

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Wednesday, June 28, 1972

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petition; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports.

TABLING OF REPORTS

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

HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs)(St. Boniface): Mr. Speaker, I would like to lay on the table the annual report of the Manitoba Art Council.

MR. SPEAKER: The Honourable Attorney-General.

HON. A. H. MACKLING, Q.C. (Attorney-General)(St. James): I would like to lay on the table a return under Section 66 of the Legislation Assembly Act.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills, Oral Questions.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Mr. Speaker, during this afternoon's sitting the Honourable Leader of the Opposition asked me a question -- no I'm sorry, he merely wondered out loud I think it was as he is prone to do -- about a couple of surveys and I just wish to clarify my answer that I had given to him at that time. He was wondering about the survey being conducted, or not being conducted, that was being planned for Seven Oaks Division. Well I wish to assure him that, not that we would in any way apologize or embarrassed about any such work that we may undertake, but this one was initiated by Seven Oaks School Division, Seven Oaks School Division plans to finance it, the Seven Oaks School Division called upon the Planning and Research Branch of our department for assistance, a draft plan was prepared, and the division did not agree to accept the plan that was proposed to them in the form it was proposed and hence it was not proceeded with.

Insofar as the St. Vital survey is concerned, another one dealing with quality of education, method of financing, acceptance of educational change, matters with which we are very much concerned with too, this one was again undertaken by the school division and the intent of both surveys is for the benefit of the school division.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question for the Minister. Has the school division the right or the board to have an enquiry or investigation without the permission of the Minister?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Speaker, I do not believe that any school trustee has any lesser rights than the honourable member has to ask any one any question he chooses.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable House Leader.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): Mr. Speaker, I beg to move seconded by the Honourable the Attorney-General that the resolutions reported in Committee of Supply be now read a second time and concurred with.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

CONCURRENCE

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$19,248,900 for Municipal Affairs.

MR. SPEAKER: The Honourable Member for Rhineland wish to speak?

MR. JACOB M. FROESE (Rhineland): On a point of order, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Generally when the Clerk reads out the motion it's the one that was left when we adjourned and now we find it's a new one. I shouldn't want . . .

MR. SPEAKER: The Clerk will read Mines and Resources,

MR. CLERK: Resolved there be granted to Her Majesty a sum of \$26,173,400 for Mines, Resources and Environmental Management.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, I note that the Member for Riel and the Leader of the Opposition are not here and it is really to them in particular that I wanted to address my remarks, so for that reason I will want to abbreviate somewhat the continuation of the comments that I had in mind. Suffice it to say that when the Member for Riel tells us for literally the 10th or 11th time this session that we are following a course of action with respect to Hydro development that they would not follow if they were in office, he is telling us nothing new, and I proceed to tell him in turn that certainly we have no intention whatsoever of proceeding with the development of the Nelson River in a way that would leave out the regulation of Lake Winnipeg.

The Member for Riel says repeatedly that we must be making a mistake because look at the men of great reputation and great integrity who appear to be raising themselves in opposition to Lake Winnipeg regulation. Mr. Speaker, the converse of that is equally simple and equally invalid, but nevertheless since the Member for Riel takes some comfort in referring to the fact that men of some reputation and integrity are opposed, I will simply refer to the fact that men like the late W. J. Parker who was a man of considerable reputation in our province for many years, whatever one may have thought of his position on agricultural farm policies from time to time nevertheless was a man in a position of responsibility in our agricultural community for many years, in the pool elevators, on the boards of governors of our universities over the years. He along with five others put their signature to the proposal in endorsement of the proposal to regulate Lake Winnipeg as a means of insuring a sufficient supply of water during the required months of the year as an integral and necessary part of Nelson River development. So there one has it, Mr. Speaker. If there are some people of integrity on one side of the issue it can be demonstrated that certainly there were more of equal integrity taking a very different position. So what is one able to conclude from that? That all these men such as the Dean of Civil Engineering at the University, that the late W. J. Parker were not men of integrity and reputation? What manner of nonsense is that reasoning? -- (Interjection) -- Well, if one wants to refer to a former premier, there are former premiers and former premiers. I'm wondering what one does then if one were to range Duff Roblin and Douglas Campbell together and they happen to disagree. That would leave my honourable friends opposite in an impossible dilemma would it not, since they apparently would come to conclusions on the basis of a recommendation of a former premier. Supposing one has two former premiers who disagree. Would they then be in a state of paralysis or what would they do? And I rather suspect that if one were to bring two former premiers together that the probability is that they would never be able to agree.

I can see myself, Mr. Speaker, at some time in the future -- it may not be too long, it may at that -- but it may not be very long from now when I will be an ex-premier, and if I were to be brought together in some particular forum with former premier Duff Roblin I rather suspect, Mr. Speaker, that the probability is that we will not be able to agree with respect to Nelson River development, the way to go about it, the way to have gone about it. It's always easier to second guess I suppose. -- (Interjection) -- and I intend to come back to the question of the fishermen and the compensation that is being pleaded for on behalf of those who were former fish processors.

Let me just bring it forward in a way that the Member for Riel and the Member for Pembina will not easily be able to forget. That if they find some kind of comfort for their own pre-judgment on the question of Lake Winnipeg regulation, etc. if they find some comfort in the fact that a former premier has taken a particular position, I simply point out to them once again that we have the late W. J. Parker, the Dean of Civil Engineering, Deputy Minister of Finance who has been deputy minister, the most senior public servant for a period of 21 years, that transcended three different provincial governments, he too, and all other members of the board, with one exception, gave endorsement to the concept and the proposal to proceed with Lake Winnipeg regulation as an integral and necessary part of Nelson River development. So there my honourable friends have it. The Member for Arthur has a question?

MR. J. DOUGLAS WATT (Arthur): I wonder if I can ask the First Minister a question? Have you referred to Len Stephens who recommended the development of the water resources in the Province of Manitoba?

