, so we know something about the sincerity of those protestations now.

HON. H. PAWLEY: Mr. Chairman, I don't whether it's really worthwhile responding to that. There were no protestations. All I wanted to do was get the record straight so that all members would know that this government is not spending \$1 million more than the previous government because the previous government had overspent beyond its printed Estimates.

HON. S. LYON: You're only spending 300,000.

HON. H. PAWLEY: It's quite clear. Mr. Chairman, I regret the Leader of the Opposition appears to be very sensitive to this point, but I'm just trying to provide the Leader of the Opposition with correct facts in substitution for an erroneous premise that the Leader of the Opposition had been working on.

HON. S. LYON: Mr. Chairman, I appreciate the explanation and I suggest that even some of his colleagues might even understand it. Thank you.

MR. CHAIRMAN: That's 3.(c)—pass.
The Member for Fort Garry.

MR. L. SHERMAN: Mr. Chairman, the . . .

HON. H. PAWLEY: It's not Chile yet, Sterling.

MR. CHAIRMAN: Order, order, order, order.
The Member for Fort Garry.

MR. L. SHERMAN: Thank you, Mr. Chairman. I'm sorry the Minister of Natural Resources feels that I'm keeping him up late, but I think the Minister would

recall with me some Estimate sessions during the period of the previous New Democratic administration in which he was a Minister when sessions of this kind often went on till much later than this hour.

It's not my intention to prolong the committee sitting tonight, Mr. Chairman, but I'd want to ask one question or two in this particular area. The public sector advertising area is an area in which the advertising media buying service plays a very central role and I would like to ask the First Minister whether Mr. O'Connor as Chairman of the Advertising Audit Committee makes the decisions or plays any role in the decisions with respect to the media that is to be purchased for advertising coming under this line of the appropriation.

HON. H. PAWLEY: The Ministers make the final decision.

MR. L. SHERMAN: I beg your pardon? Sorry, Mr. Chairman, I didn't hear the answer.

MR. CHAIRMAN: Order. We're having difficulty hearing the comments around the table, so we have to have some order.

Mr. Premier.

HON. H. PAWLEY: The Ministers of the departments make the final decision.

MR. L. SHERMAN: Mr. Chairman, when the First Minister says the Ministers of the departments make the final decision, the Ministers of the departments make the final decision on the basis of recommendations from the Chairman of the Advertising Audit Committee?

HON. H. PAWLEY: It's my understanding that Marguerite Simons has the staff role in planning the media by, if that's what the Member for Fort Garry wants to elicit by way of information.

MR. L. SHERMAN: Well, actually, Mr. Chairman, that was going to be my next question as to just precisely what does Mrs. Simons do? Mrs. Simons is supposed to be the principal who makes the media buying choices. If the Chairman of the Advertising Audit Committee is making those choices, and I'm not concerned that it is Mr. O'Connor; that doesn't bother me, but whoever the Chairman of the Advertising Audit Committee is, if that person is making those media buying purchases, then what is Mrs. Simons doing?

HON. H. PAWLEY: No, it's my understanding that it is Marguerite Simons that is making that decision, not the Chairman of the Committee.

MR. L. SHERMAN: What role does the Chairman of the Advertising Audit Committee have in making the determinations on media purchases?

HON. H. PAWLEY: The committee reviews it, advises Marguerite Simons and she makes the final decision. The Chairman, as a member of the Committee, would be participating in that advisory role.

MR. L. SHERMAN: But then would the central decision-making authority rest with the Advertising Audit Committee Chairman or with the Director of the Advertising Audit Bureau, which is Mrs. Simons?

HON. H. PAWLEY: With Marguerite Simons. Apparently the Committee doesn't even see the final plan in many cases.

MR. L. SHERMAN: Mr. Chairman, the First Minister has said that he will be distributing a sheet that will show the allocation of advertising purchases by . . .

HON. H. PAWLEY: That's correct.

MR. L. SHERMAN: Would it be possible for the First Minister to include in that information the allocations by media, at least by print or electronic and, if possible, by individual media?

HON. H. PAWLEY: No, we can't. Only \$200,000 has been spent and the rest is just a guesstimate. We've only spent \$200,000 so far; at this rate we won't be spending the estimate.

MR. L. SHERMAN: What the Minister is saying is the determination as to where and how that additional \$3 million will be spent has not been made. Is that correct?

HON. H. PAWLEY: No, it will be dealt with on a case-by-case basis and as I mentioned only \$200,000 has been spent so far. We may be short, I don't know, of spending that money.

MR. L. SHERMAN: Mr. Chairman, in the likelihood that the present government will still be the government a year from now, which is a distinct possibility, would the Minister through his Chairman of the Advertising Audit Committee undertake to keep track of the allocation of advertising dollars by media, because I'm sure the committee would be interested in an examination of that at this time next year?

HON. H. PAWLEY: Yes.

MR. CHAIRMAN: The Leader of the Opposition.

HON. S. LYON: Mr. Chairman, this is just a recap because I think we're near the end of Advertising Audit. We will have, I take it, from the comment that was made by the First Minister earlier when we next meet, a list of who is doing the advertising for the various departments and Crown corps., and who was doing it prior to the change of government.

HON. H. PAWLEY: You've already got the list insofar as this year . . .

HON. S. LYON: It doesn't give that information. It gives totals but it doesn't give names of agencies.

HON. H. PAWLEY: Oh, names of agencies.

HON. S. LYON: Yes.

HON. H. PAWLEY: Okay, the list that I read out earlier we will provide and get last year's list.

HON. S. LYON: No, I think we need the existing list as of today for Crown corporations, e.g., who is doing the advertising today for Manitoba Housing and Renewal Corporation?

HON. H. PAWLEY: That's what I meant. We'll get that for you.

MR. CHAIRMAN: 3.(c) Public Sector Advertising—pass; 3.(d) Less: Recoverable from Departments—pass.

Resolution No. 7. Resolved that there be granted to Her Majesty a sum not exceeding \$1,057,300 for Executive Council for Advertising Audit Office for the fiscal year ending the 31st day of March, 1983—pass. Committee rise.

SUPPLY - ENERGY AND MINES

MR. CHAIRMAN, J. Storie: Committee will come to order. Continuing with the Estimates of the Department of Energy and Mines.

INTRODUCTION OF GUESTS

MR. CHAIRMAN: Before we proceed I would direct the members' attention to the gallery to my left where we have a group of 25 Grade 8 students from the Swan River Junior High School. They are under the direction of Mr. Baldwin and are represented by the Honourable Member for Swan River.

On behalf of all the members of the Assembly I welcome you here this evening.

SUPPLY - ENERGY AND MINES (Cont'd)

MR. CHAIRMAN: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Chairman, just prior to 5:30, I had asked the Minister precisely what was being done to assess other possible sites for an aluminum smelter and I believe that the Minister responded by saying that the Provincial Land Use Committee was doing the work. I'm not sure that's what he said or what he meant—(Interjection)— Mr. Chairman, the Minister says staff to the Provincial Land Use Committee. Perhaps later he can clarify that a bit more because as I recall there weren't very many staff directly associated with the Provincial Land Use Committee so perhaps he could provide me with the names of the people who are actually doing the work.

Basically, the group of people, whoever they might be, are applying the guidelines which Alcan had provided. I presume that Alcan had said that they had certain requirements and that now the government staff are examining other areas to see if those guidelines fit any of the other areas. The Minister also made a reference to a 25-mile radius from Winnipeg which I believe was part of the guidelines that they perhaps had come up with eventually but he also made reference to other centres such as Thompson and Churchill.

Now, how detailed are these studies that are being

done by government staff? How well advanced are they? How many different sites have been looked at and when does the Minister expect that those assessments would be completed?

MR. CHAIRMAN: The Honourable Minister.

HON. W. PARASIUK: There are general applications of the guidelines laid down by Alcan and some that have emerged in some preliminary discussions with other companies. They will be of use to the government when the government gets to the topic of site selection discussion with Alcan and certainly in the discussion with other companies. This is one of the things that we can talk to the other companies about as to where the different possibilities may exist. That's one of the items that's just, as I said in my introductory comments, just at that first stage. That is basically being discussed frankly in conjunction with the discussion but they're separate topics.

In the discussion about power, because when you get right down to it the critical element is the arrangement on power and whether, in fact, the substantive power needs of Alcan can be accommodated - that's what we're doing; we're looking at a variety of possibilities there. I'm hoping that when that process is through and we've had a chance to go over the site selection that the very detailed work in relation to public participation and more detailed government work in terms of the site would have to be done. But it would be a bit premature to get that carried away in spending a lot of public funds on the environmental and socioeconomic review in very great detail if we haven't been able to come to any arrangement with respect to power. We're trying to do so in a manner that is logical and sequential and one which, in a sense, entails the expenditure of funds at the appropriate time.

MR. B. RANSOM: When does the Minister expect that these assessments will be completed and that they will be able to begin at least to talk to Alcan or to other companies about specific sites?

HON. W. PARASIUK: We start today. I told the Leader of the Opposition that we'd had a meeting today in the second stage. I expect there will be further meetings between now and the next two to three weeks, at which time we'll have another meeting at the senior level between myself and Mr. Morton and that I would expect we would be proceeding from there. My thought was and my hope is, that we should be able to go through this process through the course of the summer and then be in a position to make decisions known at that time. My thought is that the summer process - and now I have somewhat more time to devote in an ongoing consistent manner to this - is my time for pursuing a number of these developments with some dispatch and some detail.

MR. B. RANSOM: I assume then, Mr. Chairman, the assessment has been either completed or at least carried to the point where discussion and negotiations about site selections can take place. Can the Minister give the Committee some indication of the results of the studies that have been carried out?

HON. W. PARASIUK: What we have, there are a whole set of sites that have pros and cons to them. What we want to do with Alcan now is have them go through their pros and cons of the sites that the Member for Sturgeon Creek says they've looked at and that's what we're in the process of doing and I certainly don't have any preferences as such. My job is to sit down and determine which is the best site from an economic and physical and environmental perspective. In terms of the environmental perspective, even that's not my particular task, as we've indicated before, the general selection will be determined, but that will then be the task of a detailed environmental review with public participation so that if there are people from Winnipeg who have concerns, they'll have an opportunity to raise their concerns. If there are people from different parts of Winnipeg or people from, say, the Balmoral area, some people come in, they say they are in favour of it and other people come in and they say they have concerns and they want to make sure that those concerns are at least addressed and that's what the public process will be all about.

What we want to do is just sit down with Alcan and go over the site aspect. The major task that we are undertaking is the power discussion. We can talk all we want about various sites but the power arrangement is the critical one and that's what any aluminum company says and I think the Member for Sturgeon Creek indicated that power is becoming a very important factor, possibly outweighing transportation and that's why people might look at a site in the middle of a continent rather than looking at a site along the seaboard, either on the east coast or the west coast.

