

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Monday, June 8, 1970

CONCURRENCE (Cont'd.)

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: -- (Interjection) -- Mr. Speaker, I had that advice before supper, I'm still getting it. Mr. Speaker, I want to recap the arguments prior to the supper hour and wind them up. I think that . . .

MR. GREEN: Mr. Speaker, I wonder on the previous point of privilege, if I just may -- I want to be entirely fair to my honourable friend. I indicated that I have said nothing about the previous administration; I also said that I believed that it was in the hands of the previous administration, and my honourable friend may be referring to remarks which were made by the Minister of Finance, in which he said he was informed -- and I want to tell the honourable member that I take responsibility for having informed the Minister of Finance with regard to the previous administration, which as I indicated previously I believed to be the case, and that's why I tried to make clarification this afternoon.

MR. CRAIK: Well, Mr. Speaker, in addition to that the First Minister in speaking either to Bill 17 or in this -- I think probably it was in this amendment to concurrence -- I think came out with the interpretation, as far as I was concerned anyway, as far as his position was, is that if something has to be done, whether it's a profit or loss situation should not be the determining factor as to whether or not the government involved itself in a public-sponsored corporation to do whatever had to be done. The main criteria as he saw it, as I interpreted it, was that the availability of capital was the deciding factor, and that if the public segment had the available capital to undertake an enterprise, then so be it, the public sector should undertake it, and I would interpret Bill 17 as being in keeping with the First Minister's criteria; that is, if something has to be done in the public sector, in the development of natural resources and the government wants to move into it, if they have the capital availability and it is worthwhile then Bill 17 provides that opportunity for them to move into that area. Now, basically, Mr. Speaker, if that is the position of the government, and it's a logical theoretical argument to do this, then the government should stand up and say so. But the Minister of Mines and Natural Resources has indicated now, and he leaves the distinct impression that he's back peddling a bit on Bill 17, because he says that it could always do whatever this provides it with the ability to do through the aegis of some other legislation that exists, whether it's Part II of The Manitoba Development Fund, which I presume it is, but back peddling from the position in that he says that Part VIII of this Bill 17 requires the government to come back with specific legislation to do that. So really . . .

MR. GREEN: I said that when I introduced it.

MR. CRAIK: Yes. Basically it all adds up -- you're mounting a very logical argument to not bring in Bill 17. There is no logistics behind it if you follow the argument that we tend to be getting now from the Minister of Mines and Natural Resources as he adjusts his defence to updated -- what would appear to be his updated background information. Well, that being the case, it certainly doesn't make a strong argument. But let me go back and say that the argument presented by the First Minister may well be logical ground in which to bring in this bill, and he probably looks at it very seriously, but I wish to goodness the government would get up then and say, we do intend to go into natural resource base industry, we do have the capital, we're going to use public capital if necessary to move into these areas, and make the pure and simple case. We're all aware that under Part II of the Manitoba Development Fund you could do it, but there is a difference. It's not as simple as what the -- now if I can quote you, and I have to be very careful in quoting the Minister of Mines and Resources, he has a very incisive mind and total recollection of anything that he said -- but prior to the dinner hour he said, "it only sets up another means", it only sets up another means. Well, the means is different. Under The Manitoba Development Fund . . .

MR. GREEN: That's right.

MR. CRAIK: Under Part II of the Manitoba Development Fund, you reported through a board that you had established because supposedly of their acumen in the particular area of development, that corporation that might be set up under Part II then reports to that Board, that has been established as the buffer agent where you delegate responsibility because the people you put on the Board you feel have particular abilities, that they can do this. This is

(MR. CRAIK cont'd) . . . . . quite different from setting up a corporation that can report directly to the Cabinet where the backbench can quiz, we can quiz and so on, but ultimately and finally we get the same situation you get with the Manitoba Hydro that reports to the Legislature where some surface questions can be asked but real in-depth questions will most certainly go overlooked. It comes down to that difference. That under Part II of the MDF, and now the Manitoba Development Corporation, you can undertake, the way it's worded, if these are to be undertaken in particular cases, and I don't know the exact wording, but it comes down to the government, through the aegis of the Manitoba Development Fund can sponsor government involvement in particular special cases. This is not the intent, as I see it, though, behind Bill 17, so that again there is a difference. Bill 17 comes down to the First Minister's argument regardless of whether there's profit or loss; if there's something to be done, the public sector has the money and the private sector does not, the public sector should move in. And that's not the intent of Part II of the Manitoba Development Fund. Therefore, Mr. Speaker, there is a difference and therefore I think that the present resolution brought in by my colleague, the Member for Brandon West, represents a concern by the people, by the members on this side, that Bill 17 is a movement into that area with a different reason than what it provided under Part II of the Manitoba Development Fund.

Therefore, Mr. Speaker, I would close by saying that I would rather see the Minister of Mines and Resources not back pedal, which he's giving the impression of doing, away from Bill 17, but to come out in defence of it, and don't say that we can't do anything because Part VIII says we have to come back to you with it anyway. Part VIII is in almost every Bill that ever goes through this Legislature. I'm sure of it. Now I'm not going to give you a legal interpretation; I'm not going to get into an argument on it, but I would think that any Bill that involved the money implications that this did . . .

MR. GREEN: No. No.

MR. CRAIK: . . . would very clearly have to have that Part VIII in it, and I would revert back to Section 3 in it which says "With the approval of the Lieutenant-Governor-in-Council," which is the Cabinet, "the Minister of Finance," who is in the Cabinet, "may subject to such conditions as the Lieutenant-Governor-in-Council", which is the Cabinet, "may prescribe: (a) purchase shares of the capital stock of a company; (b) make loans to a company with or without security;" (and incidentally under the present arrangements of loan capital under the MDF I don't know of any condition where the security, whatever proportion it may be, is not well secured) "(c) guarantee the payment of the principal and interest on moneys borrowed by a company; and (d) make grants to a company."

Now all of that, Mr. Speaker, indicates a lot of power in the hands of the Cabinet which is being questioned by this side; and with that presentation, Mr. Speaker, I have no hesitation in supporting the amendment proposed by the Member for Brandon West.

MR. SPEAKER: The Honourable Member for Emerson.

MR. BEARD: Would the member permit a question, please? I was trying to listen to him in respect to Bill 17 and the second part of the Manitoba Development Fund Act. Doesn't the second part of the Development Fund Act allow government to move into what they termed at that time, "turnkey" industries in which they could develop them and turn them over to private industry?

MR. CRAIK: Part II of the MDF - I don't have the wording in front of me, but extraordinary cases is the title of the section and it allows them to move into any area to promote industrial development. It does not confine it. As a matter of fact I think that many people have always thought that the MDF was entirely restricted to secondary industry. That part does not even restrict entirely secondary industry.

MR. BEARD: Well, on a subsequent question, Mr. Speaker, -- (Interjection) -- On a subsequent question then. If a turnkey industry were established then wouldn't the government have an equity in it until industry had paid it off? If they were going to establish a steel industry, for instance, in an industrial park area and then turn it over to private industry, wouldn't both of them have an equity in it until one had bought the other out?

MR. CRAIK: It would probably depend on the particular case but I don't think there's anything in Part II as I recall that restricts from doing what you're suggesting.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Speaker, it wasn't my original intention to enter this debate. However, I found the speech given by the Minister of Mines and Natural

(MR. GIRARD cont'd) . . . . Resources interesting this afternoon and I wanted to make a few observations on the basis of what he said very largely.

First of all, I must confess, Sir, that I hold a great deal of respect for the Minister. I think as a person he is one of the Ministers I would turn to for sincere and truthful advice, legal and otherwise. I know that he holds his beliefs profoundly and I know likewise that in spite of my disagreeing with these ideas, that I give him credit for holding them as firmly as he does.

I would like to say, however, that in this afternoon's speech I looked upon him rather as a McGowan Cup debater who lacked a little conviction in his ideas and I think he lacked a little bit of the force that he usually has in convincing other members in this House. I think that he was trifling with words and phrases for awhile when he was accusing the Opposition of using scare tactics, of saying there was something wrong with nationalization, of saying somehow that the Opposition was trying to stampede the people of Manitoba into believing that there was an evil creature in this word "nationalization" or Socialism or whatever; and for a person who has this kind of conviction, Mr. Speaker, I feel that this should not be so but rather he should flatfooted come out and say "We know that Socialism is such, we defend it and therefore we give you a realistic choice." Not, "We accuse the opposition of using scare tactics." I don't believe that that's sound logic.

Now to come back to specifics, Mr. Speaker. He mentioned something about Bill 17 and on one occasion, in spite of my knowing that the Minister speaks French fluently, he, I think, misinterpreted the word "carte blanche". He suggested at one point that Bill 17 was not carte blanche, and I would suggest to him that I think it is. I think it is with one minor restriction which he pointed out. It gives the authority to the present government to set up a Crown corporation giving all the details with the minor exceptions of getting money through legislation instead of through other means. Now -- (Interjection) -- Certainly I'll permit a question.