MR. SPEAKER: Order, please. I should like to indicate, as I always have, questions must be asked on points of clarification. Those that will open up new areas of debate are not allowed.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: . . . Len Evans who developed and who worked for years and years on the development of the water resources in the Province of Manitoba for hydraulic development in this province.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: The Honourable Member for Arthur, I thought I heard him say Len Stephens, I assume he was referring to the late Don Stephens former chairman of the board. Well I simply advise my honourable friend that nothing I have said now or at any time in the past can be taken as in any way critical of the course of action that was followed by the late Don Stephens at the time when he occupied that position of responsibility for Hydro. I happen to know, I should tell my honourable friend that when the late Don Stephens was the senior officer of Manitoba Hydro that the proposal came forward to the government of the day in a very tentative way with respect to the development of the Nelson River. And lo and behold before the matter could be properly defined and assessed as to all its implications, before the matter could be researched as to the probable impact and effect on the Churchill River and on Lake Winnipeg, etc. the announcement was made in press that Manitoba was proceeding with the development of the Nelson, that Manitoba was proceeding with a 100 million dollar forest deal at The Pas, and an election was called in 1966. The whole dam thing was done prematurely, immaturity and in a childish way for immediate political consequence. Then they wonder why they found themselves in a dilemma in 1968.

Mr. Speaker, you know sometimes memories are fond things, sometimes memories are painful, sometimes memories, particularly those that we know a little bit about, we can share, are amusing, I don't want to mention any honourable members names, but as I look across the way I see that some honourable members who were around at that time are smiling knowingly to themselves. Because some members opposite who are not in the Conservative Party today know something as to the way in which the whole Nelson River project was prematurely blown to the newspapers so that it could be used as a springboard for the election of 1966 which personally I was not involved with, but it does demonstrate . . . The Member for Swan River is able to say with some sense of accomplishment "that it is now becoming a reality." It is not yet a reality my honourable friend will have to admit. It will become a reality during the course of the next 25 years.

The Honourable Member for Swan River must have heard me a few weeks ago when I said that the decision to proceed with the Nelson River was not in my opinion a wrong decision, provided one were honest and candid enough to admit that the moment that the first bit of cement was poured at the generating plant at Kettle Rapids, at that point in time every one had to admit in honesty that there would have to be massive diversion and storage provisions for water made as a consequence of that initial action. You know the old saying, Mr. Speaker, that one cannot make an omelet without breaking some eggs, and I say that you cannot develop 10 and 12 generator Hydro electric plants on the Nelson River without making very sure that you know exactly where you're going with respect to the provisions for adequate diversion and storage of water in order to spin the generators. Mr. Speaker, one does not put 300 million dollars into a generating plant, one does not put two to three hundred million dollars into a transmission line and converter stations at either end, over a half a billion dollars, and then wonder, I wonder where we'll get the water from, -- (Interjection) -- I don't think you know today. The only thing in common between a bathing beauty and a circus fat lady is that they are both women. The same thing can be said with respect to the similarity between the previous government's high level diversion and this administration's endorsement of a concept which involves a regulation of Lake Winnipeg within its natural limits and diversion of the Churchill River at a level that is approximately one quarter of what they were proposing to do, which involves the inundation of less than 10 percent as much land area as what they were proposing; which involves no displacement of a whole community as theirs would have proposed to do.

So I say to my honourable friends that they can't have it both ways, that while on the one hand I do not quarrel, and never have, the decision to develop the Nelson River, I wish to God they would be at least consistent and logical and admit that having taken that decision it became absolutely necessary, in economic terms absolutely necessary to make sure that engineering

(MR. SCHREYER cont'd) . . . . . works were put in place to insure an adequate flow of water to the Nelson; and that is precisely what we are proceeding to do. But let no one on the other side, least of all the Member for Roblin who I don't think knew the first thing about it at the time or now - he may now but he certainly could not have known in 1965.

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

MR. SPEAKER: The Honourable Member for Roblin state his matter of privilege.

MR. McKENZIE: I regret the remarks of the First Minister that said that I didn't know a thing about the project. I sat in with the late Don Stephens when the plan was unveiled in this province, the plan of the development of the Nelson tada tada, and if the First Minister wants to quarrel with that plan and the fact that I wasn't there let him put in on the record, Mr. Speaker.

MR. SPEAKER: The Honourable First Minister. Order, please.

MR. SCHREYER: Mr. Speaker, the Member for Roblin I said may know about it now, he could not have known about it in 1965 before he was a member and I doubt very much that he was in the circle of confidants to the former Premier and to the former Chairman of Manitoba Hydro. The point I'm making is -- (Interjection) -- Mr. Speaker, the honourable member cannot possibly have a point of privilege.

MR. SPEAKER: Order, please. The Honourable Member for Roblin.

MR. McKENZIE: . . . does not know what he is talking about. I was there in 1964 and 65 and some of the meetings were held in Room 54, when the Hydro were talking about the Nelson. Not as an MLA, as a private citizen.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I would ask you, Sir, whether that constitutes a point of privilege. That's enough fooling around.

MR. SPEAKER: Order, please. The honourable member raised a matter of difference of opinion. It was not a matter of privilege. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, this is what has been particularly bothersome and troubling to the honourable members opposite, is that they probably now recognize, they probably realize that the decision, the way in which the decision to develop the Nelson River was taken, that it's premature, the premature seizing upon of that particular development; the way in which it was unveiled to the media and to the public has had the result of causing subsequent problems in 1967, 68 and 69 because that decision was taken and announced as I recall in late 65 or very early, January or February of 66, used then as a principal campaign plank in 1966 but -- and I defy anyone to challenge this -- they had not taken any firm decision nor was there any firm understanding at that point in time - and we have documentation on file of the government of this province to prove this - they had no firm idea in their mind as to just what engineering program would be put under way in order to insure an adequate supply of water through the Nelson River. Given the fact that the Nelson River is one that has a variation in flow of the ratio of two to one as between summer and winter and a variation again of something in the order of four or five to one as between the driest years and the average year of the wet cycle, one can see that it was not a simple decision to take to develop the Nelson unless one knew before that just precisely how they would go about evening out the flow of water through the Nelson by means of storage capacity or by means of diversion of other river systems. If there was ever an example of the old adage of the cart being put before the horse this was it. Then they wondered why they got into trouble in 1968 and 69. They really didn't know where they were going. Having announced the Nelson River development, having poured cement for the Kettle Rapids plant they still hadn't really firmly decided how they would arrange for the adequate flow of water. Well that's history now, Mr. Speaker. This government has in this case, as in a few other cases, had to clean up, had to clean up the mess left by the incompetence of the previous administration in at least three or four classic cases. And in doing that this government has from time to time had to be pretty tough.