MR. B. RANSOM: Mr. Chairman, can the Minister advise the Committee then, what other sites the province considers desirable to be assessed? What sites have they given to Alcan now to have Alcan react to?

HON. W. PARASIUK: Well, as I said, we've looked at the range of sites that I raised before. We looked at Churchill, Thompson, sites in and around Winnipeg, sites in and around Brandon and the Rivers area and those are ones that are in process of being discussed with Alcan and, in fact, will be discussed with them over the course of the next two to three weeks. We don't have any sites that the province says are preferable sites. There are sites that have objective criteria; they meet certain criteria of having certain good points and certain bad features relating to gravel deposits, ability of railway lines, natural gas, transportation, economics, ground water, environmental aspects, agriculture, labour force infrastructure, availability of hydro, population density.

MR. B. RANSOM: I believe the Minister mentioned the availability of labour force. Has the other infrastructure that would be required for that size of a work force been examined as well? That was one of the reasons why Alcan was interested in locating within a reasonable distance of Winnipeg, because of the educational facilities and the cultural facilities and all those sorts of things. Have those subjects also been examined in some detail?

HON. W. PARASIUK: In terms of infrastructure those

are the aspects that people look at. Thompson, for example, has an underutilized infrastructure right now, but it has an infrastructure.

MR. B. RANSOM: Mr. Chairman, what environmental work has been done in the assessment of these sites?

HON. W. PARASIUK: There has been a general look at environmental susceptibility in terms of location of dairy herds and proximity and things like that, but the detailed environmental work, some work had been done by the Department of the Environment and that's where that type of detailed work is, in fact, being done. In a sense, what we had asked for is the pointing out of any quickly identifiable environmental problems either with respect to dairy herds or with respect to ground water or with respect to being on very good farming soil, that type of thing.

MR. B. RANSOM: Are any environmental assessments being carried out by the Department of the Environment?

HON. W. PARASIUK: At this particular stage, staff have given us this broad brush. I know that there had been consultation and activity between the Department of the Environment officials and Alcan officials and they had asked them a whole range of questions and I think some of these questions have been addressed. I think there are further concerns and issues that have been raised and I think these still have to be addressed. The Minister of the Environment has indicated that there would be a full environmental impact assessment with full public participation at the appropriate time.

MR. B. RANSOM: I'm quite aware of that, Mr. Chairman, but the question was has the Department of the Environment been involved in carrying out environmental assessment and review of any of the sites that the Minister has named?

HON. W. PARASIUK: I thought I indicated that we asked the staff to indicate to us where there could be environmental impacts that are readily identifiable. They have not gone out to Churchill and done a detailed environmental study of it but they've been able, because they do have a lot of data at their disposal, to give us an indication. I had asked if any of that had been done before and had indicated that in their perspective it hadn't. So there has been some work done on environmental impact in terms of indicating to the government what some environmental impacts could be with respect to an aluminum smelter.

MR. B. RANSOM: Mr. Chairman, during the review of the Estimates of the Minister of the Environment, he certainly didn't give the impression to the Committee that the Department of the Environment was involved in conducting assessments. He said, for instance, the Minister responsible for the negotiations has asked my department, through me and through the Provincial Land Use Committee, for their assurance of assistance if they want to look at environmental aspects of different sites. I have given them that assurance that we will provide him with as much detail as we can. I

took that answer at the time to mean that the Department of the Environment was not involved in the re-evaluation of sites or the selection of sites by the government. Now, if the Minister is telling me something different, I think I would like to have that cleared up for the record because that certainly isn't the impression the Minister of the Environment left.

HON. W. PARASIUK: I think it's quite clear. I said that the Minister indicated that he would make staff available. We asked staff who do provide assistance to the Provincial Land Use Committee and some of these people are from Municipal Affairs, some of these people are from the Department of the Environment, to give us an indication of any type of negative environmental impacts that might occur if there was an aluminum smelter in any of a number of locations. That has been done over the course of, I think, the last month, month-and-a-half. So I don't think there's an inconsistency with what the Minister responsible for the Environment has said. I'm certainly not trying to give the impression that very detailed environmental assessments have been done on particular sites but we can get an idea of the ground water impact; an area susceptible to ground water problems; if an area is susceptible to possible environmental damage if you have dairy herds.

There are certain parts of Manitoba where there are greater concentrations of dairy herds than other parts. There are certain areas where obviously you can lay these things out on the map and you can find out where you have your parks and where you have other things like that and that's been done and that now is going to be used in part in our discussions with Alcan at this particular stage.

MR. B. RANSOM: Mr. Chairman, can the Minister advise the Committee what environmental damage he's speaking about? He has a number of times mentioned the negative environmental effects and I wonder if he would advise the Committee just what it is that he's speaking of.

HON. W. PARASIUK: I know that there are concerns about damage to dairy herds, so I don't know if one would talk about putting an aluminum smelter in a part of Manitoba where you had a high concentration of dairy herds. You have certain areas where you could have problems of pollutants entering ground water; there are certain areas where that's less of a problem and other areas where that is more of a problem. Indeed, from some of the information that we've been able to get, Balmoral is close to some major aquifers, but there are no particular problems there in terms of groundwater damage, so that's the type of advice that we've been able to get from the Department of Municipal Affairs and the Department of the Environment.

MR. B. RANSOM: Mr. Chairman, I'd like to ask the Minister whether or not he has any personal biases about the possibility of environmental damages. I'm quite certain that during the election campaign the Minister spoke of the possibility of contamination from the smelter, that it was not a good idea to have an aluminum smelter located upwind from the City of

Winnipeg. Can the Minister advise the committee whether he still has that concern, whether he's done anything to allay that concern or whether that's figuring in the decisions that he has made so far with respect to negotiations?

HON. W. PARASIUK: I'll have to check through, I don't know if I have any records. I don't know if I made any major speeches about Alcan at all during the campaign as the member tries to indicate. I know that concerns had been raised with me; indeed, a large number of people raised concerns about the location of a plant upwind from Winnipeg, so it would have the prevailing northwesterlies blowing this material - people aren't sure what it is - over Winnipeg. That's a concern on the part of a large number of people; there were some people who raised these concerns during the course of the election campaign.

I don't remember making any major speeches to that effect; I didn't know whether it was a good or a bad thing. It certainly raised the question in my mind, in a sense, on an apriori basis that this is obviously something that has to be explored. What other sites were explored, my natural inclination, just on an inductive basis, was to wonder why sites to the east of Winnipeg weren't chosen. I was not sure whether in fact they had been looked at. Now the Member for La Verendrye says that there were some looked at to the southeast of Winnipeg. I'm not sure whether sites to the east of Winnipeg were looked at, but I certainly said that my position with respect to the site is really neutral.

MR. B. RANSOM: Mr. Chairman, I don't have any written record of any major speech that the Minister made when he was campaigning in Transcona. If the Minister wants to stand here in the House and tell the committee that he never made those kind of statements, I'll accept that, but my information is that those were the sorts of indications that the Minister was giving.

Mr. Chairman, I'm getting rather concerned by the answers that we're getting from the Minister because the answers we're getting from the Minister conflict with some of the answers that we received from the Minister of the Environment. The Minister shakes his head, but let me put on the record some of the questions and answers that took place in the discussion of the Estimates of the Department of the Environment.

The Member for Tuxedo said: "Mr. Chairman, I wonder if the Minister could give us some information, given the state of the art of the present technology of aluminum smelting, given the advice and the information which his staff has obviously provided him with respect to aluminum smelting, does he believe from an environmental pollution standpoint that an aluminum smelter could be located safely anywhere in this province at the moment?" The Minister of the Environment responded: "I have nothing to indicate to me that it cannot be safely located in a number of areas, no." The Member for Tuxedo said then again: "Given the fact that he's indicated that the precondition of the preferred location has been removed from Alcan's process, does he believe that the Balmoral site or the proposed Interlake site is one of the locations that may not be safe from an environmental standpoint as

a preferred location." The Minister of the Environment answered: "That has not been indicated to me either. I have not gotten information to that effect that it would not be a safe site."

Now, here is the Minister of the Environment, the Member of the Treasury Bench, to which the public and we on this side of the House turn to, to get some information, to get the informed response about environmental matters in this province, then the Minister of the Environment tells us as far as he is concerned he doesn't know of any reason why that plant should not be located at Balmoral or anywhere else in the province from an environmental point of view. Now the Minister of Energy and Mines comes into the House and makes reference to the possible environmental effects of having this smelter located upwind from Winnipeg or perhaps located somewhere else. Mr. Chairman, then we ask the Minister what kind of environmental studies have been carried out and it's evident that there are essentially no environmental studies carried out.

I would point out to the Minister that environmental studies were under way and the process was in place which would have allowed for the public to make their submissions and for assessments to be done on the environmental acceptability or lack of acceptability of an Alcan smelter at Balmoral. Now, how can the Minister possibly make the kind of statements that he has made without having had an environmental assessment? Under the process that was in place, there was a preferred site selected and that site was selected on the basis of all the physical factors and the economic factors that Alcan found to be necessary to take into consideration; then there would be an assessment of the socioeconomic and environmental impact and presumably as a consequence of those studies that site might have been changed.

I want to know how the Minister can go about, looking at other sites making some of the statements he has made which conflict with statements made by the Minister of the Environment, without having conducted an environmental hearing. Why not at least conduct a general environmental hearing then? If the Minister has some doubts about the advisability of locating this plant in certain areas, then hold environmental hearings into the impact of an aluminum smelter and do it without reference to a specific site, at least, so that we don't get conflicting statements between the Minister of the Environment and the Minister of Energy and Mines and then you have some kind of yardstick to go by.

HON. W. PARASIUK: I think the Member for Turtle Mountain is either misunderstanding what I'm saying or misrepresenting what I'm saying. I have not said that I have a disposition regarding that site. I said I was neutral; I said that there were a whole set of concerns that had been raised about the location in terms of Winnipeg being downwind and having 600,000 people living downwind of a site within 20 or 25 miles. Obviously that has to be addressed in a very detailed environmental impact assessment. What I wanted to get an idea of is what sites have been looked at, what sites seemed to make sense and what sites didn't make sense, so I asked staff to tell me what sites made some sense and what sites don't make some sense.

That does not exclude or preclude Balmoral in any way, shape or form. I have not taken a position on Balmoral. We asked the staff to give us that over the course of the last month or month-and-a-half and the member now is trying to say that I'm saying something inconsistent with the other Minister, which is not the case. I certainly have heard concerns raised to me, but I have not made judgments about those concerns. I am not in a position to make judgments regarding those concerns.