MR. TOUPIN: Would you agree that this carte blanche is the same colour for both parties when that bill was prepared by your party and now by ours?

MR. GIRARD: Mr. Speaker, I will agree wholeheartedly that whichever party, whichever party prepares that legislation, the card will be the same colour, but I would like to draw your attention to this point and I expect to explain it in a very short order. Now I say it is a carte blanche, because in fact, Mr. Speaker, if Bill 17 had been passed before Bill 56 it might well be that in bringing in the legislation for Bill 56 that we'd have had more detail than we've got right now. In bringing in a bill to incorporate Bill 56 the government might have had or chose to explain in more detail to the members of this Chamber in justifying the request for the money they might have told us a little more of what ought to be in Bill 56. Therefore I would suggest to you that if such a carte blanche, that if Bill 17 had been dealt with first, Bill 56 would have been in substance covered by it, or unnecessary.

MR. GREEN: Mr. Speaker, I'd just like to ask my honourable friend a question, if he'll permit me.

MR. GIRARD: Yes.

MR. GREEN: Does he not agree that under Bill 56 the government will be the only provider of a certain type of coverage, whereas under Bill 17 there is nothing to prevent anybody else from providing a service?

MR. GIRARD: Yes, Mr. Speaker, I will agree. I agree with this fully. I use the example a little lightly to show the point, however, there's another point that we could establish, the fact that Bill 17 says a certain type of industry which would not include insurance and I can understand this. But as far as principle is concerned what I said stands.

Now another thing I found a little strange for the Minister this afternoon was in dealing with the McKenzie Seed that was turned over to the government. Apparently this was bequeathed to the province. I didn't know anything about it until this morning, or 'till this afternoon rather. But I would suggest to the Minister that in dealing with these details if he knows the facts let's get them factual and straight not an innuendo or a supposition that this might not be so. Let's dispel the clouds and let's debate on the basis of issue, on the basis of the credit which goes to such a corporation or such a Crown corporation as opposed to the other side. Let's not cloud the issue.

I would take a little time, Mr. Speaker, to deal with the issue which was mentioned when Bill 17 was introduced, the second reading, the response from this side and so on. It was dealt with very thoroughly by the Minister at that time saying, you know it was in the mill. You know really I didn't have anything to do about it, it was -- or really I had little to do or I was

(MR. GIRARD cont'd) . . . . . told that it was in the mill.

MR. GREEN: I didn't say that.

MR. GIRARD: In the works?

MR. GREEN: This is a piece of legislation that I have been advised has been in the works for some time.

MR. GIRARD: Okay. The Minister says "I have been advised it was in the process. . ."

MR. GREEN: Mr. Speaker, I wonder if my honourable friend will permit me. I have tried to concede to the House that my belief was that it was prepared by the previous administration. I gave that information to the Minister of Finance and he gave that to the House so that there is no doubt that we on this side -- (Interjection) -- yes, said that it was prepared by the -- and I accept responsibility for that, I don't want the Minister of Finance to have any responsibility for that -- and then I indicated to my friend the Member for Lakeside that because this impression was left I intended to clear it up. That's what I tried to do this afternoon.

MR. GIRARD: Mr. Speaker, thank you for the explanation. However, there is one missing link. It seems to me, it seems to me that this is quite true, it could have been in the hands of the civil servants and the departments and so on. But when the bill was introduced I quickly turned to some of my experienced colleagues and I suggested to some of them, is this right? Is this what we were thinking of? And the answer of course came, "does it look like it?" And I had to confess to my way of thinking it certainly didn't. However, may I suggest that the present Minister was not the first in that department and it might well be that some of the guidance ought to be attributed to his predecessor.

MR. GREEN: Mr. Speaker, may I, on a question . . . I indicated this afternoon that -- well I indicated this afternoon that my predecessor did have something to do with extending the nature of the bill. I tried to clarify what I felt was an unfortunate mistake caused by myself and I tried to do that this afternoon.

MR. GIRARD: I'm sorry if I missed that point this afternoon but I would like to acknowledge it now, I think it clears the air. We realize where the philosophy behind this bill comes. At first I was going to suggest that the real thing was that we had some very clever people in the Department, as he will acknowledge himself, who knew him well enough to bring about this kind of legislation and to present this kind of legislation to him, so that they would know that he would relish bringing it to the House. -- (Interjection) -- Or they wouldn't dare do otherwise. -- (Interjection) -- We'll give you another opportunity.

I would like to quarrel a bit with the definition that the Minister liked to give to the word of "nationalization." I can well accept his definition, but he's using it only in one vein and I don't think that's quite the way it was intended in the resolution. Nationalization in the sense that is commonly used is encouragement of public ownership.

A MEMBER: Taking over an industry.

MR. GIRARD: Yes, taking over -- used in the context that an industry becomes owned by the nation or the national government as opposed to the provincial government becoming the owner of a provincial enterprise and I would say that there is good sense in the use of that word nationalization.

I thought there was a little bit of inconsistency in the Minister's talk, or maybe it's not because of the Minister, rather it might be because of lack of unison in the song that is sung by the members generally. They suggest, Mr. Speaker, that the Fish Plant is located in Selkirk, if it were a Crown corporation, the people at large or the government would have a chance to decide where it's located and so on. On one hand this is what they are saying, Mr. Speaker, that if a Crown corporation operates the people have representation in this business and the people through the voice of the government establish where it's going to be or how it's going to function and so on. And I agree with you, Mr. Speaker, that this is so, but it is so at a price and the price is efficiency in my view. If private enterprise were to locate an operation of this kind, what they will seek, Mr. Speaker, is efficiency and profit making and I agree that this is so.

Now if they do locate in a certain area it will be because of efficiency, but a government operation might well look at this as a secondary thing, maybe justifiably so, but Mr. Speaker, you can't argue both ends; you have to make your decision as to whether you favour Crown corporations for the sake of serving the people, or on the other hand, for the sake of efficiency and you can't have both.

MR. GREEN: Yes, Yes.

MR. GIRARD: Oh you can, eh? You can actually place this Fish Marketing or Fish Processing Plant away out there somewhere in order to be politically justifiable and also efficient.

MR. PAULLEY: Economically justifiable . . . which you will not recognize.

MR. GIRARD: Well, I would suggest to you that you have a contradiction - well I don't wish to belabour the point any further than I have and I would like to just end by saying I do tend to be a bit pragmatic when we talk about whether it should be Crown operated or a private enterprise. However, I would like to just point out that there are a few inconsistencies in the speech that the Minister delivered and I don't belittle him for it.

MR. SPEAKER: Are you ready for the question?

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, I beg to move, seconded by the Member from Gladstone, that while concurring in Resolution No. 80, this House regrets that the government has failed to try and make any progress with the Canadian Government in regards to water control and conservation projects in Manitoba.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Thank you, Mr. Speaker, I intend to be very brief because this has carried on a long time now. However, I didn't want to let it go by without making a few points because I myself have felt that the Minister of Mines and Natural Resources has been so concerned with other things such as being House Leader, the leading Minister in Pawley's compulsory automobile insurance bill, trying to show his ability as a number one critic, or shall I say trying to stand out as the strong man in the party, that he's forgot the position that he really has. He's been so obsessed with these things that he's really forgot about his position as Mines and Natural Resources.

To prove my point I want to mention first the Order of Return that I had put in on March 17th asking for the correspondence between the Manitoba Government and the Canadian Government in relation to the Pembina Dam. As yet I still have not received any information on this project. Now this is inexcusable because if they have anything on this -- (Interjection) -- That's Harry Enn's brushcut. Things are changing aren't they? Mr. Speaker, I say that if they had anything between the Manitoba Government and the Canadian Government they should have tabled it long ago and give me the opinion - and I believe that probably they haven't done anything. And if they have done anything why haven't they produced it because this isn't the sort of a thing that should take so long. He's been too concerned with the other things that I've mentioned to even give a reply on this.

I have an article here which I spoke about earlier from the Morden Times and it says, "U.S. urges Canada to speed up settlement on the Pembina Dam." I have this paper here, I produced this before and he can have it now if he wants it. And then I also have a paper here from the Winkler Progress dated May 13th and it says, "Now U.S. may go it alone on the Pembina project." There's letters in the Morden Times and he's also had letters from the Pembina Development Corporation in our area asking for some action on this, and to date I haven't heard of any action he's had on it and I've had this Order in for correspondence and I've never received any.

Now I also want to mention the flood that took place in Carman. First of all I want to make it clear that when the flood occurred the Minister of Highways, Mr. Borowski, and the Minister under which EMO is administrated, the Honourable Mr. Pawley, gave very good co-operation. They did a good job and are to be complimented. However, from thereon in it has been different. When I have asked the Minister about these things on different occasions he told me it was being studied. I must say that if it hadn't been for the co-operation of the district and the Water Control Board, the Member from Morris and the Member from Gladstone that I don't think we would have got as far as we have. During all this time that this has been going on I don't think the Minister has been devoting his time to it. He's had time to go to Portage to talk about the automobile insurance and he's had time to go to Morden, he's been, shall we say out in cloud eight but he hasn't been doing much -- he never went to Carman to see the flood damage.