Mr. Speaker, governments are elected to govern. They are elected at times to take unpopular decisions, unpopular at the moment. Sometimes their actions are not understood, sometimes they are deliberately misunderstood. Be that all as it may, we have on the basis of the best advice we feel we can get, on the basis of a good clear consensus, majority consensus of opinion from technical and professional advisors, we feel ready to proceed. -- (Interjection) -- Well, Mr. Speaker, we have you know on the present Board of Manitoba Hydro a better array of appropriate talent and judgment for a hydro board than any hydro board in

(MR. SCHREYER cont'd) . . . . . this province's history. We have, . . . Mr. Speaker, that on the present hydro board we have, . . .

MR. SPEAKER: Order, please. Order, please. Order! I should like to indicate I do not have my squelch unit connected so I can't get all the members who are squelching. Would they all wait until they have an opportunity to speak then I'll recognize them. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the point I was about to make is that I believe the present Hydro Board has at least three and possibly four professional engineers on the board and in terms of engineering analysis capability that is certainly more than any previous board has had, and I find nothing inappropriate about that. The appointment of the Dean of Civil Engineering -- (Interjection) -- Mr. Speaker, when you consider the fact that . . .

MR. SPEAKER: Order!

MR. SCHREYER: Mr. Speaker, I really insist that some decorum be kept in this House. Of course you know it is coming to the point where it is pretty evident that the honourable members opposite, some of them in particular, do not really want to discuss matters on a rational plane. We've had the absolutely ridiculous comment from the Member from Birtle-Russell that the appointments to the Hydro Board were made on the basis of partisan political consideration. And, Mr. Speaker, when one considers that never before were appointments to a hydro board made with less partisan consideration. The Dean of Civil Engineering from the University of Manitoba, was he appointed on the basis of partisan consideration? The former member of the City Hydro and later Winnipeg Hydro's top engineering staff, a career hydro engineer for perhaps 40 years, Mr. Storey, is he a partisan political appointment? The thermal engineer from the City of Brandon, formerly an employee of Manitoba Hydro years back - partisan political appointment?

Well you know, Mr. Speaker, I will tell my honourable friends that I will not condescend to defend the Chairman of Manitoba Hydro, Mr. Cass-Beggs, from the absolutely contemptible attacks he's been subjected to from . . . And the reason I do not feel I should condescend to defend him is that I do not feel that a giant needs defence against pygmies. A man who in his time taught in the Faculty of Engineering at the University of Toronto for a number of years, who later headed up a sister province power corporation for a number of years, who was then retained by the Science Council of Canada and who enjoys the respect of his peers on the Science Council of Canada - they dare to call him a political hack? I say to you that I regard him as a giant in relationship to pygmies trying to attack him.

Mr. Speaker, I should also tell the honourable members just so they know that the Science Council of Canada through some of its senior people has asked me on more than one occasion if it would be permissible for them to arrange for the publication of a work which Mr. Cass-Beggs produced with respect to hydro-electric problems and environmental considerations. Can any of them lay claim to being invited by the Science Council of Canada or do they know of anyone that was invited to do a work, a professional work of that kind? My honourable friends, you would think that they would by now be wanting to crawl into the cave with some sense of shame at all the ridiculous arguments they use about whether or not Lake Winnipeg regulation would result in environmental damage around the periphery of Lake Winnipeg, whether it would result in damage to cottage properties and other properties around Lake Winnipeg.

Mr. Speaker, this week, last week and for the entire period since break-up this year, for most of last year and the year before and the year before that going back five or six years now, the level of Lake Winnipeg during the summer months - spring, summer and fall months has been above 715 feet most of the time. But that would not of course impress my honourable friends, they choose to ignore facts, they choose to ignore simple arithmetic, they have got themselves engaged in some kind of partisan political power play and there isn't much that one can do about it except to let them take the bit in their teeth and carry on; disgusting spectacle that it is, carry on. The level of the lake last week was 715.75 feet as measured at certain datum stations, two feet plus, more than two feet above the proposed upper limit of the level of the lake under regulation, but that doesn't seem to cause any contrition on the part of my friends, they ignore that and continue to say that 715 feet is a flood stage. My God, Mr. Speaker, if that were true Lake Winnipeg obviously will have been in a state of constant flood condition for the last five years. I mean it's like Alice in Wonderland; they put logic on its head. Oh, well.

(MR. SCHREYER cont'd)

I want to talk for a bit about the Member for Riel and fish, the fishy story coming from the . . . They would have us believe that somehow, some way this government, the Member for Inkster, the Acting Minister of Mines and Resources, that all of us on this side somehow are responsible for a cold-hearted approach, an inexcusable position with respect to whether or not there ought to be compensation for damage to those fish processors whose operations were impinged upon as a result of the going into operation of the Freshwater Fish Marketing Board. I would say to honourable members opposite that -- although here again it's not as though the matter is being debated for the first time and it's been a subject of effective description in this House by the Member for Inkster on a number of occasions -- nevertheless they persist on saying that if they had been in office they would have taken a different, more humane course of action. And I have to tell them, especially to their younger members or their newer members in the middle and back rows that they really have to be cynical about any such statement coming from the front bench opposite, because the legislation that was introduced in mid 1969 to provide for the transition toward the operation of the Freshwater Fish Marketing Board was drafted by my honourable friends when they were in office and there was nothing in the draft legislation when it was brought before us, which they drafted it.

MR. GREEN: It was introduced in the House in 69 wasn't it?