MR. R. BANMAN: I wonder if the Minister could inform the House whether or not he is aware that the second site, in other words, the other site that would have rated high and number two on the site selection by Alcan, was in eastern Manitoba.

HON. W. PARASIUK: I haven't had that discussion with Alcan yet, I certainly will be having it in the near future. I certainly didn't have any documentation indicating any one of six sites being looked at. I didn't have any documentation that said they looked at this site or that site or that site. Maybe there was a presentation to Cabinet, but I don't believe that any minutes or any notes were ever taken by any officials regarding this or the power discussions or regarding any discussions. I have not been able to come across any notes or minutes of discussions between Cabinet Ministers and Alcan negotiators. I haven't been able to get any of that type of material. I received a very small briefing document by the Minister when he left office, but I did not receive any minutes or notes of any of these things that are being raised now by the former Minister saying, are you aware of this or are you aware of that. That certainly didn't exist.

MR. R. BANMAN: Mr. Chairman, is the Minister saying that after having been responsible for this department for six months, he's not aware of where the site selections for Alcan were, that the same staff is more or less in place dealing with that? Is he saying to us that he hasn't sat down with Alcan and asked what kind of site selection they've done after six months? Is that what he is saying to us?

HON. W. PARASIUK: We have spent more of our time looking at their whole rationale for a location right in the center of the continent which is what we're doing and I told you. I said we are moving on to the power aspects and the site aspects right now and that this was following a logical process. I sat down and I asked the staff, did the government do any work on looking at different sites that might be applicable for aluminum smelting. Were you aware of any presentation? Did you receive presentations? I didn't get any information in that respect.

MR. R. BANMAN: Mr. Chairman, all he has to do is read the papers. We had the Municipality of Ste. Anne. The Reeve and the Councillors were out with Alcan looking at a site in Eastern Manitoba. It is no secret. There's no Cabinet documents included in this thing, but people who have been out there who have been reviewing the different locations, the second site, as well as I understand, is in the eastern region. I find it incredible that the Minister didn't even know that. In

dealing with the specific site locations that he's looking at, he's talking about Churchill, Thompson - I wonder if he could inform the House as to how many specific site locations he was looking at?

HON. W. PARASIUK: All told, the staff looked at a number of sites and came back. There was Churchill, because it's a port; Thompson, because it has excess capacity; the Brandon area, because it has infrastructure there right now and areas in and around Winnipeg, different wind directions from Winnipeg. That has been done to give government people some knowledge of the terrain and the different infrastructure and supports that exist in relation to different sites. The concentration to date has been on the economics, the transportation aspects of the smelter, looking at aspects of processing, fabrication.

Alcan has been very good in providing information to us. We've done so under the strictest confidence, that's not gone to anyone else that we've ever talked to and we are at the stage, as I indicated in my introductory comments, of looking at the power aspects and looking at the site aspects. The more important one from our perspective, because we know that there's going to be the detailed environmental impact assessment and the detailed socioeconomic assessment, is the power arrangement. That is going to take a bit of time with respect to the power because, as far as I can tell and I have to determine whether the buy-back provision which right now is very open with respect to real market value and what's the future market value of a hydro dam 35 years from now, whether it's going to be \$600 million or, more likely, if you look at the Hudson Bay experience with Island Falls, whether it's going to be \$6 billion.

We had a tenfold increase because I think Hudson Bay carries Island Falls on the books as something in the order of, I think, 10 million - I think it's just less than \$10 million on the books - Hudson Bay Mining and Smelting wants \$100 million and this is through a period of relatively low escalation in prices and costs. We are going through a period of very high escalation in prices and costs, very high increases in terms of energy sources. If you look at oil, gas, coal fired thermal stations, project that over a 35-year period. If those run out or get difficult, we might not be talking about \$6 billion in terms of what the province might have to pay for that equity portion of a plant that Alcan might own, we might be talking in the order of \$10 billion, \$15 billion, something more than that.

I'm not sure and, again, I'm checking into the documentation to determine what the original position of the government was, whether the government had a concern about the buy-back provisions, because I have the Member for Sturgeon Creek talking about Alcan acting as a tenant when, in fact, Alcan is acting as an owner and the value of their equity is appreciating in time. I don't know if that was a concern on the part of the previous administration, but it is a concern of this administration because the future obligations for Manitoba Hydro or for the people of Manitoba could be immense. So we are looking to determine how that was negotiated, whether that was a concern. When I hear the Member for Sturgeon Creek talk in terms of tenancy, that's one thing, but the agreement says that there would be fair market value paid. That's

quite a bit different. Those are important considerations.

Another consideration on the powerside is whether, in fact, the Hydro system is run in an optimum manner to provide for all of Manitoba, provide for all of Manitoba's needs in the most optimum manner, or whether in fact the Limestone plant is run in an optimum manner, possibly to the detriment to the overall operating system of the overall Hydro system in order to maximize the output in relation to Alcan's needs, obviously very important considerations.

I know that Manitoba Hydro itself hadn't had a chance to deal with those matters. They obviously have to be dealt with. Those are the types of matters that we are dealing with. We believe they are very, very important and we are just at that stage right now of doing it.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: I wonder if the Minister, he refers to a report with regard to the specific site locations that they've been looking at, would table that report in the Legislature.

HON. W. PARASIUK: This is not a detailed report as such. There are overlays. It was considerations prepared by staff for the negotiating committee. I will certainly be prepared to table it at the appropriate time in the negotiations. We're not really negotiating sites. What we're asking them is to present us with different information and we intend to be doing that in the very near future.

MR. R. BANMAN: I wonder if the Minister would be prepared to give the members of the Legislature a briefing with regards to the site selection, maybe in Room 254 sometime.

HON. W. PARASIUK: If we get to that stage over the course of the summer, I'll be quite pleased to do that and if I get the opportunity, I'll give you the briefing with respect to the legal aspects and the legal review of the agreement to date. What I have asked for here and I have asked for the legal counsel, that was used by the previous government, to give me an assessment. I have that assessment. I am quite prepared to, at some particular stage in the negotiating process, sit down and give the members a full briefing session on that.

MR. R. BANMAN: Mr. Chairman, the Minister said, "At some stage," and I guess that could be any time down the chute. I want to just ask the Minister, he brings in the Hydro negotiation aspects of this particular development, one of the things which I think is essential is to get a number of the details involved in this particular thing into perspective and one of them of course was the environmental study to insure that there are environmental safeguards and that the whole project is environmentally safe as far as the Province of Manitoba goes.

I guess I have to say to the Minister, that particular process was underway and it's unfortunate that the government chosen not to go ahead with that particular environmental impact study with regards to the Bal-

moral site. It would have at least given the Minister, should that site have gotten a clean bill of health, as to say, it would have at least narrowed it down to the one major aspect of this particular facility and that is the Hydro negotiations. Where he is sitting right now is that he doesn't know if it's environmentally acceptable. He doesn't know if he can work out a Hydro fee and I have to say to him that the whole thing seems to be, to me, in pretty much of limbo.

He just mentioned here he wasn't even aware of the Eastern Manitoba site and I find that very difficult to believe in light of all the things that have gone on. When you look at a map of Manitoba and within the regions of Winnipeg and you look at where marginal lands are located, which I hope the Minister is taking into consideration, rather than building on prime agricultural land; when you look at the proper groundwater sources; when you look at the type of subsoil that we're looking for, it narrows it down. You don't have to be much of a genius. I am not anybody who has any engineering degrees or anything, but you can take a map and look at Winnipeg and you narrow it down to two or three sites right around Winnipeg.

Here we are at a point in time where really we've sort of been stalled for the last six months and, by the Minister's comments here today, we are just not moving anywhere except that we've once again looked at the site locations. I guess, what I have to ask the Minister is, does he anticipate that he would like to see the Hydro negotiations done before any site selection is completed?

HON. W. PARASIUK: We are proceeding with both together. In fact, from Manitoba's perspective in terms of the dollar implications, the dollar implications of the Hydro aspect are very huge and very important and it's important to cost them out. As I said, I have received the full legal report on negotiations from the legal consultants in the previous government and this relates to the whole question of the buy back and how it was dealt with. It's an important consideration and we are just in the process of trying to deal with that.

MR. R. BANMAN: When will you know if you want - I am referring to some of the stuff that went on in the last election about the environmental safety of this particular plant. Before you start all kinds of detailed negotiations, since you have expressed concern about the environmental side of this thing, wouldn't it have been prudent to move ahead and have that environmental impact study just about completed within the next few months, if we would have gone ahead with it. Then, at least you would have known whether or not the people in the Balmoral area, if you want to trans- pose that somewhere else, at least you would have some indication whether or not this plant is environmentally safe and is compatible with the things that people in the Province of Manitoba want to have done.

You are in the situation now where, if you complete the Hydro agreement and the environmental studies go against you, you haven't got anything.

HON. W. PARASIUK: Mr. Chairman, to clarify the record, the New Democratic Party raised concerns in the election about the Hydro arrangement. That's

what we raised concerns about. There were people who raised concerns about environment, but it was the New Democratic Party that raised concerns about the Hydro arrangements, whether in fact there were aspects to it that would be harmful to the long run benefit of Manitobans. We were quite clear in our campaign on that issue.

We have sat down with Alcan. We informed them of our position. They indicated to us what their position is. We said, we'd review everything. We had hoped that we could find an accommodation with respect to the power because that's the critical one and we are in the process of working towards that. That's what we are proceeding with and I would hope that we could proceed expeditiously to deal with that particular issue, but we are certainly dealing with the site aspect at the same time.

MR. R. BANMAN: Mr. Chairman, I would just like to point out to the Minister that there were a number of members of his party during the last Session of the Legislature who really raised a lot of serious doubts about the environmental impact on this. I only have to refer to a grievance by the then Member for Ellice who spent a whole grievance talking about the environmental impact on this. So I don't take that as something that he said, that they were just concerned about the Hydro thing. They raised a whole spectrum of this total development, whether it be the environment or the Hydro part. I just have to say that all he has to do is go back and read some of the speeches of the members opposite when they were in Opposition with regard to this project. I might say that my observations after the Member for Ellice had spoken that precisely the very thing has happened. At that time I indicated that there were going to be a lot of scare tactics used in this and what seems to have happened now is we're back to square one - the environment. The Minister said his was not one of the major concerns of the New Democratic Party in the last election. It, according to him, wasn't a major concern; the major concern was Hydro.

MR. CHAIRMAN: The Member for Turtle Mountain.

MR. B. RANSOM: Mr. Chairman, the Minister acknowledges that the major concern raised by the NDP was Hydro and certainly it was a major concern that they raised. They stated categorically in some of their campaign literature that they would not allow Alcan to have ownership position in a power station. Has the government changed its position or does it still hold to that position?