I must say that he's been doing a very capable job as House Leader and probably is very capable in other things but I feel that as being Minister of Mines and Natural Resources and

(MR. HENDERSON cont'd) . . . . his contribution to my constituency of Pembina is a failure in my opinion. Thank you.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I will take a few minutes at this time and I hope I'll have the latitude to speak at least for ten minutes on this resolution. I hope it will give me that latitude because we did not cover the Department of Mines and Natural Resources and when we talk about conservation, I hope it will give me the latitude to talk something about our Games Branch as well. I think this is what it means, because I think that we are fortunate in this province in having wonderful forests and a lot of water, plenty of game but we must be careful to conserve it, that when we are gone that those that will follow us will enjoy these same things as we are and that our children will be able to enjoy them as well.

If we look at news editorials and news media recently we find to our great disappointment that such things and 86,000 birds in Alaska have been killed this spring. The results are known, that there has been some suggestion it was because of oil pollution in that area. As well there were whales and other kinds of sea animals that were found dead. This is what's happening all year round. The other point is that if we look at our hunting we find as well that at times the game is abused because we have for instance two million waterfowl hunters in North America; we spend over one hundred million dollars a year on sports alone. In 1961 there were 345,000 Canadian waterfowl hunters who spent in the neighbourhood of \$27 million. Last year or 1968 we had over 386,000 waterfowl hunters alone, Mr. Speaker, and the points that I will raise I hope that the Minister will take cognizance of the points and perhaps we will do something about it.

This year the National Wildlife Association chose "Endangered Wildlife in Canada" as their theme for the provincial-federal conference and I believe, Mr. Speaker, this is most appropriate. Habitat destruction, pesticides, pollution and indiscriminate hunting and trapping are a few of the reasons for the plight of our wildlife in this province and in Canada. Modern agricultural practices has destroyed the habitat of our greater prairie chicken. Water pollution threatens many species of our fish which was clearly demonstrated to this House by the Member for Ste. Rose when he quoted that in a matter of ten years our fish decreased from four million pounds in Lake Winnipeg to a matter of half a million pounds, which is 90 percent decrease. Mr. Speaker, I think this is quite serious and an area that we have to concern ourselves with.

Now there's many of our other birds as well; the whooping crane have become extinct in Canada because their wintering grounds in Texas apparently are used for commercial mining and oil interests. The Rocky Mountain Big Horn Sheep winter ranges are grazed by cattle and there's good reason to believe that they may become extinct as well. Pesticides and DDT also pose a threat to many of our birds. Another menace is indiscriminate hunting and trapping as I have mentioned. Trappers nearly wiped out the Newfoundland marten before it was protected by law and the wood bison was killed off many years ago by hunters until recently there were 200 discovered, I believe, in 1957 in the North West Territories. Extermination of any bird or animal species serves no good purpose and I feel those could be saved. The plains bison, pronghorned antelope, beaver, trumpeter swan and many others were saved through legislation and restoration of habitat.

What concerns me very much at this time, Mr. Speaker, is the use of snowmobiles and I hope that perhaps the Minister of Transportation will also take cognizance and maybe make some amendments to the legislation that he's proposing in respect to the use of snowmobiles in hunting and particularly hunting red fox and jack rabbits. So I wish to confine my remarks for the next few minutes for government action and legislation for this type of abuse, which is snowmobiles. During the winter wildlife is in a weakened condition, food has become increasingly more difficult and harder to find, and they are easy prey for snowmobiles. Female animals are pregnant and harassment could cause fatal damage to mother and/or fetus. Chasing of these animals usually moves them a great distance from their normal feeding grounds and leaving them exhausted in many cases to die. Snowmobiles cause game animals to recede deeper into their environment to escape disturbance. Food is harder to find and mobility of these animals is at a minimum. Also survival is at a minimum as well.

Survival and reproduction dictates, Mr. Speaker, how large a harvest may be taken in the following big game hunting season and snowmobiles are drastically tampering with this reproduction and survival. The predators, foxes, wolves and coyotes are receiving the greatest attention from snowmobiles. The word "predator" seems to instill the thought that they are a menace and should be destroyed. These people either run the predator down and run over them again with

(MR. PATRICK cont'd) . . . . their machines or shoot the predator from the machines while chasing them, and of course the shooting from the machine is illegal. The population of predators in areas where snowmobiles predominate is extinct or almost extremely low, therefore any unnecessary reduction quickly approaches elimination, Mr. Speaker. Another small animal once very plentiful, the rabbit, and I'm referring of course to the jack rabbit, is showing frightening signs of succumbing to its flight against snowmobiles. The jack rabbit is primarily an open field inhabitant and is no match in its bid to escape the never tiring snowmobile. Foxes and wolves are undoubtedly taken for their pelt but rabbits are taken, or for a better word, slaughtered, for the sport of it and very seldom the meat is used or the skin, the pelt.

There has never been any regulations to my knowledge on hunting of jack rabbits as to quota but if snowmobiles continue their predation of this animal, regulations of trapping and hunting should be forthcoming very soon if we are interested to save this animal. The majority of offenders do not realize the seriousness or consequences of their actions. Legislation is the best method in educating the general public concerning the misuse of snowmobiles where wildlife is concerned.

Mr. Speaker, the ecology of many areas will change if the snowmobiles are allowed to run rampant in our rural areas. The balance of nature is a very intricate mechanism; by removing a piece, its function stops. Mankind usually feels and pays for the harm that has been done; in the end these pieces are usually impossible to replace. This is an extremely distant view into the future and shows what could happen and has already happened to other species if action is not taken now. Snowmobiles are mainly for recreation use and not for the wholesale slaughter and harassment of our wild animal species. Everything has its place and the snowmobile does not belong in the wilderness for the purpose of disturbing our wildlife. The price is too great to pay for such unjustified discriminate recreation.

Mr. Speaker, I myself own a snowmobile and I get a great amount of enjoyment from it, using it with my family for enjoyment and snowmobiling. I've taken it out hunting as well but not for the purpose of using it for hunting, but I've taken it - I've driven it a couple of miles one way without a gun or the other way - left the machine -- (Interjection) -- Mr. Speaker, if I did, I wouldn't be making the remarks here today. I very much am aware what has happened, what is happening, that's the reason, we did not have time on the estimates, and that's the reason I think it's of great importance that I have to bring it to the House at this time, because there will not be an opportunity I believe on any other occasion.

Mr. Speaker, I'd like to quote Time Magazine, January 5th of 1970, Page 6 and 7. In Quebec, skidoos have frightened deer from their hospitable low land habitat resulting in a significant drop in deer population. The bag dropped from 12,400 in 1964 to 4,000 last year. In Alberta it is considered sport to chase coyotes until they are exhausted then shoot them on the run which is illegal or on the move with a snowmobile which is legal apparently and this is what's been happening. It has also caused a crazy tilt in the ecological balance. With coyotes out of the way crop eating mice and gophers upon which the coyotes prey have flourished to the growing distress of some of the grain farmers.

Mr. Speaker, Time Magazine of March 23rd this past few months or in 1970, Page 14, and I'd like to quote: "Last month on Lake Simcoe, Ontario, two snowmobiles pursued a small brush wolf for 90 minutes hitting it twenty times with the machine. When the exhausted wolf took refuge behind a mound of snow the hunters jumped the snowmobile over the mound and broke the animal's back. They applied for their \$25 bounty. Such was the deluge of public protest, the Ontario Provincial Police, the Ontario Humane Society and the Department of Lands and Natural Resources launched an investigation. The Ontario County Crown Attorney has considered whether charges can be laid against the two people that were running this animal down. Ontario's Land and Forestry Minister, Rene Bruell, has agreed to consider removing the bounty on wolves; in the meantime he has promised that the harassment of any wild animals will be made in Ontario." This is probably an area that our Minister of Mines and Natural Resources can have a look.

Wildlife Crusader, Volume 15 Number 8, November-December issue and I quote: "One authority has stated that it is possible for one snowmobile to cause the death of many hundreds of deer by harassment without knowing that they're doing this." So, Mr. Speaker, these are just a few points that I wish to raise at the present time. I feel that we must have a very complete program designed to conserve the wildlife and other natural resources of our province and I believe that our programs have not kept up with the times in this field, in this area. I

(MR. PATRICK cont'd) . . . . think if we are to achieve the best possible management of these God-given privileges it's time for the government to move in. The conservation of our resources primarily depends I know on individual responsibility but I think it's time for the Minister to move for legislation in many of these areas.