MR. SCHREYER: That even of course underlines the point even more. If my honourable friends introduced the legislation in the first session of 1969 then how in the world can they now allege that if they had been in office they would have done it different? They introduced the bill and then they aborted the session and lost the election and then they come back and say "but if we had done it we would have done it differently." Well they drafted that legislation which did not make any provision for goodwill or other value consideration of those fish processors. -- (Interjection) -- Oh I know. No doubt they are now going to say and there's no way I suppose one can disprove it, that when it had come to Law Amendments they would have brought in an amendment I suppose. Well I want to try to, difficult as it may be to disprove, I want to attempt to do just that, because I suppose they can argue that that was a mistake, an oversight, that they would have amended their own draft bill.

But, Mr. Speaker, would they have amended it? What is the likelihood? Because I think we do have on record the attitude that was expressed by the Honourable Gurney Evans at that time, and I believe also that the Member for Lakeside is an accessory to the fact. To what fact, Mr. Speaker? To the fact that the Cabinet Ministers of the previous administration, at least two of them expressed themselves publicly that they were opposed in principle to any provision for payment of redundancy and good will, etc., to any fish processing plant that might be put out of operation as a result of the advent of the Freshwater Fish Marketing Board.

Having been at that time at least somewhat aware of the negotiations between the Province of Manitoba, the other provinces that are involved with the Fish Marketing Board and the Government of Canada, I know that the Federal Ministers were opposed to any provision for compensation or redundancy payments to the processing plants, and certainly the Federal Ministers, particularly the late Robert Winters, made it very clear that no way was the Government of Canada going to assume responsibility for the payment of any compensation claims to processing plants that might become redundant as a result of the inception of the Freshwater Fish Marketing Board. In fact there was protracted discussion on that very point between the two levels of government, and in the end the government, the Conservative Government of Manitoba drafted legislation or caused legislation to be drafted which did not -- I repeat, which did not make any provision for the payment for redundancy or for good will to owners of fish processing plants. So now certainly we have every right to take all of their statements today with more than a grain of salt. In fact I don't believe them when they say that they would have done otherwise, because they were right in on the action at the time and we know exactly what they intended to do, because it was in draft bill form when we came into office, plus the fact that at least two former Conservative Ministers made it pretty clear that they were not in favour of the principle of paying for good will and redundancy.

Now I suppose honourable members opposite will argue nevertheless the fish processors were put in a position where they were losing out in terms of value of their assets and they should somehow be compensated. Mr. Speaker, I believe I have already touched on this point.

You know when the Department of Highways around 1958, or thereabouts or 59, rerouted the road PTH 12 and 59 to Grand Beach, it so happened that there were at least three merchants, I believe five, but I'm certain at least three merchants, one of them with

(MR. SCHREYER cont'd) . . . . seven children, whose business was practically wiped out in terms of cash flow, in terms of value of sales as a result of the rerouting of the highway. Was there any compensation paid, any redundancy, or good will lost, or whatever? Not a cent. It's rather interesting, Mr. Speaker, I must say that at the time as an MLA I did write to the Attorney-General of the day asking him if there was any basis for the government to consider any form of assistance to the individuals thus affected, and the reply came back to the effect that there was always the possibility of the Crown making a payment ex gratia, but that it was really a very bad precedent, or very bad practice. And in all candour I must admit the making of ex gratia payments by the Crown is a bad practice since it tends to take government away from having to have a rationale, a steady policy. The long and the short of it, however, Mr. Speaker, in this case was that one of the persons whose small business whose store was very drastically negatively affected to the point where he simply had to walk away on the mortgage. He walked away, his wife and seven kids, and ended up a year or two later enrolling to finish university, the last year or two, and ultimately took post-graduate work in social work at the University of Wisconsin and today is a Master of Social Work, and working I believe in the Public Service somewhere in the Province of Manitoba. He was not the only case there were others.

I believe the Member for Inkster mentioned earlier today the case of the building of a new Trans Canada Highway which had the effect of making all those who had small businesses along what is now PTH No. 44, but which was then the Trans Canada Highway, a very significant drop in turnover during the summer season, at all points between Lockport and West Hawk Lake. Any kind of redundancy, or adjustment, for loss of value of assets -- (Interjection) -- Are you kidding? Not a cent. One could take the case of a huge interstate highway that was rerouted between two large cities in California, 40 modern motor hotels, some of them with swimming pools, rather lavish, therefore large mortgages, but the State of California reroutes the highway. Forty motor hotels, or the larger number of them, such a drastic drop in terms of guests that they too walked away on their mortgages, repossession, refinancing, etc. Any principle by which the State of California justifies the payment of some kind of redundancy or goodwill payments? No. In other words, Mr. Speaker, the previous administration in somewhat similar circumstances from time to time, they're making changes which they regard to be in the general public interest, did not feel conscious-stricken or honour bound to invoke the same reasoning as a basis for which to justify compensation payments to the people who were affected in those years. But now they of course would insist, that times have dramatically changed, and all of a sudden what was adequate reasoning to them is no longer adequate.

MR. SPEAKER: Order please. Does the honourable member have a point of order?

MR. GEORGE HENDERSON (Pembina): Yes, Mr. Speaker. I was wondering if the First Minister has extra privileges because according to my timing he's gone over his 40 minutes.

MR. SPEAKER: Order please. -- (Interjection) -- Order please. I do think I am capable of informing the honourable member that our rules do indicate leaders of the parties do have extra time. The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I certainly don't wish to invoke the right to any special privileges except to say to my honourable friend from Pembina that perhaps there are some extra responsibilities, whether they're extra privileges, I'm not sure. I believe however, that his leader has gone beyond the, sort of normal time limit on occasion, I believe, I really believe, on at least as many occasions as I have. As a matter of fact I rather suspect that the Member for Pembina has spoken perhaps as many times in this session as I have. I'll have to check that but . . .