MR. CHAIRMAN: The Honourable Minister.

HON. W. PARASIUK: As I said, with respect to the Joint Review for the purposes of the Joint Review, we are taking away preconditions in order to do the assessment to determine the alternative ways in which the substantive power needs of Alcan can be met. Frankly, if we were to find that the only way in which the substantive needs could be met taking into account buy-back aspects and everything like that, making sure that Manitoba is protected so that we're not stuck with a \$10 billion or \$15 billion price tag in

the future, obviously, we'd have to look at that seriously. What I'm doing is not taking any preconditions for the purposes of this review.

In general, the position of the New Democratic Party is that we believe Hydro has served Manitoba very well as a fully publicly-owned, integrated utility; that we've had experiences with Inco, with Sherritt Gordon, with Hudson Bay Mining and Smelting now, with the pipeline and that's our position as a general position.

It would appear from what the Opposition is saying that they are quite prepared to countenance not only a special exemption for Alcan, but conceivably a special exemption for Inco, conceivably a special exemption for Sherritt Gordon, conceivably a special exemption for the pipelines, so that we could end up with a Hydro facility which is in a large part privately owned. Thirty-five years from now the whole average pricing concept of our utility which has kept prices low for consumers would completely be destroyed, so that consumers in Manitoba would have to pay very very high marginal prices for additional Hydro capacity as it was brought on stream. That's why we have that general position.

What I've said is for the purposes of this review, for us to negotiate in good faith for the purposes of this review. We are doing so without preconditions.

MR. B. RANSOM: Now we're beginning to hear some of the ridiculous distortions that we heard during the election, that the Conservatives would consider giving Inco a piece of Hydro, Sherritt Gordon, the truckers and anybody else that happened to need power. The proposal that was before the government was the Alcan proposal. There was consideration given to what would happen at the end of the 35-year period. I think the Minister would have to acknowledge that if the generating station were to be built at the end of 35 years, if it was then required by the people of Manitoba, the cost of that station at the time would be related to the fair market value.

Now, in response to some of the answer that the Minister gave, is he now saying that the firm position that was taken by the New Democratic Party in the election - if he wants I'll bring in quotations to back it up saying that the New Democratic Party would never allow Alcan to own a portion of a power station - now being altered? Does the Minister conceive of circumstances that the New Democratic Party Government would back off that position which they took during the election?

HON. W. PARASIUK: I cannot conceive of those circumstances, but I'm certainly willing to have an open mind, to look at them all and determine whether in fact any change in that policy is warranted. But the point is at this particular stage - we informed Alcan of this - we said that we would look at it with an open mind, would review all these aspects with an open mind, without preconditions and that's what we are doing.

Now I find it rather interesting that the Opposition keeps asking the government to change its positions and modify it, but isn't saying a thing about whether Alcan should be modifying its position or changing its position or whether it should do what it does in a number of other places and sign long-term power

agreements. The member just said that the Conservative Government of the day - I want to understand what he said just now - did not consider giving other private companies ownership to Hydro dams or part ownership to Hydro dams in Manitoba? Is that what he is saying?

MR. B. RANSOM: Mr. Chairman, there are the words coming in again, the same words that the NDP tried to drive home to the public during the election - "give, give." They were going to "give" a piece of Manitoba Hydro away. That was the kind of charge that the New Democratic Party made during the election and it was a dishonest charge. Mr. Chairman, the Minister knows the proposal which was under consideration was one for Alcan to develop an aluminum smelter which required 400 megawatts of power, a tremendous amount of power, a tremendous investment for Manitoba and a tremendous economic opportunity. Our government had agreed in principle to selling an undivided minority interest in a power station to Alcan; it was part of the agreement in principle. The New Democratic Party in their campaign literature said - this is the one again that's "A Clear Choice for Manitobans" and on the page that deals with energy said, and I quote: "The NDP will not allow Alcan ownership of a hydro-electric plant."

Now all I want to know is, does that still hold or is the government changing its position, because if the government is changing its position I think perhaps we begin to get back into a situation where Manitoba may see this sort of development taking place. If they are not changing the position, then I believe that the government should say so and they shouldn't be saying that they are undertaking negotiations without any preconditions. Which is it?

HON. W. PARASIUK: I find it astounding. It's almost as if we have the member negotiating on behalf of Alcan right now. I want to know whether, in fact, the Conservative Government in its day ever looked at any of the precedents that could be established by this; whether, in fact, they considered allowing other private companies to have undivided ownership in part or whole of other hydro plants? Those are questions that government has to look at, obviously. We are looking at those questions and we are negotiating with Alcan. We are trying to negotiate the best deal possible, and it is almost as if the member is negotiating on behalf of Alcan. Why doesn't he let the government sit down and try and negotiate with Alcan and find, if it's possible, a mutually satisfactory arrangement whereby the substantive power needs of Alcan can be met without creating a whole set of difficult precedents to live with that might have some very big impact on future hydro rates.

What I can't understand is why he won't let the government try and proceed on that basis, but rather would try and publicly try and negotiate almost as a complete advocate of the Alcan position because that's a position that the government has struck before. He won't comment on whether there were concerns about buy-backs and what this might cost Manitoba in the future, and all I am saying is that we have said that we are prepared. We know what our position is; we feel confident about our position.

Alcan says they feel confident about their position. Both parties have said they are willing to look at this issue objectively knowing what positions they take into that negotiating process.

It's up to the negotiating process to determine the changes that might take place; that's what the negotiating process is about. But what we have right now is a Conservative Opposition wanting us - and I thought this might happen - to try and negotiate in public. Will you bend your position? Are you asking questions about whether Alcan will bend their position? I don't hear that. All I'm saying is let the negotiating process work, let me come back, give me an opportunity. I had the Member for Sturgeon Creek earlier today say, if you think you can work a better deal do so, but don't dawdle too much, get moving, get moving on it. I want to do that, but I do say that these things can't be done on this basis where someone is saying, will you bend the government position, will you do so, will you do this, will you do that with respect to the government position?

Do you want me to start asking you what you think about the Alcan position? Are you willing to get out there and say will Alcan bend its position? Are they prepared to say that they would provide ownership, that they would like ownership and have it depreciated? Is that what you are prepared to say, or do you want Alcan to have a facility that might be worth \$10 billion or \$15 billion in 35 years? I don't think that's your position, but if that is your position, fine, give me that advice in terms of discussion, but just to say you want the government to do this, or you want the government to weaken its position or change its position, telegraph that to the negotiating process.

I'm sorry, I don't think I can do that, Mr. Chairman. I'm prepared to come here, be accountable for the negotiations that we have undertaken at a time in which we either have a completed negotiation or one that is broken off; I'm prepared to come here and be accountable for the decisions we took. But to negotiate in public as the Member for Turtle Mountain is trying to get me to do right now, I think is wrong. I'm prepared to look for the accommodations, but I'm not hearing the Member for Turtle Mountain raise one thing as to whether, in fact, Alcan should bend, give or anything. He wants the province . . .

MR. CHAIRMAN: The Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Chairman, just to clear up two things. When I said that Alcan would be a tenant, I would look at that tenancy similar to a condominium, the building is owned by somebody, the apartment is owned by another person and there is a tenancy within a condominium, and it's very close to the same principle.

Mr. Chairman, the member is wrong when he says that the NDP Government didn't have a position. You had a published position, very very sincere, published position in the election campaign. The Member for Turtle Mountain asks if there is any change in that position. Obviously, you are willing to take a look at change. The Minister just said that, he is willing to negotiate; he's obviously willing to take a look at a change. He's certainly well aware that Alcan was willing to pay \$600 million or so for their share of the

construction of Limestone or whatever he may negotiate with them, maybe it's more. But, Mr. Chairman, when he says did we look at other aluminum companies. We have had discussions as he knows with other aluminum companies, but Alcan was the company that came forward in 1979 - and I told the member this today - when we invited them to take a look at Manitoba, they said they would. They never let us down, they did everything they said they would. As we said, we had a code name for them. They worked and spent money very sincerely investigating the possibility of putting an aluminum plant in the centre of Canada.

I don't understand why the Minister is being so concerned about why Alcan has decided to put a smelter in the centre of Canada. If Alcan has decided its feasibility, I don't know why the Minister is now going to try and decide whether it's feasible for Alcan to put it there or not. I don't understand that, except it may have something to do about the benefits of the shipping into the States, etc., but Alcan studied the economy of having a refinery in the middle of the country because we had the power resource, and now we're negotiating the power resource.

So, you know, when the Minister starts to say that he has spent a lot of time deciding whether Alcan should be in the middle of the country or not, or in the middle of Canada, why isn't he checking with Alcan to see if they should be in the middle of Africa? It's Alcan that should be deciding where they want to put their refineries, and they decided that 'the window is open.' Those were their very words. The window is open for Manitoba, and we will study it.

He will find when he is dealing with the Alcan people that they will be very sincere with him; they will be very honest with him; they will answer all their questions and when they say they'll do something, they will do it, and he can be assured of that. But, Mr. Chairman, I don't know why the Minister is getting so concerned about the fact that we are negotiating for Alcan. We're not negotiating for Alcan; we're negotiating for the people of Manitoba and if he'd get somebody else that will put that kind of money into a power plant in the Province of Manitoba, that will take that off the backs of the people of Manitoba, which we thought was a good arrangement; we said so and we said so right in the Committee room here. The President of Alcan at that time said, "We will not come to Manitoba unless we can be a part owner."

Now the Minister has said in the campaign - not him, but his campaign literature - said that they would certainly not budge on that. Now he obviously is budging. So I don't know how we can be accused of doing the negotiating. He's now looking at it.

Mr. Speaker, I'd like to ask the Minister: has he been down to see the Grande Baie Plant?

HON. W. PARASIUK: Again, I have just been talking to Mr. Morton. I'm scheduled to go in the first week of July. It's my intention to be out there then. I hope to take a look at that plant; I hope to take a look at a couple of other plants, because people have talked about the setup being somewhat different between plants and I hope to take that time to look at them very intensively. Sure I intend to, but I haven't done so yet.

MR. J. JOHNSTON: Alcan brought their environmen-

tal experts to Manitoba to talk with the environmental people in the Department in Manitoba. The previous Minister is here and he is very aware of that. They also introduced our people to some of the most foremost and best environmental experts in North America in Chicago; they worked with them. They were introduced to the people in Chicago because of what our people should be concerned and looking for as far as the environment is concerned in Manitoba. Alcan worked, as I said, very closely and they want to overcome the environmental problem as I'm sure the Minister does. Alcan doesn't really want an environmental problem. The only thing they have against putting refineries in is environmental problems, so they want to work to cure them as much as anybody else.