Just one more point that I wish to make at this time, Mr. Speaker, and I did speak at some length last session, and that's in respect to elk hunting. I know it has created a considerable amount of problem because a year ago I pursued the argument that there should be probably some fee, extra fee attached to the licence to compensate the farmers for the loss of any grains that they have as a result of elk feeding on their grain. I know there has been considerable problems of the farmers getting their licences to hunt two years ago and I suggested that every farmer should have an opportunity to get their licences before anybody else has on a draw program. I think this has happened this last season but unfortunately it happened that most of the farmers have posted their land which I don't think was fair to the other people, to the other 1500 or 1200 that were able to secure their hunting permits and the result is that you can't even get close to the mountains and the forest of - wherever there's any trees or forest to hunt the animal because all the land is posted. So perhaps there could be some kind of cooperation or education worked out to the farmers that own the land adjacent to the park where the elks come out and to say if they're going to have the privilege getting the licence almost without having to draw for it because their land is surrounding the park, then naturally they shouldn't post the land and not allow anyone else to have the same privileges to hunt. I know there has been a tremendous amount of complaints last hunting season, because there isn't that many farmers adjacent to the park and it doesn't take many farmers to occupy say a 20 mile area and if they all post their land then there's nobody can get close, so I don't think it's fair to all the other hunters to be able to buy the permits and then not have the opportunity to, never mind shoot one, but even see an animal. I understand that there has been overabundance of elks in the Riding Mountain National Park and they had to thin out the herd, so I can't see the reason at all why all the land should be posted. Perhaps there could be better communications worked out with the farmers.

So these are the few points that I wanted to raise which I consider very important and that's why I wanted to bring them to the attention of the Minister.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I would like to comment very briefly on the amendment presented by my colleague the Honourable Member from Pembina and to bring to your attention some further observations in respect to the matter which did not apparently come within the purview of the amendment which I submitted earlier in this departmental estimates.

We did have some weeks ago a question asked in the House in connection with the water levels of Pelican Lake and the Minister is aware of the problem as it now exists and he as recently as last week said that he was unable to report any progress in respect to resolving the problem.

MR. GREEN: Point of order. We have no rule that I'm aware of with regard to a matter being sub judice when it's in the hands of the Ombudsman, but only from what I read in the newspaper this is a matter which is now being looked into by the Ombudsman. That being the case, I wonder whether there is a propriety in discussing it on this occasion. If it were certainly before the court there would be no propriety. It's before the Ombudsman at this stage and there will be a report coming to the Legislature, I assume.

MR. MCGILL: Mr. Speaker, on the point of order. I think it's a very interesting point that the Minister has brought up and I would be interested in hearing your ruling. It perhaps is one of the first such occasions where a matter referred to an Ombudsman has been brought to this . . .

MR. GREEN: Mr. Speaker, I'm not really asking for a ruling. Perhaps that's something that should be considered by the Committee on Standing Orders and Regulations and I think it would be unfair to try to formulate the ruling at this point, but I am suggesting to the honourable member that he consider just how far he wants to go in view of the fact that it is before the Ombudsman.

MR. G. JOHNSTON: Mr. Speaker, if I may speak to the point of order that's been raised by my honourable friend, I think it should be fairly clear by now that any matter that's put before the Ombudsman is certainly not before the courts and certainly can be discussed

(MR. G. JOHNSTON cont'd) . . . . quite freely and should not be left at - especially should not be left where members of this House cannot discuss matters that are before the Ombudsman and I hope that we don't establish a precedent because something is before the Ombudsman that the members of the Legislature cannot discuss it openly and freely. I can recall in the past, many speeches that were made by members who opposed the establishment of the Ombudsman's office, saying in effect that each MLA is an Ombudsman for his constituency and I certainly would not want to stifle, if that's not too strong a word, to stifle the utterances of any MLA who's talking about a problem that may or may not be before the Ombudsman.

MR. PAULLEY: Nobody is suggesting that.

MR. SPIVAK: Mr. Speaker, on a point of order. I think we have a precedent or the possibility of a precedent that I think should be considered by this House at a given time. It's obvious, and I agree with the Minister of Mines and Natural Resources, this is not the occasion because no procedure has been set up in connection with this kind of thing and the problem we have here is we really only know this by third party and no direct evidence being submitted here. But there's no doubt we have a precedent now that we should consider very seriously and at one time, and possibly before the end of this session we should have some determination of this, for the simple reason that we are going to have situations that will arise similar to this possibly with direct evidence being given into the House possibly by some indirect evidence simply because of the news media conveying some information.

Having said this and having pointed that out, I'm inclined to be more in agreement with the House Leader of the Liberal Party as to our responsibility in this matter, but I believe that the Honourable Member from Brandon West is perfectly in order now and should be allowed to discuss this matter fully without in any way a challenge - and I'm assuming there's no challenge - without any challenge being made to his right to discuss this matter at this time.

MR. PAULLEY: Mr. Speaker, if I may on the point of order, if it is indeed a point of order. My colleague, the Minister of Mines and Natural Resources just made a suggestion insofar as this particular subject and the subject matter was concerned, that it is well known even though it was through the medium of a third party as the Honourable Member for River Heights has indicated; there's no endeavour I'm sure on the part of my colleague or of the government to prevent my honourable friend the Member for Brandon West from pursuing this. The only reason that he raised the point, Mr. Speaker, was by way of suggestion so that we don't prejudice the case of the people at Pelican Lake that are concerned with this matter and it is being considered by the Ombudsman. So really there's nothing to it, and this was the only point that my friend the Minister raised and I suggest that the Member for Brandon West is quite within his rights to pursue his argument.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Thank you, Mr. Speaker, and to continue, I would like to just remind the Minister of a letter he wrote to Mr. W. S. Dickson of 1437 Corydon Avenue on April 15th. I won't attempt to read all of it into the record because I know that the Minister has this letter on file, but it does reply to a letter from Mr. Dickson who is apparently one of the people involved on the shore of Pelican Lake and apparently one of those who owns one or more structures that is now being flooded along the shoreline that is being eroded by high water. The Minister points out to Mr. Dickson this matter has been under review for some time and that it's under consideration by the local municipality, the province and various people concerned. But in the second last paragraph, the Minister says and I'll quote: "With regard to the prospect of flooding on Pelican Lake this Spring, I am informed that the control works at the inlet from the Pembina River have been welded shut for the time being. The staff of the Water Control and Conservation Branch will be in the area to ensure that the outlet from the lake is kept open. If it should become apparent that substantial damage may occur, the municipalities and the province will then have to consider appropriate action in keeping with their respective responsibilities."

Mr. Speaker, I suggest that substantial damage has been allowed to occur and will continue to occur for the balance of the summer and probably again next year unless the level of the lake is lowered by perhaps as much as three feet before freeze-up would occur in the fall. So it is a question of what has to be done, Mr. Speaker, and I would suggest that it's rather an emergency, that the damage has occurred and the people are continuing to suffer through damage to the shoreline and to the foundations of the summer homes that are built along the shore of Pelican Lake.

Now the Minister may take the position that the circumstances which are causing the

(MR. MCGILL cont'd) . . . . unnaturally high levels in the lake are due to something that was done more than a year ago and perhaps it is connected with the replacement of a bridge at the outlet end of the lake by two small culverts which appear to have been restricting the outflow from the lake rather seriously. I'm wondering if the installation of those culverts was done with the advice and consent of the Water Conservation Board, whether it was considered when the two culverts were placed that they were sufficiently large to permit normal and natural runoff from the lake. Mr. Speaker, I get the impression that the government on this problem realizing that there are many sides and many interests involved perhaps, that they are rather waiting it out and avoiding what is a very difficult decision perhaps to make. But it would appear that warm weather and dry weather and lots of sun may help, but the levels of the lake are so high that I'm told this damage is going to continue to be felt throughout the summer unless more immediate action is taken.

I take this opportunity to bring this serious problem to the attention of the Minister again to hope that he is taking some real and direct measures to eliminate the problem. I think the residents of this area have been patient in that this damage has occurred, and this I would believe is at least the second season that it has happened, and it is likely to continue to happen unless positive action is taken. I would like very much to hear from the Minister some explanation of what action he is taking at the present time to protect the interests of the people who have substantial investments on the shores of Pelican Lake. Thank you.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I rise just to speak briefly on this amendment. I want to speak for a few minutes, Mr. Speaker, in regard to water conservation and control, particularly in the southwest area. Mention has been made by other members of Rock Lake area, Pembina and so forth. We've directed questions repeatedly through this session, and to the former Minister of Mines and Natural Resources and Conservation in the last session, and we've had no specific answers as to what is the government's policy in regards to water conservation and particularly the construction of dams, and I refer now specifically in the southwest area to the proposed Paterson Dam and to water control in the Plum Lake and Plum Creek areas.

The Minister may well say, why was the Paterson Dam not built when we were the government, and I want to point out to him that considerable conservation control was carried out in the southwest area but for quite a few years very little was done because of the lack or the inactivity of the Government of Canada in regard to construction of water control systems in the three prairie provinces under the old PFRA program, and we finally came to the conclusion that the government would have to participate to a considerable extent in the construction of dam and water conservation ditches and control. Before we left office we were discussing with Ottawa the possibility of the construction of different dams, including the Paterson Dam, on a 50-50 basis.

I don't want to belabour this point but I think, Mr. Speaker, that we should have some explanation from the Minister tonight as to what his government's intentions are with the dams that I have mentioned, particularly the Paterson Dam, and I believe, as my colleague from Roblin has mentioned, the Pleasant Valley Dam. I think we should have some explanation of where they stand in these matters and if it is the intention of the government to go forward on a cost sharing or other basis in the construction of these dams.