In any case, Mr. Speaker, I have only one other point to make before taking my place, and that is with respect to - and here again the Member for Riel has made this point repeatedly and I feel necessary to make some reference to it now. He was suggesting that we are somehow being less than fair because we are not providing legal counsel for those people in South Indian Lake who may require legal counsel. Mr. Speaker, I made it very clear on previous occasions in this House, this session, that monies will be available for legal counsel in order to assist people of South Indian Lake with respect to the presentation of their claims for costs of adjusting and relocating within the community improvements, within the community, etc. My honourable friends will say but should they not be able to hire legal counsel for any purpose

(MR. SCHREYER cont'd) . . . . they wish, including that of fighting the very project itself. Mr. Speaker, that may provide for very interesting litigation, very interesting costs of litigation. As a matter of fact I understand that of the special fund that was established by the previous administration with respect to South Indian Lake, I believe the term for it was South Indian Lake Community Relocation Fund. And I believe it was vested with something close to \$100,000 to start with anyway, and I understand that of the 100,000, about 50,000 was drawn down, and the major part of that has to do with legal fees. In the meantime I don't know that anyone has benefitted or lost, but the point I'm making, Mr. Speaker, is that previous government when it came to halping the people living between St. Norbert and Lockport that happened to have property that lie in the route of the Red River, proposed Red River Floodway, 533 farmers and market gardeners, that's 150 plus families that owned property that were expropriated for the Bird's Hill Park, that in all those cases, and there's well over 600 cases, there was no money provided for the hiring of lawyers. People could take 75 percent advance of what was being offered them for their land. They could take a 75 percent advance and blow that on a lawyer if they wished to, or use it for whatever purpose they wished. But there was no grant there wasn't a cent of grant for lawyers. My honourable friend from Birtle-Russell I suppose knows all about that. Is that why he's rising?

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Have the Indians at South Indian Lake got title to the land that is going to be taken?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the people at South Indian Lake, some of whom are Treaty, some of whom are of non-Treaty status, I do not believe have title to the land, but that I believe is immaterial since both the previous government and this government are acting toward them as though they do have title. I believe that much can be said with respect to both administrations.

But the point I was making, Mr. Speaker, is that the previous government in dealing with those hundreds of families on the periphery, on the eastern periphery of Winnipeg in the case of the Floodway in Birds Hill Park -- (Interjection) -- I'll entertain a question in a moment - they did not provide money at the time for lawyers, legal assistance to these people. They did however after much sustained and prolonged pressure agree to provide monies for an assessor, to hire an independent appraiser. Mr. Speaker, it's not as though - I was somewhat involved with this, only slightly - it is not as though the offer was unconditional because the people could not hire any appraiser that was a member of the Professional Appraiser's Institute of Canada. They got a list of so-called government approved appraisers, quite apart from the Appraiser's Institute of Canada and only one appraiser of those four, I believe, or was it five, but it wasn't more than five, approved by the government of the day could be selected by the people to act as an appraiser. So let not the honourable members opposite talk as though theirs was a practice of great beneficence when it came to dealing with small land holders and small businessmen.

A period of ten years, correction, eight years as MLA in the Opposition gave me enough opportunity to see that the previous administration dealt in a pretty orthodox conventional way, as we are, when it came to having to acquire parcels of land for some, or other, public purpose that was deemed to be in the general public interest, whether it was Birds Hill Park, Red River Floodway, Portage Diversion, or whatever. And of course it should be said too that when it came to making settlement, and this wasn't all the fault of the previous government, that in many cases, I believe out of 600-plus cases, in at least 60 cases, when taken together, the Floodway, Birds Hill Park, Portage Diversion, that in at least 60 of those 600-plus cases five years elapsed before final payments were made, or any payments were made. Now that's not exactly a terrible batting average, but it does indicate that the previous administration was not particularly the easiest for quite a number of people to come to agreement with. And so therefore they should hardly be surprised if they see that this government is not finding it very easy to agree to some of their requests, or demands, being put forward by some of the fish processors. Of course, I suppose, someone could argue that the fish processors having lost value of assets should make their claim perhaps to the Freshwater Fish Marketing Corporation. But I can tell you in advance that the Freshwater Fish Marketing Corporation which has a board that is made up of persons from four provinces and the Federal Government will give short shrift to any suggestion that it ought to be responsible for the payment of damages or

(MR. SCHREYER cont'd) . . . . special claims for redundancy, or whatever, to the fish processors because the reasoning is that the fishermen, the producers, of the northern lakes of the prairie provinces in the Northwest Territories and northwestern Saskatchewan that they have over the past generations received less for their product than they had a right to expect given market circumstances. The margin was less than what they had a right to expect, and any payment that would be made now to the processors would have to be by way of deduction from what the producers net return is. And they are the ones for whom the whole concept was initiated in the first place because they had been receiving the wrong deal, the raw deal, for many many years. And yet although I sat here for a number of years, I don't recall members of the previous government making any great - showing any great anxiety, or great concern, or preoccupation, with the plight of those who were the fishermen themselves, the producers on our lakes. Well eventually the right course of action was taken. The Marketing Board was established. Supply management, marketing boards, something that my honourable friends opposite detest so much. I ask the Minister of Agriculture if it isn't a fact that the Conservative members opposite as a rule tend to be opposed, vehemently opposed to marketing boards and to supply management. And it's interesting that when it comes to the Freshwater Fish Marketing Board that they have not expressed such negative attitude, although I suspect that in their breasts they really don't like it and wish that they could find it somehow politically opportune to attack the concept of orderly marketing, even in the fishing industry. In a nutshell, Mr. Speaker, there is absolutely no reason no conscientious basis whatsoever for honourable friends to think for a moment that they were somehow more warmhearted, that they were somehow more concerned, that they had a greater solicitude for people when they were in office than what they are accusing us to lack at this time.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Will I yield to a question, Mr. Speaker? I will yield to a question if that's all right with you.

MR. SPEAKER: The Honourable Member for Birtle-Russell. The question must be on clarification only.

MR. GRAHAM: Do the Indians of South Indian Lake have the same right to appeal to expropriation as does a title holder of a property?

MR. SPEAKER: Order please. I do believe that's a new area. I do also believe it's a legal question. I'm sure the honourable member can find a legal counsel that will give him the answer. The Honourable Member for Pembina.