The Minister hasn't seen the Grande Baie Plant. I will give him a little description. If he stands in the front doorstep of this Legislature and looks down to Portage Avenue, it's that long and it's the width of twice this property practically. It's got \$90 million of scrubbers in it. Now, the Arvida Plant collected about 62 percent of the emissions when it was first built; they got it up to 74. The new Grande Baie Plant was to catch 94 percent of the emissions and since it's been in operation, is now collecting 97 percent of the emissions. What they don't catch is when they open the potline inside the plant.

They own acreage. They want four square miles. They own all the acreage around. The Ministers from our side, Mr. Jorgenson and others, went out to the farms, took a look at the stock. I happen to know of a man in the Balmoral area who sold a bull to somebody in that area seven years ago and has examined the teeth of that bull and found them perfectly all right. -(Interjection)— He's still performing, yes. They grow cabbages, petunias; they grow everything all around the refinery. They do everything possible to overcome the environmental problems.

Now, it's very obvious to me that the Minister and his immediate staff and other Ministers in this government haven't take the time to find those things out. They haven't been down there to see what would actually be coming to Manitoba, and the other thing is it's very very strange to me that somebody from the Land Use Committee or Department, staff of the Land Use, is doing a study on where it would be best or where they think the refinery could go other than Balmoral, when in the Department of Environment there are a group of people that worked on this for two years and have more knowledge than anybody else in the government. Now, I fail to understand why those people are not involved and I . . .

MR. CHAIRMAN: The Honourable Minister on a point of order.

HON. W. PARASIUK: I rise to a point of order on this because I did say that staff from the Department of Municipal Affairs, staff from the Department of Environment, who do provide technical advice to the Provincial Land Use Committee, were in fact asked to give us a quick rundown of those areas where the environmental impact might be lessened with respect to water and other things. I did indicate that to the other member.

MR. J. JOHNSTON: Well, then those people are working to give advice to the Minister, but you know I'm very disappointed to say the least and I know the Minister will get up and say it's only been six months, but I can assure you that Alcan was just champing at the bit to have anybody from Manitoba to go down and see what their new refinery is like, how it was built, take a look at the alumina instead of bauxite that's coming in, all of the things that they have accomplished over the years in building this new refinery and yet it hasn't been done.

The Minister is going down to see it, but I would like to suggest two things: go down and see it, and I think you'd better start to get your hydro arrangement in place before you start talking about location because it appears at the present time that there could be a disagreement in the discussions between Alcan and the government as to the Hydro arrangements and I assure you that's the most important, because, you know, if you're going to build a \$700 million refinery and 40 percent of the cost of making aluminum is hydro, you're not going to spend \$700 million and get your water turned off tomorrow.

Now, the Minister seems to be overlooking the fact that it was not a give away. We weren't giving away Hydro. They were paying their share as part of our agreement. The agreement worked down from there as to the number of years, etc., etc. Has he got another company that's willing to put that kind of money into the Province of Manitoba? I might add that Alcan was the only one that kept moving ahead; Alcan was the only one that spent money to find out that it was feasible to put a plant in the middle of Canada.

MR. CHAIRMAN: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Yes, Mr. Chairman, the Member for Sturgeon Creek raised a good point. What is the point of being involved in site selection until the Minister knows whether he's going to have an agreement, whether he can agree at least in principle on the type of arrangement to supply power, because the principal reason that Alcan is here is because there was that agreement in principle on the power arrangement. What is the point of working on site selection until he has that agreement in principle, whatever it might be?

HON. W. PARASIUK: I said, we have just taken a cursory look. It is certainly not the intention of the negotiating group to get great detail on environmental impact or socioeconomic impact. Our major task is to look at the power arrangement, and the Member for Sturgeon Creek says, why are you interested in the economics? When we met with Alcan, they said the economics are such that, if you locate in the centre of the continent that we have to have ownership of a plant. They said the economics are such that we have to have ownership and we said, okay, fine, we will look at that whole matter. What is the economic imperative that leads you to say that you have to have ownership? That is exactly what we have been doing.

When I met with the President of Alcan on January 29th - he had come on stream just at the beginning of January - the new President, the other one was going out and that was known when I took office. I decided

to wait until he came on stream. We arranged a meeting, got together. The market was soft, so we said, is there urgency with respect to any of these things and it was decided that we could proceed on this basis, which is what we are doing.

I certainly want to take the time to do exactly what the member suggests. I want to go look at the Grande Baie Plant. I want to take the time to spend on that, not just intermittently, but to spend some detailed time on it. I'm getting very close to doing that and wasn't changing the timing of any decisions. When the member says it is important to deal with the power, I agree. When he says I should get Hydro doing work, I have been having them do work. You know, if they own a piece of a plant, does that impact the system or not? They hadn't done much work on that; they hadn't been that involved in that aspect, that was something that had yet to be done.

I am just saying I asked those questions. I spent quite a bit of time on them and that is what we are doing now.

MR. B. RANSOM: Mr. Chairman, if I could ask the Minister, have Hydro officials recommended in principle a concept of having Alcan own an undivided minority interest in a power station?

HON. W. PARASIUK: In discussions with the Hydro's managers, I said, from Hydro's perspective, what is the best situation. They said, from Hydro's perspective, the best situation is that it remain a publicly owned integrated system, but that the negotiations had been and were carried out by the government and they would await government instructions in this respect. In terms of what might be called the Hydro position, that's the position they took, although they said they would look and see how they could live with any arrangement. That is the position we are dealing with.

MR. B. RANSOM: Have Hydro officials told the Minister that the hydro users of Manitoba would be better off with Manitoba Hydro owning the facility as opposed to Alcan owning the facility?

HON. W. PARASIUK: What has happened is that they have looked at it from different perspectives - different groups within Hydro have looked at the whole question from different perspectives - and given the different perspective you look at, the impacts are indeed different. What we asked Hydro to do is to take all those different perspectives, sit down as a whole group, bring together the systems operation and the resources planning, sit all the groups down and spend time sorting all that out so that we could come up with a consistent, coherent Hydro position on this. That is what they are doing.

MR. B. RANSOM: Mr. Chairman, the NDP election campaign document which has been referred to many times, "Policies of the Manitoba New Democratic Party," said, "The NDP will not allow Alcan ownership of a hydro-electric plant. Energy development, not energy giveaways, are the policy with greatest benefit to future generations of Manitobans." Can the Minister identify, on the basis of information that is avail-

able to him, if there were energy give aways entered into or about to be entered into by the previous Conservative Government?

HON. W. PARASIUK: If there were giveaways, I would hope through the negotiating process to turn that around. The judgment as to giveaways depends on the facts and I would like to be afforded the opportunity, either with respect to aspects of an Inter-Tie or aspects of an Alcan project, to negotiate those aspects and come back and table them. One could look at, make the judgment and the judgment maybe is in the eye of the beholder with respect to the buy-back provision, whether in fact the buy-back provision should have been one with respect to a depreciated book value or whether it should be full market value, fair market value or replacement value. People would make different judgments about that.

MR. B. RANSOM: Mr. Chairman, I would like to specifically note what it was about the agreement which the Conservative Government had been negotiating with Alcan that the Minister will identify as a giveaway of energy resources.

HON. W. PARASIUK: I have raised this in the Public Utilities Committee. I was just looking at what had been negotiated and when you don't have any notion of what the buy-back value should be for a Hydro plant that Manitoba may need in the future and I pointed out, that is a problem. If, in fact, the Member for Sturgeon Creek says, well, they put \$600 million up, but in the future it costs Manitoba \$10 billion or \$15 billion to regain that plant and if there are any type of penalty implications with respect to the smelter itself, which again haven't been calculated, some people might call that a giveaway. I don't want to prejudice the negotiations and discussions of this side. I will just lay out possibilities and not make comment on it.

MR. B. RANSOM: Mr. Chairman, it's becoming obvious that the Minister is incapable of identifying the giveaway. He said, first of all, if there were giveaways, that would be on the record. He said, if there were giveaways. Now he said, some people may call them giveaways.

Mr. Chairman, the New Democratic Party called them giveaways and the Minister is obviously a member of that New Democratic Party. He said that the Conservatives were giving away resources. I want to know what those giveaways were specifically. What are we talking about in the range of what was being given away, because the Minister hasn't been able to identify it here? He hasn't been able to identify it with respect to IMC; he hasn't been able to identify it with respect to ManFor; he hasn't been able to identify it with respect to the Western Power Grid. Where are these giveaways that the New Democratic Party charged were being made? We want to talk about specifics. We are not in the election campaign anymore, let's hear what the specifics are.

HON. W. PARASIUK: We obviously are in the election campaign and the member wants to relive the election campaign. I have said that, at the appropriate time, I

will document those things, I'll lay them on the table. I am in the process of negotiating right now. I am not prepared to lay those items down on the table right now, but there is enough documentation to indicate problems that could be termed giveaways. When I use the term, if there were giveaways, I did that, not to say that there weren't giveaways or problems that could be seen as giveaways by people, but rather not to prejudice the negotiating process. I don't want to prejudice the negotiating process; it is not my intent.

The member on the other side —(Interjection)— we put that stuff out with respect to certain general things that have taken place in the past and appeared to be taking place. We had no access to some of this material; we have better access to it now. We had no access to what had taken place in the negotiating process; we have better access to that now. We didn't know what the terms and the conditions were with respect to Repap; we didn't know what the terms and the conditions were with respect to the Western Inter-Tie; we didn't know what the background was with respect to the Western Inter-Tie; we didn't know when that document was written. —(Interjection)— No, we didn't and all I am saying is that now we have been given the mandate by the people of Manitoba to negotiate the best deal possible. We are trying to do that, Mr. Chairman; that is our intention.

MR. B. RANSOM: Mr. Chairman, that's not good enough. This Minister now doesn't want to negotiate in public. He says, what we are doing is negotiating in public and asking him to negotiate in public, when all we're asking to do is substantiate some of the positions that they have taken previously, to substantiate them or to tell us whether they are still in place.

When they were in Opposition they continuously called for public negotiations, continuously. There is another letter, Mr. Chairman, signed by Howard R. Pawley and that was June 13th, 1981, and he ends up the last paragraph and says, "Don Craik should accept the call for public hearings made by Vic Schroeder, MLA for Rossmere, and supported by the Free Press." That's what the now Premier of the province was calling for. He was calling for public hearings on the agreements that were being negotiated by the Conservative Government.

Now, this Minister doesn't even want to identify things that are of concern to him in documents that have basically been made public. What is going on, Mr. Chairman? What has happened to this Government in moving from Opposition into Government? They've changed their positions completely. Let me tell you, Mr. Chairman, they can't substantiate the charges that were made. They said that there were giveaways in potash. The potash resource was being given away.