I want to talk for a few moments, Mr. Speaker, on pollution. Many hundreds of thousands of words have been said in this House over a period of years on pollution. We have talked all the way from oil slicks on the Mediterranean to air pollution over the City of Winnipeg; we've talked about the pollution of our rivers in Manitoba and our streams. Last fall, Mr. Speaker, in December I believe it was, the government issued a licence to a well-drilling company to drill a well in the heart of a wildlife conservation district, namely the Whitewater Lake.

Grave concern was raised by the people of the southwest part of the province because of the action of government in issuing a licence to drill for oil on a lake, a lake which is known, Mr. Speaker, throughout Manitoba, and indeed beyond the borders of Manitoba, as one of the most publicized wildlife areas that we have in the Province of Manitoba. It's a principal flyway for geese and ducks and nesting and breeding grounds for geese and ducks. It's a place where hundreds of thousands of people go, not only to shoot in the fall but with cameras and bird lovers going to watch the activity of our wildlife in that area. I think, Mr. Speaker, in view of the discussions that we have had in this House about the need for conservation and for protection

(MR. WATT cont'd) . . . . of our lakes and streams insofar as pollution is concerned, that we have the right to ask for some explanation from the Minister tonight on the reasons why a licence was issued to drill a well for oil in the area that I'm referring to. And I want to say, Mr. Speaker, that there is no company that can guarantee against the possibility of pollution and probably ruining a lake for a hundred years or probably forever.

The same situation arose when we were the government when an oil company applied for a licence to drill on Oak Lake, and after considering it carefully we decided for the few paltry dollars that the government might get out of the possibility of oil production in Oak Lake and weighed against the possibility of ruining that lake for recreation and for wildlife for the southwest area, we refused to issue the licence. I think, Mr. Speaker, that tonight that we should have some explanation from the Minister in regard to the issuing of this licence, which to me was contrary to all the principles of conservation and pollution protection that we have tried to effect through the years in Manitoba.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Thank you, Mr. Speaker. I just have a few brief remarks to draw to the attention of the Minister with reference to the resolution before us now from the Honourable Member for Pembina. I, like other members, I am wondering what has happened to the various dam projects that have been either on the drawing board or have been indicated that they would be under construction shortly. And I of course refer specifically to the Pleasant Valley Dam project which I have been following very faithfully since 1966 and have persevered through the problems of that terrible Conservative Government that we had here, and it was difficult I can assure you, Mr. Speaker, those were hard days, but nevertheless I got that project on the drawing board and it was all completed and had been approved by this Minister and the province, and as I understand it, and the Minister maybe will correct me, it has been approved by the Regina Office of PFRA and I think possibly it sits in Ottawa now waiting for the signature possibly of the ARDA officials in Ottawa and possibly the Treasury bench. So I would humbly submit to the Minister that possibly when the busy session is ended and he finds some time, that he would take the initiative and see what happened in Ottawa, and as this document has been down there now for some months, and I understand the monies are approved, no doubt the Minister will be able to follow that up at a later date.

I'd also like to, Mr. Speaker, draw to the Minister's attention the serious problems that we're facing on the eastern slopes of the Duck Mountain area where water erosion and problems of enormous proportions have seemed to have been brought to light, especially this year with the heavy runoff and possibly due to the more consistent clearing that's being done by people in the area, but it's one of great magnitude. No doubt the Minister, and the Department of Water Control I know are studying it, they've mapped it and planned it, and I hope that he would find the time to give it his guidance and his wisdom because it's one of serious proportions at this time.

The other matter which I was going to speak on, and I have read Hansard and I see the Minister on the Wildlife Act, possible amendments are supposed to be coming in this House and I look forward to those amendments. With those few remarks I thank you, Mr. Speaker.

MR. SPEAKER: Are you ready for the question?

. . . . Continued on next page

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to say just one or two words in reference to the resolution of the Honourable Member for Pembina pertaining to flooding. I'd like to ask the Minister about the Assiniboine River diversion and charge him, or entreat him to examine the necessity for the opening of the Assiniboine River diversion, the use of that diversion in future years with a careful concern in mind for those property owners on the southern shore of Lake Manitoba who have suffered some reduction in enjoyment of their facilities and suffered I think some direct harm to their facilities as a consequence of that project.

I know that the diversion is aimed at protecting the flood-prone areas along the Assiniboine, particularly in the area of Portage la Prairie and environs, and I recognize the need for that kind of protection and I recognize that the diversion was employed as a means of saving of property against the threatened onslaught of floods. At the same time though, one can't help but feel some concern for the property around the Delta Waterfowl Research Station and all that residential and resort property on the southern extremity of Lake Manitoba, not that the property itself has been threatened but certainly the lake waters this year in that area are much less attractive than they ever were before, and one would hope that a very careful attention would be paid to that in the future.

We have put a fairly high premium through our Tourist and Recreation Department, through our government in general on tourist facilities, recreational facilities in this province, and I would hope that extreme care and caution would be exercised not only to protect Lake Manitoba against the danger of pollution but to protect that part of the lake and that resort area against a reduction in beauty and a reduction in pleasure, and just a reduction in cleanliness. The diversion itself has resulted in considerable discharge into the lake, the southern end of the lake, of dirt and collected material that has tended to make that part of the lake very unsavory at this time of the year, in this particular year, and I have had a number of approaches from people living in that area to bring this point to the Minister's attention.

While I'm on my feet, Mr. Speaker, I would like to address myself to the member -- to you, Sir, in connection with the member occupying the fifth chair from your left on the opposition benches, and I think this is probably the second time in this session that I've had to rise to my feet to help you identify that particular member. I think there are very few things as changeable and as mercurial in this House as the hairstyles of the Honourable Member for Lakeside, and I just want you to know that despite that spiky exterior that he wears tonight that I'm assured that his spirit remains unclipped and unchecked, Mr. Speaker, it's still the Member for Lakeside and we may look for the same kind of contribution in the future that he's made in the past. I am assured also by him that this is no forerunner of the new sort of skinhead hairstyle in this province that is now very popular in Great Britain, and we can all thank our lucky stars for that. In conclusion, Mr. Speaker, I'd just like to say in connection with my friend the Member for Lakeside, if I may borrow an old agricultural aphorism, that you should not judge an egg by its shell or a chicken by its fuzz.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, I rise with mixed feelings. On the one hand I know that when I got up last time I prolonged debate for some time; on the other hand, I also know that members did not have an opportunity of discussing the departmental estimates of this department and anybody can attest to the leniency of the position that we have taken, Mr. Speaker. If one looks at the resolution before us, it deals with water control and conservation projects in Manitoba, and I took it, after the Member for Assiniboia's speech, that he didn't speak on water conservation at all and I thought, well we can stretch that because we'll just leave off the water and say he's talking about conservation. Then he talked about hunting elks and I didn't know how we could fit in that particular reference, and then finally I just abandoned any attempt to suggest that members stick with the resolution. I really sympathize with their position because it is true they did not have an opportunity to discuss these departmental estimates. I have no wish to not discuss them but I rather think that this format of debate is not very acceptable to a Minister presenting estimates because the Minister does not have an opportunity to speak after he has spoken once on the motion. So I trust that members will realize that this is rather unsatisfactory but I am going to try to be as accommodating as I can.

The first remarks that I want to deal with, Mr. Speaker, are the ones which I felt were most unfair and those were the remarks that were made by the Member for Arthur who suggests

(MR. GREEN cont'd.) . . . . that this government in the summer gave a licence for drilling on Whitewater Lake with a danger that this lake could be polluted. Now I want to clarify the issue, and I thought that my honourable friend and myself had come to agreement as to what the actual situation was earlier this session. First of all it was not in the summer, it was either in January or February of 1970. Secondly, the firm that did the drilling received a lease from the former administration setting out in particular the lake to which my honourable friend referred to and the lease entitled the company to a licence as of right. If they are setting up their rigs properly, if they are doing everything within the definition of the department, they are entitled to a lease - to a licence, not to a lease, but this was under a lease granted by the former administration for that particular area.

Now one further fact, Mr. Speaker. It is my information, and I hope I am not off base here, but I want to tell the member that my impression is that that particular lease was granted after the development at Oak Lake and contained a specific reference to the fact that during the months, I believe it is of December, January and February, the company is entitled to drill in that location without the consent of the Minister. And it contains that reference specifically so that the company could get a lease during those three months, during the wintertime, without any reference at all to the Minister and that if they wanted to drill at any other time they had to go to the Minister.

So it's clear, Mr. Speaker, that the government was obliged, under the terms of the lease that were given by the previous administration, to grant this firm a licence. Oh, it's true we could have said no licence, but the fact is, Mr. Speaker, that this would have been a clear breach of the conditions of the lease, and by the time it got to the point as to whether there would be that kind of action taken they had completed the drilling, got to what they call a dry hole, I think that is the term, and they just then abandoned the drilling. It was completed and it became a fait accompli. But the lease, Mr. Speaker, to permit the drilling was granted by the previous administration. It specifically provided that during December, January and February, no reference would be made to the Minister. And thirdly, the granting of a licence is something that is given as of right when one has a right to a licence provided they meet with departmental requirements which they did.