MR. HENDERSON: Mr. Speaker, I have to be a brave man or a fool to rise after some of the former speakers but I want to ask you people two simple questions. Have you ever had an estate tied up with some lawyer that took so darn long to settle it, that you almost said you'd settle for what you'd get. And this is what I was thinking all the time when the First Minister was carrying with his speech so long so as he was tiring people out. This is what he's trying to do just keep pouring the pressure on, see if he can't tire them out. It makes me think of the lawyer that ties up the estate so long that they'll settle for less as long as you'll get it settled. Yes, this is what it made me think about.

And I have to think of what the members have been saying and how the Member for Inkster brought in CFI again, and tried to compare it with the Fish Marketing Board and how the fishermen were paid. And tried to relate that to CFI, you know. It was like comparing -- not apples and oranges -- it was no comparison at all. I don't know what it was comparing. And since he mentioned CFI and what was happening, I just want to read you this paragraph into the record again, that our Leader read in this afternoon, because it's one that frankly I hadn't read although I'd heard about it before.

MR. SPEAKER: Order please. I must indicate that one of the rules of procedure is there shall be no repetition. The honourable member admits that it's been read in, therefore I cannot accept it. The Honourable Member for Pembina.

MR. HENDERSON: Thank you, Mr. Speaker. I'll abide by your ruling. But it has been said that the Conservatives dished out all the money at CFI, and this is not the case, and they could have stopped it by this very part of that Development Corporation Act . . .

MR. SPEAKER: Does the Honourable Member for Inkster have a point of order?

MR. SIDNEY GREEN, Q.C. (Inkster): Mr. Speaker, on the point of order. I don't think that the debate on this issue can extend to Churchill Forest Industries, and I'm sorry, I regret, Mr. Speaker, on the same point of order that the honourable member did not understand the

(MR. GREEN cont'd) . . . . point that I was making. I did not bring in CFI. On the point of order, Mr. Speaker, I merely indicated that the Leader of the Opposition said that the value of the asset has something to do with what was owing the asset, and I said that that made me understand why he thought that CFI would be worth \$92 million because \$92 million was owing against it. And although I hadn't understood him before, I understood him at that point, I did not bring in the CFI complex as a parallel at all, and I don't think that debate should be extended to that.

MR. SPEAKER: Order please. I would indicate that part of what the honourable member says in respect to a point of order is correct. CFI does not fall under Mines and Resources, but I would say that in respect to the remainder of what the Member for Inkster had to say it was a matter of explanation. The Honourable Member for Pembina.

MR. HENDERSON: Well, Mr. Speaker, when we're talking about Resources I hope that we do end up with a full time Minister pretty soon because this is an important department and I myself have been trying to get an appointment for a municipality in my area now for some time, and I know the Minister has been busy, but especially when he has two portfolios to do he just can't do them. And this is the responsibility of the First Minister to see that there is somebody that will attend. -- (Interjection) -- Well we've heard so many convincing arguments about the regulation of Lake Winnipeg and about Manitoba Hydro, how they're so willing to believe Mr. Cass-Beggs, and then how they're so willing to balance him off against other men who we feel, and I'm sure the people throughout this province feel, have a very high reputation and who are well respected. And the part about this is that we're not allowed to be heard at the hearings. -- (Interjection) -- I believe I'd sooner have it when I'm finished if it's all right with you.

These gentlemen have not been allowed to be heard, and these are men who are knowledgeable. You know that they were not allowed to be heard and also I don't admire the tactics that's being used in this here hearing because the other day we were on hydro, we were discussing hydro when it was finished. Everybody naturally figured that's just where we were, the Chairman of Hydro was still on the floor. The meeting of the Public Utilities was called again. Everybody naturally thinks hydro's going to be discussed but we were not even told in this House that Cass-Beggs was elsewhere and that he wouldn't be available. Now that would have been easy, and it would have only been courtesy, but we didn't get that information, and even then at the last we asked would other members be able to be heard because it was going to be able to be discussed; they just said the meeting is over. I don't like the tactics that's being used. I wonder what 254 is all about in the public hearings if people aren't given more courtesy than that. -- (Interjection) -- Well the Premier and Minister from Inkster have put forth some very convincing arguments about the regulation of Lake Winnipeg, but it makes me think of the high-priced salesmen that come around talking to people from time to time. They win the argument but you know darn well before they leave that you're better not to go for it. And that's just the way I feel about Manitoba Hydro. I think that you've got the answers figured out the way you want them; you've got it so you can present it in a way that you think it will carry, but we know, some of us, that there's something in there that's not coming out, something that we're being rather denied, and we know that we shouldn't go for it. -- (Interjection) -- Yes, Mr. Cass-Beggs is pretty smooth. He may be knowledgeable, but he's pretty smooth, and when we were asking questions in there he gave us answers all right. He talked around for a long time on this playing you out idea, so you didn't know whether you got an answer or not.

I have to think that when I asked him, how much extra money we could receive out of regulating Lake Winnipeg so as we could use the flow. And it sure took a long time to get an answer. It depends on the price at this time of year, and all this stuff. He finally ended up by saying, maybe in the neighbourhood of something like two million, but he sure left that very vague too. But even if he is right and you're going to get that much out of it, and you're going to spend 56 million to get it, and you're paying about eight or nine percent on that hydro money, so your interest that you're paying each year for this is going to be getting larger. You're not retiring your capital debt, and you're not even paying your interest. So I can't see where that's a good deal.

And the other unfortunate thing about it is Mr. Juba appeared the other day and he said Winnipeg is having no part of your hydro deal you know. They don't want nothing to do with it. He didn't want the people in Winnipeg to pay for . . . Manitoba Hydro.

MR. SPEAKER: Order please. Order please. I'd like to indicate to the honourable

(MR. SPEAKER cont'd) . . . . member that we are on concurrences. We are on Mines and Resources and not on the City of Winnipeg. The Honourable Member for Pembina, The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): On a point of order, Mr. Speaker. The Premier was allowed to speak on hydro.

MR. SPEAKER: Order please. I'll indicate once more that everything that is relevant in respect to water resources I will accept. Just the name hydro does not mean necessarily that it's entitled to be expressed. If it's extraneous, if it's extraneous to Mines and Resources and to water resources, I shall have to exclude it. The Honourable First Minister.