Yesterday in this House, the Minister acknowledged, although he doesn't want to talk about the details of it, he acknowledged that the concerns which the government has are those concerns which were raised by the negotiators for the previous government. He said that the positions being put forward on the table by their government are the positions that were being put forward by the previous government. I asked him if he was planning to change royalties and they are only looking at that.

Well, when we listened to the Member for Rossmere for the last two years, they know that they wanted to change royalties, right then. We haven't seen a bill in here to change the royalty structure, to stop the giveaway that the Conservatives were supposedly undertaking. They talked about the Grid as being 'pie in the sky,' something that was never going to fly. It wouldn't work. Now, this is what they are trying desperately to pull off and to give an indication from talking to the Federal Government, that somehow they have advanced the negotiations further on the Western Power Grid, when they haven't.

They talked about giveaways at Trout Lake, Mr. Chairman, and this morning in Manitoba Mineral Resources Committee, we learned from the President of Manitoba Mineral Resources, how that agreement had been negotiated and that Manitoba Mineral Resources had negotiated that agreement in the best interests to the corporation and the best interests of the people of Manitoba. Their guideline was that they must arrive at a better arrangement than would have been the case if they had gone it on their own.

The now First Minister of this province has alleged that the Conservative Party gave away \$90 million worth of profit with respect to Trout Lake. What absolute nonsense. The President of the Manitoba Mineral Resources set that straight in the Committee this morning and the Minister never made one peep to try and disprove what the President of Manitoba Mineral Resources said.

The First Minister said, in another of his New Democratic Party rags over a year ago, that we had given away the forestry resources and the east side of Winnipeg through the Abitibi Agreement and cut out local operators. Dozens of local operators had lost their rights to cut timber. That was the first resource giveaway, they said. Well, when the Minister of Natural Resources was questioned in his department, how many operators were cut out because of that? What was the answer, Mr. Chairman? None. The Minister told the Committee that the rights of the operators had been protected under the agreement.

Where are all the resource giveaways that the New Democratic Party alleged were taking place? Do you remember that ad on television, Mr. Chairman, perhaps, with the big cake and the guy with the big cigar? That was before they put the extra tax on, I guess, when some people could still afford big cigars. There was a guy with a big cigar and knife and cutting out a piece of Manitoba and giving it away. Well, these are the kinds of things, Mr. Chairman, that those charges were based upon. We are learning now that there's absolutely nothing to those charges, not a thing to them. Now, this Minister doesn't want to talk about the details. Well, I can understand why he doesn't want to talk about the details, because he can't identify the resource giveaways. So, Mr. Chairman, it appears that the government simply is not advancing the possibility of bringing the smelter to Manitoba.

What we have learned from the contradictory statements that have been made by this Minister and by the Minister of the Environment, from what we know about past negotiations that have taken place and what we have heard from the Member for Thompson about the considerations of the externalities and the disexternalities that are being taken into consid-

eration, I would like to think that the Minister really was negotiating and moving ahead and that he was working in the best interests of the people of Manitoba, but he hasn't demonstrated that to me to this point, Mr. Chairman.

MR. CHAIRMAN: The Honourable Member for Tuxedo.

MR. G. FILMON: Mr. Chairman, in response to a question which I asked within the first couple of weeks of the Session, the Minister indicated that the preparation of the environmental impact statement and the socioeconomic impact statement on behalf of or by the Aluminum Company of Canada was proceeding. Now, that's some months ago. Recently, sometime with the last three or four weeks, the Minister of the Environment, I believe, indicated that the preparation of those impact statements on behalf of the proponent of the aluminum smelter had been completed. I wonder if the Minister could indicate if the government's analysis or response to those impact statements has also been completed at this point in time?

HON. W. PARASIUK: The impact assessments are carried out by the Minister of the Environment. The way the process is working is that, if there is going to be an arrangement with respect to power if, indeed, we get just the understanding from Alcan as to how it covered the waterfront with respect to sites, how they arrived at their decision, that if the agreement is made with respect to power, in a sense at that stage I will not act as a person who judges the environment in detail. That'll be done by the environmental impact, because in terms of having arranged the agreement on the power aspects, said, yes, the economics are such and this is the way the power agreement makes more sense if we can reach that type of agreement. Implicitly by that negotiating process, I am the proponent as well. That's why that environmental impact review process will be done by that other group, which I think is the best way in which it could happen. People could have some other judgments on that, but that's the way it will be proceeding.

MR. G. FILMON: Mr. Chairman, I am sorry if I implied that the Minister or his department would be responsible for that. I recognize the relationship and I agree with the relationship because that's precisely the manner in which we had set it up so that the then Minister, the Member for Riel at the time, was in effect negotiating on the same aspects of the project as this Minister is. As Minister responsible for the environment, it was my responsibility to ensure that the assessment of the environmental impact statement, and in cooperation with other department, the assessment of the social economic impact statement were carried out and that the whole public review process and so on. What I am saying is, I am more or less asking at this stage, since this is the Minister responsible for the mega projects and perhaps I am in the wrong area but it'll save us getting into it in the Minister's salary, what I am asking is for a progress report. Knowing that there is a need for an interdisciplinary review of the impact statements, I am saying, has that interdisciplinary review been done, either by

the ad hoc committee of Deputy Ministers or their appointees or whatever specialist you bring to bear on it because that was the process. I believe that process has been taking place concurrently with the Alcan statement preparation. So what is the status of that at the moment?

HON. W. PARASIUK: They may have done some work on it, but the point is that we were proceeding and the process is that we will conduct these negotiations with respect to the power aspect. If we can conclude something, then the very detailed look at the environment would proceed from that point. I think the Minister of the Environment indicated that if some arrangement is arrived at, then the very detailed review would be triggered. I believe that there has been a lot of material submitted, but I don't know if it's all complete yet. I know some work has been done in reviewing it and I think that the previous administration was contemplating probably bringing in a few people and doing that detailed review on it. That does trigger off some expenditures and one is trying to be judicious in allocating those expenditures.

MR. G. FILMON: Mr. Chairman, the reason I expressed the concern is two fold. (1) Acknowledging that any review of the impact statements is dependent upon, of course, the site selection; the impact statements, as they exist, would only be site specific to the Balmoral area. (2) The fact that review might require, even assuming we'd bring in outside expertise, anywhere from three to six months. It seems to me that it is not unreasonable for the various aspects of the government process to carry on concurrently, side by side, (1) the negotiating process with respect to the power agreement and the overall financial agreements between the government and Alcan; and (2) the environmental and socioeconomic impact assessments, so that we wouldn't unduly delay the entire process by waiting for one to be completed before you start the other, recognizing as I say, there's three to six months of work to be done.

HON. W. PARASIUK: I had indicated that, in our discussions with Alcan about what they thought their timing might be, given the softness of the market, it appeared that there was certainly sufficient and the fact that they have deferred capacity to be built. It is not as if ours is the next plant that would be built. They have some plants that would be built that have been deferred, expansion. That, in terms of any type of urgency, our understanding, and I am certainly going to raise this point again with Mr. Morton —(Interjection)— well, there's an urgency for Manitoba, but if Alcan doesn't build because of the market and that's what I said was the factor and one may disagree but from what I can gather from them, we are proceeding without any problems, in terms of timing or impact on any type of building date.

I think that the staff are doing some internal work, but I'll have to check with the Minister of the Environment on that.

MR. G. FILMON: Mr. Chairman, my understanding from Alcan's viewpoint is that they are working toward a timetable. This is from information I've read exter-

nally and also internally on the subject; that is, from outside publications that they are working on a timetable of achieving certain smelting capacity. You know, 5 years, 10 years, 20 years and so on down the road and therefore today's world market for metals, specifically aluminum, is really not a factor. What is a factor is their own timetable for achieving a smelting capacity of X or 2X or whatever, at a certain point in time. So unless they've changed that position, then I would think that they are still anxious to meet their timetable.

My other question is with respect to a response that the Minister gave to the Member for Sturgeon Creek when he indicated that the committee that had been set up to look for sites, or to study the whole problem of site selection with respect to an aluminum smelter were given certain parameters, among them being water and environmental pollution, is that what the Minister did say earlier?

HON. W. PARASIUK: I think I had gone through a number of items that had been looked at, gravel deposits, availability of rail lines, natural gas, transportation, economics, groundwater, environmental aspects, agriculture, labour force, infrastructure in terms of what the community infrastructure is, availability of Hydro and population density. Those were the types of things that they looked at and were able to look at different sites.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: Thank you, Mr. Chairman. I have a few comments to make at this time. This Minister and this government have been in power for some six months now and should have by now had a chance to review the different things that were left on their table when they took office. I must say after the questioning of the last couple of days and with the events that have happened in the last couple of months, in particular to the questions raised by the Member for Turtle Mountain over the last few days, something has become abundantly clear. I guess we, as politicians, deserve very often the reputation that the public gives us. From what we've seen here in the last couple of weeks, I must say, don't add to the already low opinion many people have of us.

We have seen, for instance, the Minister of Natural Resources dispel the accusations of the now Premier about the Abitibi Agreement giveaway by this government's Minister of Natural Resources, admitting that no quota holders really were adversely affected. The Leader of the Opposition then, the now Premier, accused this government of a bunch of giveaways; we found out that is not factual. We noticed that in questioning for Potash from this particular Minister, whose Estimates are before us right now, that really they're proceeding on almost exactly the same lines as far as the same concerns that the previous Minister was proceeding with. In other words, some of the concerns that this Minister was briefed by the previous Minister are being carried on and conducted in the same manner.

This morning we had the revelation of the much touted giveaway by the New Democratic Party that was used up in Flin Flon. My goodness, if I didn't hear

it one time, I heard it 100, about the giveaway at Trout Lake. This morning we heard the Chairman, the General Manager of Manitoba New Mineral Resources really saying that it wasn't the case and this Minister stood by, as the Member for Turtle Mountain said and, "didn't refute that at all." So there was no giveaway at Trout Lake.

We've talked about Alcan here tonight. After six months this Minister says, when asked to document the giveaways that the previous administration was involved in, he says "if there were any giveaways." This is after six months, Mr. Chairman. This is after we've just come through an election where the pie was being cut up and the whole province was being given away. We have yet to see any major giveaways and I want to say to you, Mr. Chairman, one of the things you have to appreciate in politics, it doesn't matter what side of the House you're on, is that if you have something to hit your opponent over the head with, I'll tell you I'm sure that this Minister has had people going through files fast and furious trying to dig up all kinds of things that he could throw at us during this Session. There's no question about it.