So why the Member for Arthur would raise it again on the motion that this government was responsible for the possible pollution is beyond me. It's merely, as I repeated this afternoon, the kind of thing that one will try to use to discredit the administration, and that's I suppose legitimate that he should make that attempt, but I rather think that it's going to fall on deaf ears because, Mr. Speaker, as a result of that particular incident the Department of Mines and Natural Resources made representation to the company concerned, and that's the Samadan Oil Company of Canada Incorporated, and I want honourable members to know this because I believe that the company deserves a great deal of credit and I believe they should be given that credit, that after the incident concerned the government prevailed on the company to give up their drilling rights on that particular lake and the company completely voluntarily advised me, Mr. Speaker, and I was going to announce it when I was delivering my estimates last week, but the company has now advised me that the oil and natural gas leases held by that company - and that's Samadan Oil of Canada Incorporated - adjacent to and east of Whitewater Lake were cancelled in the Mines Branch record today at the company's request. The company retained two quarter-section parcels two miles east of the Whitewater field and three to four miles east and south of Whitewater Lake.

Now, needless to say, Mr. Speaker, I wrote the company and advised them as to the appreciation of this government for the action that they have taken to relinquish their lease rights which were granted by the previous administration. I was also advised by the Department of Mines and Natural Resources that the company concerned and I repeat the name. . . .

MR. WATT: The Minister is referring again to the lease?

MR. GREEN: Yes.

MR. WATT: As I suggested before in the House, the lease has got nothing to do with the permit issue.

MR. GREEN: Well, Mr. Speaker, that's not a point of privilege. We've each suggested different things. I've suggested again what I think the lease has to do with it. The lease contained an express provision giving them the right to drill during the months of December, January and February without the Minister's consent. That provision was put in there by the previous administration. As long as they have the lease they're entitled to a licence as of right

(MR. GREEN cont'd.). . . . if they comply with departmental requirements. They complied with departmental requirements, and that lease and the specific provisions that were put in were put in as a result of the Oak Lake experience, and still you intend to bring this up as if we granted the right to drill in that location, but the fact is that it was granted by your administration on a lease which you gave to them. Now why did you give them the lease?

MR. WATT: Will the honourable . . . .

MR. GREEN: Mr. Speaker, there is no point of privilege.

MR. WATT: I'm not asking for a point of privilege, I'm asking the Minister if he will permit a question at this time.

MR. GREEN: Yes.

MR. WATT: Did the government issue a licence?

MR. GREEN: Yes, Mr. Speaker, I indicated that before. The company is, as of right, entitled to a licence when they have the lease. Is my honourable friend saying to me that his government was giving out leases with no intention of granting licences, because that's absolutely ridiculous, that's misrepresentation. It's on the verge of being fraudulent. If you sold these people a lease with no intention of giving them a licence to drill, I suggest it's on the verge of being fraudulent and I would not charge my honourable friend with being fraudulent. So the fact is that they had a perfect right to that licence, but they have now come back. . . .

MR. WATT: Mr. Speaker, on a point of privilege, my honourable friend says that he's charging this government - or the former government with fraudulence.

MR. GREEN: No, Mr. Speaker, I said the reverse.

MR. WATT: Yes, you did right now.

MR. GREEN: Mr. Speaker, I said exactly the reverse. I said that you did. . . .

MR. SPEAKER: Order please. I do not believe that the charge was in fact made that the honourable member complains of. The Honourable Minister may continue.

MR. GREEN: In fact I said that I would not charge them with being fraudulent, because the Member for Arthur implies that you entered into an agreement with these people giving them the right to drill on Whitewater Lake and that you had no intention of ever granting them a licence. Now that is a suggestion that you were being fraudulent and I suggest that you were not being fraudulent.

MR. WATT: There is no lease issued that is not. . . .

MR. GREEN: Mr. Speaker, I am sorry, I thought that my honourable friend and I earlier in the session had come to an agreement as to what had happened in this occasion. I brought the lease into the House; I gave him a copy of the lease; I indicated yes, we did grant a licence even though I thought we didn't grant one, but that a licence was something which you got as of right as a result of having a lease which gave you the right to drill in that area.

Now if my honourable friend is now saying that when they granted that lease and when they gave them the right to drill and when they said you can drill there without the consent of the Minister in December, January and February, that they never had any intention of granting a licence, well then I say that he is making a charge that the previous government acted on the verge of being fraudulent - and I make no such charge - I say that that's ridiculous. They knew that they were going to drill on that lake and they granted them a licence to do so, but nevertheless, Mr. Speaker, the fact is that the good news, the good news is that the company itself has relinquished its right to drill in that area.

They have agreed to a cancellation of their own lease on that particular lake and I think that we should all be happy about this and I want to again give - (Interjection) - pardon me? Yes, but they can drill again you know. They still have the lease. They can try another location, but they have given up the right to drill - well, my honourable friend maybe doesn't think that they didn't do anything. I happen to think that this company, and it's Samadan Oil of Canada Incorporated - and I'm repeating the name because I think they deserve the credit - it's nothing that we did, it's nothing that we did, we asked them, we approached them, we told them of your concern, we told them of the concern of the people in the area, and they relinquished their right to drill on that lease and I think that they deserve credit for having done that.

But I don't think that this should be a subject of debate whereby my honourable friend accuses us of operating in such a way as to pollute that lake because the lease was given with the specific provisions that I have mentioned by the previous administration. So, Mr. Speaker, I would hope - although, you know, they say that you have a right to hope - I hope that this buries the issue, but if it doesn't I'll be prepared to talk about it again. - (Interjection) - I

(MR. GREEN cont'd.) . . . . don't know who signed the lease but I know it was issued by the previous administration. And I really think, Mr. Speaker, that they're not entirely unhappy about the way that I handled this, in spite of what the Member for Arthur says, that we did what we could under the circumstances and obtaining a cancellation of the lease is really the remedy because this is what has happened.

Those were the remarks that were made by the Member for Arthur. He wasn't here when I started delivering them but I tried to indicate at that time that it's rather difficult to deal with departmental estimates on such a motion, but I'm trying to do what the members want me to do because they haven't had a go at this department.

With regard to the dam, I indicated to my honourable friend at the beginning of the year that when we got to the departmental estimates I would talk about the dam program - and I say that and I want honourable members to give it the broadest meaning. Members will note that the departmental estimates have been increased from \$15 million last year to \$20 million this year. I have been advised, through a process that I do not as yet understand but apparently is understandable to the administration, that in years past they have been able to carry on operational programs with what they call the "capital carry-over".

So in spite of the fact that you see the departmental estimates at \$20 million as against 15, which is of course a 33 percent increase over any other -- which is higher than in most other departments, that in spite of the fact that there is a 33 percent increase in operational expenditures from 15 to 20 million dollars, really less money is going into operation this year than went in last year, because last year and in previous years the Water Control Division has been able to pick up money through what they have called a capital carry-over which is not there any more. So in spite of the fact that this department shows an increase, it is not an increase.

So when we are looking at the program which my honourable friend is talking about - and I want to assure him that with regard to the Paterson Dam and with regard to the Pleasant Valley Dam there is no weakening of the provincial position - these are considered high priority programs and every effort is being made by the Department of Mines and Natural Resources to see to it that they are proceeded with and that the appropriate federal contribution is made. But when we looked at the program, we thought that if it is agreed to any time during fiscal 1970, that we would not really be in a position to start work until fiscal 1971 in any event, so the money which would ordinarily be appropriated in the estimates for these two particular programs are not in the estimates but the programs maintain the highest priorities. As a matter of fact, Mr. Speaker, if they are approved at any time during fiscal 1970 there is still hope, it's not out of the way that something could be done to get them started.

With regard to the Pembina project, this is an entirely different situation and my honourable friend knows that there have been no secrets about this program. The Pembina valley people who have been interested in this program were written to in January of this year and I would expect that my honourable friend does have some knowledge of what they were told. Excuse me, February of this year. At that time they were told that this is a program which involves very very large expenditures of money. In total - I hope I'm right on my figures - Canadian side, \$14 million; the United States side, \$18 million, roughly \$19 million; that a considerable portion of that monies would have to be allocated by the Province of Manitoba for the completion of this program, that for some time the formula was variable but the present formula is probably 50/50, that when the program was conceived back in 1964 the benefits of it, Mr. Speaker, were far far in a way better than when they are now envisaged to be. I'm sorry, I gave my honourable friend a date, February 20th. That's not correct, and I'm having a bit of difficulty locating the letter.

But my honourable friend should know that the Pembina Valley Board was written; they were told that we could not regard this program with its cost benefits as being one of the major priority Manitoba programs at this time because things had happened since the program was conceived. One was with regard to a municipal water supply which was taken over in a different way; one had to do with the higher cost of borrowing which my honourable friend knows about; and thirdly, the question of the United States participation was not that clearly defined.