MR. SCHREYER: Yes, Mr. Speaker. My point of privilege is that the Member for Emerson has just succeeded in insinuating that somehow you, Sir, have allowed me some special privilege in that you allowed me to refer to matters pertaining to Manitoba Hydro. I would like in the record to show, Mr. Speaker, that the reason I was dealing with Manitoba Hydro was because I was responding to the Member for Riel who is the one who initiated the discussion today on matters pertaining to Manitoba Hydro. Had the Member for Riel not done so there is no question whatsoever but that I would not have referred to Manitoba Hydro.

MR. SPEAKER: Order please. Order, please. I'm going to indicate once more. As long as it refers to resources I don't care what the title is or what the name is, whether it's Hydro or anything else, but if it's just discussion in respect to what occurred in a committee which is not related to resources or to water, I shall not admit it, and that's final. The Honourable Member for Pembina.

The Honourable Member for Rhineland on a point of order.

MR. FROESE: Yes, and it definitely states that there's a million dollars going to be spent for studies on the Nelson River, Churchill and Lake Winnipeg. This could involve not only Hydro, it could involve other sources of power as well.

MR. SPEAKER: The Honourable Member for Henderson.

MR. HENDERSON: Well, Mr. Chairman, we have a great resource in Manitoba and that's our water. Other provinces have their resources, whether it's oil, or timber - Mr. Chairman, I wonder if this member from Winnipeg Centre would be kind enough to quit the mumbling. One of our greatest resources in Manitoba is the water, and this is something that we should make full use of. It's a renewable resource and it doesn't contaminate the air, or anything else, and I think when we spend too much time talking about ecology, a small number of Indians, and nobody can say but what it's small, I think that we're just really doing poor business, that it shows poor business management on the part of the government. When we don't use it to develop it so as we can use it for a better way of life, and the City of Winnipeg now isn't going to go along with us, so do you know what it's meaning, it doesn't mean that all of Manitoba is going to be paying for the mistakes made in Hydro, it means that the farm people, the rural people of Manitoba, are going to be paying for the mistakes that are made in Hydro.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): Thank you, Mr. Speaker. I have a few remarks to make with respect to the Estimates on the Department of Mines and Natural Resources. I was not present to hear the First Minister begin his remarks so I was hardly in a position to attempt to respond to the gist of his remarks other than of course, Mr. Speaker, the last few remarks that he did make, particularly with respect to the situation at South Indian Lake, and you know, Mr. Speaker, closing my eyes I could hardly believe myself that it sounded so much like the kind of justifications and rationale that I used to make when I was on that side of the House about the need for governments from time to time to expropriate. I believe I used the same examples, 534 farmers I think it was, or 33 - I wouldn't argue with the Member, then Member of Brokenhead - who had their land expropriated, and indeed the same situation for the Birds Hill people. I was at that time sitting in the desk of the Honourable Member for - the Acting Minister of Mines and Natural Resources, making those same arguments, saying that the fact that we did have to as a result of government policy ask 73 families to be relocated, or to be moved, was not inhumane, and was not that criminal as we were being charged with acting at that particular time by members now sitting on that side of the House.

Mr. Speaker, you know, it's always a little touch of irony the way the Premier has the gift of turning figures to suit his purposes and now situations to suit his purposes. Mr. Speaker, he questions the \$50,000 spent - at least I think he indicated that that might have been

(MR. ENNS cont'd) . . . . the figure spent, I never took the time to look it up - spent by the previous administration to provide expert legal advice for the community of South Indian Lake. I think, Mr. Speaker, that I'm certainly in a position to testify to the fact that it was indeed expert and good. Mr. Speaker, how does the Premier want it? If the First Minister wants us to believe that by preventing us, and surely that role played by legal counsel for that community had a significant role in it, that by preventing us from what in their opinion was a major disaster, a major ecological disaster, a major mistake in the planning of our resources in this province, namely the high level diversion in South Indian Lake to be measured by the millions of dollars, he now leaves us with the impression, he questions the \$50,000 that was allocated for legal services for that community that was directly going to be affected. Mr. Speaker, I ask the First Minister simply to tell me which way he wants it? You know either the well co-ordinated, well supported, the well equipped with legal counsel effort, to prevent what certainly in the minds of the members opposite was an erroneous move on the part of the previous administration to proceed on a certain course with respect to the development of our great water resource in that particular part of the province was worth ten times the amount he now quibbles about, the legal fees spent on that occasion or, Mr. Speaker, if he now suggests that it's questionable whether or not that money was worthwhile, or whether the people were worthwhile \$50,000 defending. Now, Mr. Speaker, I will not tolerate, unless there's a specific question of order, any interruption. If the Premier has a specific question of order, fine, and I regard opinions not . . .

MR. SPEAKER: Order, please. Does the Honourable First Minister have a matter, a point of order?

MR. SCHREYER: Yes, Mr. Speaker, I certainly believe it is, although only you, Sir, can decide whether the Member for Lakeside has just finished saying that I have questioned whether the people of South Indian Lake were worth it. Mr. Speaker, that constitutes a point of privilege on my part because I said nothing of the kind, nothing of the kind.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Well, Mr. Speaker, it's certainly not my attempt to put words in the Premier's mouth, in the First Minister's mouth. I won't do it. What has he done? He has criticized the fact that the previous administration set up a \$100,000 South Indian Lake re-allocation fund -- (Interjection) -- Yes, certainly the record will show, and he suggested, you know, with his manner of innuendo that \$50,000 of that was eaten up through legal fees, legal fees. -- (Interjection) -- Well, you know, I think where we have an honest difference of opinion but surely I should be allowed to make the position that I want to make.

Mr. Speaker, what is the government's present position when asked by the Member for Riel, by my leader, the Leader of the Opposition, with respect to legal services for that same community, and the answer, Mr. Speaker, is, we'll provide the legal aid when we think they need it and we'll control the purse strings. Mr. Speaker, legal aid is legal aid. -- (Interjection) -- Certainly.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, would not the Honourable Member for Lakeside agree that he, when he was on this side of the House, said that the provision of a hearing to determine whether or not the high-level diversion should proceed was a mistake and that the hearing was supposed to be merely for compensation, and that's all that was supposed to be discussed. Did he not agree that it was a mistake when he was on this side of the House?