What has happened here is that the one revelation that absolutely amazed me tonight is that they are even exploring the possibility of a joint venture for the ownership of a hydro-electric plant. The Minister says he hasn't ruled that out. That was one of the big platforms of the New Democratic Party in the last election. So we've seen, Mr. Chairman, something I don't think that any member of the New Democratic Party should be very proud about and I, as a member of the Legislature, am not very proud about with the exceptions of maybe a few differences in approach that this Minister is going to come up with. We've seen here with the Trout Lake thing, which is so black and white, that you really can't argue it, that there was no political interference. There was no giveaway; that wasn't the mandate of them, yet they went around the province and heralded that as being a big giveaway by the Conservative Party.

Mr. Chairman, I have to say that I know there will be differences of opinion of how to deal with the particular Alcan project, how to deal with the Hydro project. That will always be there because it is a 35-year agreement and if any of us had a crystal ball, we could sit down and look at it to make sure that the province's best interests were served in 35 years from now, surely we'll do it. The caution by governments of any political stripe has been heightened by such things as the Newfoundland-Quebec problem, by such things that have happened in this province with CFI and other things, so everybody is very very cautious in dealing with this.

I want to say to this Minister and to members of the New Democratic Party, we have had some very shining examples, the Trout Lake one, the Abitibi Agreement, now the Potash and even the Alcan. We find out that really they are not that far apart from what was happening previously and I think it doesn't augur well in the public's mind as to whether or not the politicians in this particular House are really of the calibre that we should be. I don't think it's a very proud time in my political career to see a number of these things that were touted so highly by this government during the last provincial election to see now that the truth on a

number of these things has come out and the true facts are revealed.

So I say to the Minister in charge of Energy and Mines, I'm here for one reason, I want to see this province move ahead. I don't want to see any major giveaways of anything and that has never been my intention. I wouldn't be in this Legislature if I didn't want to make sure that I could contribute some of my God-given talents to try and make this a better province to live in. Goodness knows, I can make a lot more money in the private sector than sitting here in the evening and many of the members on this side of the House as well on that side, I think, are in that position. But please, when we're dealing with these things, let's not make irresponsible statements such as were made during the election which have now come to be truly false, Mr. Chairman.

We are here to try get this province moving and it is my belief that things such as potash, such things as Alcan negotiated properly, and I say again, there is no way you can crystal-ball it. Maybe 35 years from now there will have been some mistakes made, but I want to say to him, better to make a few small errors and get some of these things happening than sit on all these things and not see anything happen, because after all that is the way business has been done through the ages in this province and everywhere else. If somebody doesn't take a little chance every now and then, nothing would happen. I would urge the Minister to do everything within his power to get these particular things moving so that the jobs that will flow from them will benefit all of Manitoba and not any particular group or any particular segment of society.

MR. CHAIRMAN: 1.(a)(2)—pass; 1.(a)(3) Other Expenditures—pass; 1.(b) Administrative Services: 1.(b)(1) Salaries—pass; 1.(b)(2) Other Expenditures—pass; 1.(c) Manitoba Energy Council: 1.(c)(1) Salaries—pass; 1.(c)(2) Other Expenditures—pass; 1.(d) Manitoba Energy Authority: 1.(d)(1) Salaries—pass; 1.(d)(2) Other Expenditures—pass. Appropriation No. 2. Energy; 2.(a)(1) Salaries.

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: This perhaps isn't exactly the correct place to ask this question, Mr. Chairman, but I don't think it is going to matter that much. In asking the Minister in the past about some of the possibilities with respect to the development of the ManOil Corporation, there was one question which I had failed to follow up on and that was that, again in the New Democratic Party election document, they had made reference to ManOil, saying that the New Democratic Party Government would establish ManOil. This oil and gas corporation would explore for oil and gas in Manitoba with the help of joint ventures with SaskOil, Petro-Canada, cooperatives and Canadian-owned corporations.

Now, Mr. Chairman, I know the Minister has said that he will not be introducing legislation or establishing ManOil this year, but this is another policy that I would like to know, if the Minister can give an answer. Is this going to be the policy of the government that they are specifically dealing with Canadian corporations or are they going to expand that and be also looking at the possibility of doing joint ventures with

non-Canadian corporations?

MR. CHAIRMAN: The Honourable Minister.

HON. W. PARASIUUK: I note that it says virtually all the operators are high Canadian ownership rate companies in Manitoba to date, but since sometimes the ownership, with people buying and selling so frequently shares between these companies, the exact Canadian content isn't totally known or totally defined. When I go to Alberta this summer, I certainly intend to talk with a number of parties.

Certainly, I have had discussions with Chevron. I am not saying that I am going to do a joint venture with Chevron, but we have had general discussions about what they have been doing over a period of time. I know that Chevron is not a Canadian-owned company and they have been in Manitoba for a long time. They have a lot of history and I certainly intend to talk to them. I am not saying that I will do a joint venture, but I wouldn't preclude a joint venture with them. Yes, I would expand one element there, that we would talk to other parties.

MR. CHAIRMAN: The Member for La Verendrye.

MR. R. BANMAN: In the setting up of ManOil, is the government contemplating purchasing the shares or the majority shareholders of any company, either within Manitoba or Canada?

HON. W. PARASIUUK: I think I answered that before. I think it was the Member for Turtle Mountain who might have raised that or the Member for Arthur, I can't remember. But I said it was our intention to undertake joint ventures. That may entail purchasing some shares, but it is not our intention at this stage to buy something out. I don't preclude that, but it is certainly not our intention at this stage.

MR. R. BANMAN: I wonder if the Minister could inform the House whether there are any negotiations underway with any of the oil companies that are exploring or have holdings within Manitoba, with regard to acquiring a certain number of shares or acquisition of the company as a whole.

HON. W. PARASIUUK: I think negotiation at this stage would probably be too strong a word. We have received - and I raised this with the Crown Investments Department when that was discussed - a number of inquiries from people who are active in Manitoba. We intend to take some time and make sure we have the capability to go through that and sit down with them properly and assess all these. So I think negotiation would be too strong a word, but we certainly have received a lot of very interesting inquiries from private corporations that are operating in Manitoba right now.

MR. R. BANMAN: I wonder if the Minister would assure the House, that in the event that they do acquire some shares, that we won't have people within government or outside government get involved in the kind of thing that happened with Petro Fina, where a number of people did buy some shares on the knowl-

edge that the government was going to make the purchase and of course got involved in a run and made a substantial amount of money. I caution the Minister that this is a very small province and things have a way of getting around. I would hate to see the government get involved in a situation where there were a few people who knew what was going to happen and benefit on the market from a decision that was maybe telegraphed or not kept totally within the confines of the government offices.

HON. W. PARASIUUK: I will take that concern in good faith, but at the same time, I do want to protect the well-earned reputation of the staff of the Department of Energy and Mines to date, because we have never had that situation. I have not done all the historical research, there may have been some difficulty with something like this back in 1956-57; I'm not sure. I will have to dig through all the old files. Someone has indicated to me that there might have been some difficulties then, but as far as I can recollect, going back for some number of years, mines people and petroleum branch people who have access to information have been diligent, totally discreet, totally respected. Their performance, to date, has been of the highest nature and I certainly hope that the member wasn't implying anything with respect to that staff. I don't think he was, but I certainly take his concern to heart and, given the performance of the staff to date, I don't expect anything like that in the future.

MR. CHAIRMAN: 2.(a)(1)—pass; 2.(a)(2)—pass; 2.(a)—pass. 2.(b) Administration and Energy Programs: 2.(b)(1) Salaries—pass; 2.(b)(2) Other Expenditures—pass; 2.(b)(3) Energy Efficient Housing Program—pass; 2.(b)—pass. 2.(c) Canada-Manitoba Energy Agreement: 2.(c)(1) Salaries—pass; 2.(c)(2) Other Expenditures.

The Member for Turtle Mountain.

MR. B. RANSOM: If you would just advise what that substantial increase there is under the Energy Agreement.

Perhaps, there was one point that I passed over there, perhaps too quickly. I am sure the Minister wouldn't mind just saying a word about the Energy Efficient Housing Program - perhaps, he even did in his introductory remarks - whether he intends to be looking at expanding that in the future? I know there's not that much money here, but perhaps the future.

HON. W. PARASIUUK: You were asking about the Energy Efficient Housing Program, which was 2.(b)(3)? Okay.

It's 100 homes. It is coming to an end. We want to do an evaluation of it and we'll take a look. At this particular stage, I can't comment until that evaluation.

MR. B. RANSOM: The other item was the 2.(c)(2) Other Expenditures, where there is an extra million. Maybe, there is a footnote that explains that. There is an extra million, approximately.

HON. W. PARASIUUK: In my opening statement, I indicated the different activity there. This is an agreement that is under way. It's a bit more mature now, so

there will be more programmatic spending. Under this program, over the course of the year, we have had again a full host of applications under this program. These are presently being reviewed in accordance with the categories in my opening statement: industrial commercial sector, transportation sector, residential sector and we're looking at the agricultural sector. We have a whole set of proposals in from different agencies, different groups, different individuals and they are all being looked at. We do have an increase in expenditure of a significant nature. This is cost-shared by the Federal Government and that would be our intent.

MR. CHAIRMAN: 2.(c)(2)—pass; 2.(c)—pass. 2.(d) Canada-Manitoba Energy Bus Agreement: 2.(d)(1) Salaries—pass; 2.(d)(2) Other Expenditures—pass; (d)—pass. That completes the items under Resolution 57.

THEREFORE BE IT RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,010,000 for Energy and Mines, Energy for the fiscal year ending the 31st day of March, 1983.

MR. CHAIRMAN: We are continuing with Appropriation No. 3. Mineral Resources. 3.(a) Administration: 3.(a)(1) Salaries.

The Honourable Member for Turtle Mountain.

MR. B RANSOM: Mr. Chairman, perhaps a general question first that the Minister can respond to before his staff come down. It would appear that there are very few changes in this area. Is the Mineral Resources Division basically unchanged from last year in terms of programming, in terms of staff, in terms even of policy direction?

HON. W. PARASIUK: At this stage, yes. I certainly would like to take a bit of time over the course of the summer again, because that's usually the time that the government has and the Minister has to take a look at these types of things. We have made some adjustments onto the petroleum side because there's more activity there and more pressure there. Certainly, that is an internal shift. Again, we were operating within constraints with respect to the Budget and it was decided to do some internal reallocations but basically we are staying with the same policy, although we have been doing work looking, as I indicated earlier, at the whole cyclical nature of mining and the impacts that has on individuals, on communities, on infrastructure, on governments and on companies.

I noticed a little blurb yesterday - I might even have it here - where it's reported in today's Globe and Mail that the federal Minister, Judy Erola, is saying that the Federal Government may help the junior mining industry with tax concessions and other incentives. I had felt that the tax expenditure policy of the Federal Government tends to favour the large companies. It favours companies that have already, in a sense, done well, have cash flow and it didn't provide much assistance to the entrepreneurs. We have found out that many major mineral discoveries in Canada have, in fact, been made by the small entrepreneurs.