However, what the department has informed Ottawa and what the people involved were informed - and my honourable friends see that I'm having difficulty locating the letter - is that the United States situation would be watched very closely and if any unilateral movements were anticipated, the situation would be reviewed and we would look at the Pembina Valley Project again. But the fact is that this is not a project which I can definitely say at this time that the

(MR. GREEN cont'd.) . . . Province of Manitoba is able to spend the kind of money that is designated or that is required for the completion of this project. So there's been no attempt to withhold this information from honourable friends but I felt that it should be dealt with in the context of the departmental estimates which my honourable friends can see have gone up from \$15 million to \$20 million with no increase in work, and that's because of the peculiar situation which has been relied upon in the past by use of capital carry-over to deal with departmental operational expenditures.

Now that answer, I'm sure, might not be satisfactory to my honourable friend, but the fact is that this is the position of the department. It's not something which we are ruling out, it's not something which we say demands immediate priority but it's something which we continue to watch and if there are any adverse effects, and the Canadian government continues to watch this too, or if there is any possibility that Canadian involvement is necessary, that we will re-look at the project, we'll look at the cost benefits of it and, if necessary, we can put it back on the priority item. As far as the other two are concerned there's no problem, the Paterson Dam or the Pleasant Valley Dam.

MR. HENDERSON: Would you permit a question? Does the honourable member know that this involves two dams and if the first one is built across the line at Walhalla that it would be very hard for the second one to ever be built?

MR. GREEN: Mr. Speaker, I can confess to my honourable friend that I am not aware of all of the technicalities involved but I am relying on people and I take responsibility for people who are aware, and I am suggesting that the matter is being closely watched; that it cannot be considered a number one Manitoba priority; that it's not something that we are going to be pursuing at this point but it's not something that we are abandoning either.

Now I received a letter last week from the people concerned, the Pembina Valley Authority, which indicates that they see some renewed activity on the American side. That is going to be communicated to Ottawa and we're going to discuss the situation in lieu of that renewed activity. Now I'm not going to be able to tell every member in this Legislature that every priority project as it affects his constituency can be proceeded with. I'm just not going to be able to do it and I may as well say it now. I don't think that this has been hidden, as my honourable friend would appear to suggest, from the people in the area because they have been kept in touch as to what has occurred with regard to this. Well, there is a letter from the department to them, I assure my honourable friend that there is, and I will be able to dig it up for him if he wants to see it.

With regard to the use of the Portage Diversion, Mr. Speaker, this is an \$18 million flood control device which the Honourable Member for Fort Garry talks about and implies that possibly it shouldn't be used. I mean, he says that there are problems with water flowing into Lake Manitoba. I'm willing to look into those problems. If it's a question of cleanliness or a question of making sure that no adverse effects of dirt and things of that nature is what he is concerned with, we're prepared to look into it, but, Mr. Speaker, we can't turn back from the proposition that \$18 million in flood-fighting program has been built in that area and that we intend to use it. There can be no movement from that particular position.

MR. SHERMAN: I didn't say it shouldn't be used, but would the Minister not concede that the cleanliness of a lake the size of Lake Manitoba is worth preserving and conserving too.

MR. GREEN: Oh yes. Mr. Speaker, I can confide in the members of this House that this year the use of the Portage Diversion was the most difficult problem that I have had to face either as the Minister or as a solicitor or in anything else that I have ever done, because I believe it was in the middle of April I was approached by several news people who said to me that there is mercury contamination discovered in the Assiniboine River and if a flood situation arises on the Assiniboine, are you going to take contaminated water and put it into Lake Manitoba which is considered to be a clean lake. I don't know whether members will recall, but that was during the same week that I had the bad news of advising the House, the unfortunate duty of advising the House that several lakes in Manitoba were found to be mercury contaminated and we were considering the banning of all commercial fishing in those lakes, and that Lake Manitoba was a clean lake.

My immediate reaction when I was faced by the newsmen was that I just don't see how anybody will be able to convince me to take mercury from the Assiniboine River and let it go into a clean lake so that not only would Lake Manitoba be polluted but that I would be the direct agency of it, that no longer could I say, as sometimes we like to have the luxury of saying, well this

(MR. GREEN cont'd.). . . . was caused by somebody in Ontario; this was caused by somebody in Saskatchewan. This was caused by nobody else; the buck stops here as the Member for Winnipeg Centre put it, that you were the one who is responsible. And I still don't know what the effects are, but we do know that at the time that I said that that there was little danger of flooding on the Assiniboine River.

As a matter of fact, the Member for Lakeside and I joked about it in the House as to what we owe our good fortune to, the diversion or whether it was God who was helping us. Well, the fact is ultimately it was the diversion that we had to use because the elements - and I won't blame anybody - but the elements brought us to a situation where we had a crisis situation developing on the Assiniboine River relative to flooding, and when the crisis arose, my best advice was that there is literally no danger in permitting water from the Assiniboine River to flow into Lake Manitoba.

There was certainly a spectre of danger, but I had to decide that I was going to protect myself against this spectre of danger, which may still hold true a month from now or two months from now, of saying no, there will be absolutely no water go from the diversion into Lake Manitoba and we will let everybody flood in the water which we are permitting to flow because we don't want to use \$18 million of flood control work, or we'll say we'll let the water go into Lake Manitoba and we'll save the immediate situation with the hope, which was substantiated by good authority, that there will be no damage in Lake Manitoba. And that's what we did. I still have in my mind the fear, or the trepidation that some day somebody's going to come to me during this summer and say that Lake Manitoba has mercury in it, and whatever is said by anybody, however it will try to be rationalized, they'll say they never should have let that water go from the Assiniboine River into Lake Manitoba. That will be said. But that's done.

MR. SHERMAN: Well, Mr. Speaker, I don't think I challenged the agonizing decision that the Minister had to make and I am sure that he had to wrestle with his conscience and his convictions about it and I appreciate the conscience that he brought to it, but there's a tendency in life to become inured to situations and to become used to things, and I'd be happy if I just had an assurance from the Minister that the fact that it's been done once doesn't necessarily mean that it'll be done continually. I'd be happy with the assurance that a very searching examination would be undertaken before it were done again.

MR. GREEN: The Member for Lakeside is leaving and the Member for Portage la Prairie is still here. I can tell you that both those members were very anxious to hear the reverse position, that the Portage Diversion will be used at every feasible opportunity if it can prevent any flooding, and that's why we spent \$18 million. It's a million eight every year in interest alone if you don't use it and we spent it, we're going to use it, but. . . .

MR. SHERMAN: But we didn't know.

MR. GREEN: . . . in fairness to the honourable member, we have to look at the situation that he has described and if there is problems created by debris or anything else, then we have to look at that.

MR. SHERMAN: But we didn't know when we spent that \$18 million did we that the mercury -- the awareness of the pollution problem is really fairly new.

MR. GREEN: Let me tell my honourable friend again. . .

MR. SHERMAN: Of the mercury pollution.

MR. GREEN: . . . . that if there is a . . .

MR. SHERMAN: . . . after the mercury pollution.

MR. GREEN: Yes. If there is a mercury pollution problem in the Assiniboine River that could affect a clean lake, Lake Manitoba or Lake Winnipegosis, then everything that I have said is subject to looking at it again because that's an entirely different situation. We did use the diversion this year on a sparing basis, and the Member for Portage and the Member for Lakeside were both in my office still complaining of some flood damage. They were both very fair with me, I'm not complaining about their participation with the delegation, but on the basis that it was a crisis situation we told them that the diversion would not be used. But my hope is that the mercury situation is not going to be a factor in the use of the Portage Diversion after this year and I hope that we'll get one hundred percent effective use of the Portage Diversion.

Now if there is a worse mercury problem than there was this year and it became a pollution problem then I say discount everything I have said and we'll look at it again at the time, because you really never know in these things what you do until you're faced with a decision and

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(MR. GREEN cont'd.) . . . . all of the factors both ways are staring you in the face. So that's with respect to the Portage Diversion.

With respect to the matters that were raised by the Member for Assiniboia, I am unable to say that I appreciate all of the points that he has made. I'm not here with the assistance of the administration tonight, I'm not prepared to be able to deal with all of them, but I do tell him that the Wildlife Act will be coming up and during the debate on the Wildlife Act he'll be able to raise all of the questions that he has raised.

With regard to Pelican Lake, this matter is a matter which is now before the Ombudsman. I think that that's the exact kind of case that should go to the Ombudsman. They claim that they have been done in by the government. I can assure honourable friends that if that's the case then I have to be a very small portion responsible and the previous government has to be a very large portion responsible, because it's been dealt with by the Government of Manitoba for a long period of time.

I can tell the honourable member that it's not simply a matter of satisfying a particular group of people's complaints, because if the complaints of the people that he is talking about are satisfied then there will be another delegation of people into my office saying what did you do this for, and then the Member for Brandon will have another complaint to raise on the part of people who are dissatisfied with the actions of this government. Be that as it may, I am not trying to dodge the complaints, I am merely telling him that it can't be satisfied by either ameliorating the demands of one side or the other.