So when I attended my first Mines Ministers' Conference, I made a special point of this. I pushed this

very hard because the Federal Government had taken the position that there were no subsidies to the mining industry generally. I said that there were through the tax expenditure side, but the benefit of the larger ones didn't benefit the small entrepreneurs who were closer to the field, had low overheads. I felt something had to be done, so I am pleased that in this respect, there seems to be some indication from the Minister that they are looking towards making some improvements there and I sincerely hope so.

We also have launched a Federal-Provincial study with respect to looking at the whole matter of cycles and shutdowns. We have had one in the past with Bissett. When they shut down, there's a difficulty, when they start up, there's a difficulty. Again these relate to single-enterprise communities. We launched it, in the first instance, with respect to mining communities. I know that some of the Mines Ministers who had other responsibilities at that Mines Ministers' meeting indicated that they might like to see some activity like this related to forestry or other single enterprise communities, but we are trying to break some ground on the mining side. Hopefully, we'll be able to come up with some concrete recommendations for the September meeting of the Mines Ministers' conference and I hope again at the federal level, especially on the tax expenditure side, that maybe some changes will be brought about in that respect. Certain things can be written off, but other things can't be written off. I am hoping that maybe the impact on individuals, families, communities, especially in terms of houses or schools that have to be written off, may in fact be included so that companies may be able to contribute and have that written off.

So, those are some of the things that we would like to see happening and haven't had that much time to do the overall review, but at this stage we are staying with that which we inherited.

MR. B. RANSOM: There were a couple of outstanding issues, Mr. Chairman, over the years that I would just like to get an update on from the Minister, one that I am sure you, Mr. Chairman, would be interested in, that was the question of jurisdiction at Flin Flon that was longstanding. Has that been resolved?

HON. W. PARASIUK: A draft agreement which both provinces had agreed to in principle was sent to Saskatchewan on February 19th. It included provisions for workers, safety and health, labour standards and relations, licensing, tradesmen and pension plans. A meeting with Saskatchewan counterparts originally scheduled for April 30th, 1982 has been postponed. I hope it won't be postponed that long, but I think we are getting close to sorting that one out. Again, I can't tell. I will have to see what the new government has to say on this matter.

MR. B. RANSOM: I gather at least there haven't been any problems there in the interim and that it looks like it should be resolved. There also was the question of the inspection and safety, whether or not it would lie with the mining inspectors or engineers or whether it would go to health and safety. What has been undertaken in that area?

HON. W. PARASIUK: I have made no decision on that, yet. It is an item that I am considering. I haven't had enough time and I would like to go up north a bit on this. I have had some discussions with staff. I would like to consider it a bit more before I make a decision on it, but it is a subject for review and it requires a decision I would think, sometime in the next three or four months.

MR. B. RANSOM: Could the Minister give us a:1 update on what's happening at Bissett in terms of the mine development there and perhaps some of the community infrastructure as well, if the Minister is familiar with that?

HON. W. PARASIUK: I have a bit of knowledge of it. This is an area that is being undertaken by the Minister of Northern Affairs because it's unorganized territory, mined within his area with respect to the community infrastructure. I do know that there are some, I think, significant infrastructure questions to be dealt with yet. I don't think they had been resolved before the change in government and they are complicated by the fact that the future price of gold is a bit unpredictable. I think it may turn out that - and I hate talking too much about this - but right now the price for gold is very very weak and it makes it hard to make a long-term prediction regarding that particular mining development —(Interjection)— Pardon? Yes.

The maximum production to date from the mine was 250 tons per day. They had been talking about something in the order of 550 tons per day and that had been planned for March, 1982, but that has not been realized. So they are operating at 250 tons per day.

I know there is some work that Northern Affairs will be undertaking this summer with respect to some of the community infrastructure, but I think it is going to be a low level of infrastructure at this particular stage, one that in a sense will not only meet the needs of the community, meets the needs of the mine, but not planned for any major expanded development of a community nature there until we get a better idea of what the long-term future of that operation is.

MR. B. RANSOM: Mr. Chairman, I believe I saw recently a release or information concerning the withdrawal from prospecting of an area in the Potash zone where the Crown must hold rights. I presume that is simply to prevent people from going in and staking a claim on those pieces of ground.

I also understand from previous things that the Minister has said that he is not planning to change the leasing of Crown rights for oil and gas as the policy now stands. Is there any plan to change the policy with respect to the holding of ground for metallic minerals exploration?

HON. W. PARASIUK: This is an area that is being reviewed. I certainly have no disposition on it at this particular stage. I would like to complete the review.

MR. B. RANSOM: Could the Minister give us a figure of the amount of money which the province has realized in the last three or four years, since the leasing of Crown rights for oil and gas was resumed?

HON. W. PARASIUK: We will look for it, okay? Do you have any other questions? Could I bank that question and I could get the answer for you?

MR. B. RANSOM: I don't have many more questions, Mr. Chairman. I had the privilege of course of being Minister of Mines for a couple of years in 1978-79 and I know that the staff is extremely competent in that division, that the Minister assures me as he has that he hasn't tampered excessively with the programs that are underway, then there really is very little necessity for me to get into any detail on those items. It doesn't indicate any lack of interest in the importance of the mineral resources to the province, but I have the assurance that there haven't been changes in policy. There is very little point of getting into details.

HON. W. PARASIUK: We have got tons of material, but we don't seem to have the cumulative one. If I could, I could undertake to provide that information to the member in the normal way. I will send it to him in writing, rather than reading it out in the House.

MR. B. RANSOM: That is preferable.

MR. CHAIRMAN: Items 3.(a)(1) to 3.(d)(2) were all read and passed. That completes the items to be considered under Resolution No. 58

Therefore be it resolved that there be granted to Her Majesty a sum not exceeding \$4,500,900 for Energy and Mines, Mineral Resources, for the fiscal year ending the 31st day of March, 1983—pass.

Continuing with Appropriation No. 4. Acquisition/-Construction of Physical Assets. Any discussion?

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Maybe the Minister could give us a breakdown of what's involved here?

HON. W. PARASIUK: There is \$996,000 for Manitoba Mineral Resources Limited, ongoing operations and voluntary joint ventures; and \$600,000 to Manitoba Mineral Resources Limited mandatory participation agreements under Regulation 328/74, assigned to the company by Order-in-Council 216/78; and \$9,000 under The Mineral Exploration Assistance Act. I don't have the breakdown for Manitoba Minerals Limited, they had that this morning.

MR. B. RANSOM: I asked this question to some extent this morning and I'm not just certain now what the answer was. Is the Minister anticipating that this is likely to be the extent of the funding for Manitoba Mineral Resources for the year, or is he looking at doing some evaluations and maybe six months down the road of providing additional funds?

HON. W. PARASIUK: Rather than setting up something as a pot I wanted to have MMR do the evaluation of all the applications that they had received because after I - and I admit I think that the mining industry was looking to see whether, in fact, the government would go with both voluntary joint ventures or have back-door participation - and when I made this statement there was a fairly large increase in proposals for voluntary joint ventures. Frankly, when resources are

limited you want to make sure that you look at all of them before you start making particular commitments and that's what MMR is involved in right now. If they come across some prospects that they think are very good, I would be prepared as Minister to look at those and take them forward to Cabinet for possible further spending - and there are mechanisms for that through special warrant which, of course, we'd have to make public and at that stage that would be made public - but we don't have a pot, as such, right now.

MR. CHAIRMAN: No further discussion on Appropriation No. 4?

Be it resolved that there be granted to Her Majesty a sum not exceeding \$1,605,000 for Energy and Mines, Acquisition/Construction of Physical Assets, for the fiscal year ending the 31st day of March, 1983—pass.

Returning to Appropriation No. 1. Administration, 1.(a) Administration: 1.(a)(1) Minister's Salary.

The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Chairman, I have very little to say at this point because I think we've had reasonable debate on the issue to this point. We have some very serious reservations about the way that negotiations on what have been called mega projects are being conducted by this Minister and by the government. He has a very great responsibility within the government and to the people of Manitoba, to try and conclude some, or all of these agreements in order to benefit the economy of Manitoba. I'm not quite sure exactly what the word is - disappointed is not exactly correct - in one way I'm gratified to find out, to learn, that all of the alleged giveaways, that allegations that were made by the NDP are now turning out to have been rather mythical charges.

So, to that extent I guess I'm pleased to learn now that it has to this point been impossible for the government to pinpoint any resource giveaways that featured so strongly in election. On the other hand, I am disappointed that type of allegation was being made and I believe played such an important part in the election; that the people of Manitoba were influenced by those kinds of charges at a time when our government was genuinely attempting to work to bring about development in the province for the interests of Manitobans.

The agreements weren't being rushed into because the government knew that we would at some time be approaching an election. That has become clear in the questioning and the answers that we have received in the House and in Committee over the past few weeks. But that's in the past, Mr. Chairman. We, of course, are not going to fail to bring that to the attention of the members opposite and to the public, that these sorts of allegations were made and they have not been substantiated and it's a question of how much trust that people can have in a government that made those kinds of allegations.

The Minister has the responsibility now to try and conclude some of the agreements, the interests of the people of Manitoba. I wish him well in doing that, in being able to conclude some agreements. We have our doubts as to how seriously they are being pursued. We are prepared to wait for sometime yet, as I'm sure the people of Manitoba are, to see whether this gov-

ernment can deliver or not. But I guess if I was doing the report cards, Mr. Chairman, they wouldn't have scored as highly as they did.

HON. W. PARASIUK: I really think that people on both sides of the House would hope that any projects might proceed in a manner to provide both short, medium and long-term benefits to the province. I took the position, when it comes to giveaways and all that, and the member says, that's in the past, one shouldn't dwell in the past. I did not want to play, even though some people might think otherwise, but I did not want to play politics with the mega projects, having been given a responsibility for negotiating them. I did not then seek to try and find things which I could then lay out in the open or on the table and say, see this is what you didn't do, see that's what you didn't do. — (Interjection)— No. I haven't brought anything forward, never raised the items, always answered. My position is that I hope that I can and that is genuine hope on the part of the government.

I have been entrusted with a lead role there in relation to a Cabinet Committee, in relation to Cabinet and I hope that we can do our best to bring that about because I think that developments of this nature, if in fact we have both short and long-term benefits, are in the best interests of the province over a long run.

MR. CHAIRMAN: No further comments. That completes Resolution 56.

THEREFORE BE IT RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,612,300 for Energy and Mines, Administration for the fiscal year ending the 31st day of March 1983.

That completes the Estimates for Energy and Mines. Committee rise.