We are looking into the question; my information is to the effect that the situation was somewhat complicated - and I'm not certain of this - but that it was somewhat complicated by things that happened in the past, by the very fact that the Provincial Government got into a situation which really wasn't within their strict jurisdiction - and I'm not saying this, I'm not making this charge, all I'm saying is that there appears to be some suggestion that the Provincial Government should never have been involved, but now being involved they have to look at the facts as they are, knowing that there is going to be dissatisfied people no matter what happens, and to try to do what is right.

Now that's an answer which not even Solomon, I'm sure, could satisfy the honourable member if he is advocating one side or the other, but nevertheless that's the answer. We are looking at it; we know that there has been a problem; there's been a problem in the past. If the Ombudsman finds that the government has acted improperly, I suppose through the regular procedures that will somehow make itself felt in the Legislature; if he doesn't, still our problem and we still have to look in it. I assure the honourable member that I'm not trying to avoid it, and if my answers to his questions in the House have been exact it's because that's the only kind of answer I can give him. He asks me is there a solution to the problem. The answer is no. Are we looking at the problem? The answer is yes. Do the people want the water high? Some people want it high and some people want it low. Those are the answers. Is there anybody who I have not answered?

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

MR. G. JOHNSTON: Well, Mr. Speaker, it's not very often that I rise twice in one day to agree with the government, and I must say that I agree with the Minister on his handling of the flood control problems in Manitoba as they reflect in the Portage Diversion. I can recall a very difficult Sunday I had about a month and a half ago and I called the Minister at his home three or four times and he responded, he got his civil servants out, and I told him at the time that whatever decision he made with this difficult problem that I would not criticize him publicly for it and I stand by that. I know he had a very difficult decision to make with respect to the opening and operating of the Portage Diversion. I know, and he knows too, that there were many farmers downstream who were desperately wanting an action to be taken and when the Minister, with the information he had, in balance made the decision that he did, I think that he made the right decision.

Now it's quite easy for us to look back after a period has passed by and after the results are in. We're talking about the pollution of a lake that has not had any pollution before, and I can appreciate the fact that the Minister had a very difficult decision and I would like to compliment him on the way he handled it. When I say this, I have to say that there were probably 150 very upset farmers living downstream on the river and a representation of them met with the Minister and they went away, while they did not go away satisfied, they went away knowing what the problems were, and I can say in respect to those people that they abided by the

(MR. G. JOHNSTON cont'd.). . . . decision. In other words they were fair, decent Manitobans and I would just like to get this on the record, that I think with respect to the operation of the Portage Diversion this year that the Minister made a reasonable decision.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I just have a few words to say and it's on the Municipality of Strathcona regarding flood damage. Before I start though I'd like to say that I'm pleased to hear the statements of the Minister regarding Pelican Lake which is in my area, and the problems attached - and I heard of it last June the same as the Minister heard about the same time, so we both got lots of education I guess on this particular area.

Also, on the oil well, the drilling of the oil well, I was glad to hear the debate that went on regarding this oil well on Whitewater Lake. I think it's kind of unfortunate, but I realize that during our term of office in government that the leases were sold without any -- I think there should have been a lot more study made on conservation of the various areas and the pollution problems before they were allowed to be sold, and I think maybe that now this has come about, both in Oak Lake and Whitewater Lake, that more caution will be taken in the future.

Now the problem I want to put forth here is one that I received in the mail today. There was consideration taken in the year 1969 of flood damage in the various municipalities, and I want to read a letter of May 27, a very short letter, then two other short ones here. It's written to Mr. Brown from the Rural Municipality of Strathcona. "In this municipality we have had three particularly bad washouts due to the heavy spring runoff into Pelican Lake. The repairing of these are beyond the financial means of any particular ward in the municipality with limited appropriations set up for road construction and maintenance. This municipality requests aid under the Emergency Flood Relief similar to that which was provided in 1969 and would appreciate if you would make contact with us and authorize an inspection of the site as follows" - and it states the various sections, township and range. "Would appreciate hearing from you at the earliest convenience."

Now on June 1st a letter came back from Mr. Brown to Mr. McCulloch who is the Secretary-Treasurer. "With reference to your letter of May 27th, 1970. . . ."

MR. SPEAKER: Order please. The honourable member, I take it, is prepared to table the letters that he is reading into the record?

MR. McKELLAR: Yes, that's right. "With reference to your letter of May 27th, 1970, concerning assistance for repairs of washouts, I regret to inform council that the area indicated does not fall within the boundaries established for assistance under the terms of 1970 flood costs and compensations." Signed by Mr. Brown. On June 4th a reply from the Municipality of Strathcona to Mr. Brown: "I have been instructed to write regarding the 1970 flood costs and compensation and the areas indicated within the boundaries established for assistance in 1970. Apparently the area of this municipality is concerned with does not fall within the established boundaries and the spring runoff where the damage occurred had no previous information as to which route it would take. It would be appreciated if you would please look into this matter for the municipality. The roads that we required assistance are as follows" - and it states the sections, township and range. "Thanking you in advance, I remain. . . ."

So the problem is that the terms of reference this year are a little different. I don't think they apply this year to municipalities where there's water damage to roads and I was just wondering why the change in the policy from the previous year. Maybe the Minister has this information. But I think -- and I know, I have talked to the municipality and they mentioned there's around \$6,000 worth of damage to various drains and roads in their municipality and I think it would be only right if the province would reconsider this policy in order that some of these municipalities, like up there at Gladstone and other municipalities involved, could obtain some relief. I know this is a policy of the government and I'm not one that's going to change it, but I would ask the Minister to reconsider this policy.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Churchill, that while concurring on Resolution No. 80 this House regrets that the government has failed to provide greater support to water control and conservation, and in particular drainage and flood control. — (Interjection) -- It's not the same resolution.

MR. SPEAKER presented the motion.

MR. FROESE: Mr. Speaker, I would like to discuss the resolution before us briefly and

(MR. FROESE cont'd.) bring to bear some of the matters that I feel should be brought to the attention of the government and to the Minister of the department concerned. We are pleased, and I think have been pleased in southern Manitoba with the work that has been done by the department in connection with the Hespeler Drain and also with some of the work that has gone on the Dead Horse Creek and the Rosenheim drains. I know that some of this work is continuing and carried on to completion, and certainly I want to give credit where credit is due and I feel that we are accomplishing something here and that we're eliminating problems that have been there for years.

The other point naturally is that we wish to save the soil, and this is a very important thing when you consider that because of floods so much of the topsoil is washed away and the ground is left bare and is not as productive any more. I always feel that we're here in this world to do our share and to leave the world a better world after we've gone, and certainly this applies to our land and to our soils here in Manitoba. We should leave to our future generation at least in as good a situation as when we were entrusted to it.

Then in connection with drainage, this is a matter that is not recurring year after year. If you complete a project, this is almost non-recurring. This is quite different from many of the road systems that are being built today. Some of them wear out fairly fast and you have to recondition them again, whereas drainage keeps for many years and I feel that drainage is still important. The experience of the people of St. Jean, Letellier and the Arnaud area certainly is one that needs mentioning in this House. These people have been flooded several times and especially the last two years in succession. They are faced with great hardship, many of them probably will be unable to seed their crops this year, and as a result also this means that there will be a crop failure and they will have very little in the way of income. I feel that this is something that should be brought to the attention of the department. I feel that we need a project when the Roseau, the Marsh, those tributaries to the Red. I think this is an area that needs to be taken into hand and something should be done for the people concerned in this area.

I think we could save a lot of money in our crop insurance program in this way and use some of those monies and use them for drainage so that they would balance each other out and that you would not be faced with crop insurance claims year in and year out. This is what these people come to depend on, if nothing is done and if they are faced with this situation year after year. I think we should seriously think of this, whether some of the funds that we are building up reserves in the crop insurance program, whether we could not use some of those reserves for the purposes of creating better drainage in certain areas. I feel that this area east of St. Jean is certainly one that should be considered.

Because we've spent a lot of money in the Interlake area under the FRED and under the ARDA program - and I don't know where the Minister has gone to, but certainly I would like to hear from him on these two particular programs, the ARDA and the FRED, because in years past -- (Interjection) -- no, it isn't. We've had a report from the department on the projects that are being carried on, the amounts that are being spent for this purpose during that particular current year, and I would also like to know whether there are any revisions in those programs that were outlined some years ago, because some of the funds that are received under that program are not going for drainage only, a lot of them are applied for education and other purposes, and certainly if we can spend federal monies in that way I think we should apply to the Federal Government to have this area brought under the ARDA program so that the Federal Government would contribute in this way. -- (Interjection) -- Pardon? Mr. Speaker, I think I would like to have a little more silence on the other side because. . . .

MR. SPEAKER: Order, please. I wish to point out to the honourable member that it's now 10:00 o'clock and perhaps he may be able to continue with his comments on this matter when this matter next appears on the Order Paper. It's 10:00 o'clock; the House is adjourned and will stand adjourned until 2:30 tomorrow afternoon.