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: The Honourable Member for Inkster is perfectly correct, and it took a good lawyer, a well-paid lawyer to find out how to use that mistake for the benefit - if you want to have it that way - for the people -- (Interjection) -- It's here nor there, it's here nor there my friend. The question was, Mr. Speaker, I am fine, I am fine; Mr. Speaker, to have the arrogance show through of the members opposite in their attitude towards this question, Mr. Speaker.

Mr. Speaker, let me put it on the record very clearly. If there is any satisfaction that I have with respect to the whole question of South Indian Lake it is, that as embarrassing and as costly politically, if you want to think it was, or anything else it was, the action that took place at that time did provide necessary time for reconsideration. It did provide necessary time for Hydro officials to rethink their program. It did provide even those proponents of a scheme much opposed to the present scheme being proposed, a much more acceptable, even

(MR. ENNS cont'd) . . . . I'm sure in the government's eyes when we're talking about an additional four or five or six feet of water and not the 869 that was mentioned, or that was not mentioned but vigorously recommended to the then government,

And Mr. Speaker, Mr. Speaker, that refinement of proposals and the fact that it might have cost some politicians some heartache, or some loss of sleep, in my judgment justifies the effort that was put in and the unrestricted and unencumbered opportunity that the then administration gave to those persons who questioned the government of that day on any kind of a project that involved the massive scale that we were talking about. I have no apologies for that, Mr. Speaker. Indeed, Mr. Speaker, history will record that we in the Conservative administration can be criticized for handling things maybe with five thumbs on our finger, for making mistakes, but, Mr. Speaker, for denying the people of Manitoba, and the people involved in the situations themselves, the community of South Indian Lake, every and all opportunities, and full and complete funding for those people that found themselves in an underprivileged position to make sure that they had the best of possible help, Mr. Speaker, for that I and the Conservative Party will always be very proud,

Now, Mr. Speaker, let me carry on. -- (Interjection) --

MR. GREEN: Mr. Speaker, the honourable member indicated that they did provide lawyers but by mistake they opened up the whole hearing. Would the honourable member now not agree that once that mistake was discovered and that they were thwarted, they then were going to legislate the flooding of South Indian Lake without a hearing.

MR. SPEAKER: Order, please. Order, please. Order, please. Order! Order please! Order please! I'm going to indicate once again to all honourable members the reason we get into difficulty is because questions are asked which open up further avenues of debate. Our rules provide for questions of clarification and I must disallow these kind of questions. And I should ask all honourable members to consider that. This is the procedure. The Honourable Member for Lakeside,

MR. ENNS: Mr. Speaker, for the clarification edification of my honourable friend from Inkster let us put the poker hand right on the table then today. He knows why the bill was being brought in. He knows because I, as the Minister, was served with a summons 20 minutes before the House was opened at that session. He knows as a lawyer what that can mean in terms of whether your position is right or wrong, but how long that can tie things up. He also knows that this, Sir, is the Supreme Court of Manitoba, and that no court would sustain any action while an Act matter was under active consideration in this court. And for him to suggest that we adopted any other way - certainly he would be the first to believe that governments, elected members, accept their responsibilities in the way that we are asked to when we get elected to this Chamber, and that's precisely what we were doing.

And furthermore, having brought the issue into the House, where it was debated day after day in the full glare of the public, reported day after day by the press, then on into public utilities hearings, where we did not set the kind of guide rules that says we can't hear from anybody except Mr. Cass-Beggs. Except, except of course if it becomes politically expeditious to do otherwise. And when his Worship Mayor Juba came on the scene, oh, that's when the whole scene changed. And we can say that. Speak with the former Premier D. L. Campbell. We won't let him near the stand. We can say to 'H' with the former Assistant General Manager of Manitoba Hydro, won't let him near the stand. We won't allow any of Mr. Cass-Beggs underlings on the stand except when especially summoned by the Great White Father himself. But, Mr. Speaker, the Honourable Member for Inkster suggested just a little while ago that we, you know, were somehow by bringing the matter before the bill, by legislating the matter, that we were somehow going to be short-circuiting public debate, and the public discussion of the issue. -- (Interjection) -- Well if he didn't, then I retract that.

Mr. Speaker, I think the point that I'm trying to make, no matter how the First Minister would like somehow to have us believe that that open people-conscious government is acting in a way that in any way comes near their advance billing, in anywhere near lives up to their advance promises about the kind of open government, the kind of accessible government that they were going to offer, in this particular issue falls to a dismal low low level, Mr. Speaker, to a dismal low level. What is the factual record, Mr. Speaker? The then Minister directs, directs the Manitoba Water Commission as to what they can look into and what they can't look into. He then further directs what kind of hearings are going to be held, and what kind of hearings are not going to be held.

MR. SPEAKER: Order, please. The Honourable Member for Inkster on a matter of privilege?

MR. GREEN: I want to distinguish. I do say I agreed that I directed in accordance with the Act as to what they should consider, what they should not consider. I deny, Mr. Speaker, that I directed them as to what kind of hearings they must have. I deny that.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, that's a question you know - unfortunately that's not a question for the Member for Inkster or anybody else to argue or quarrel with. The fact of the matter is that a pattern, a pattern and a standard of hearings, in this particular matter has already been established by an open and a progressive government, and a government that was not afraid of having five university professors come up and spend their time at it; by having civil servants come up and spend their time and speak their mind on it; and by devoting the kind of time without attempts of closure, without attempts of muzzling, without attempts in any way to restrict the widest possible debate on the matter that we all were aware was of major significance to this province.

Now, Mr. Speaker, I leave that with the Honourable the First Minister, and not to lecture us about, you know, the question of open government or not.

Mr. Speaker, I indicated when I rose I did want to also speak with respect to the department and the other aspects of the estimates before us. Mr. Speaker, what concerns me most about the estimates that we are about to concur with reluctantly, Mr. Speaker, is that what is happening to this department. You know, what initiatives have been taken by this department? They're spending 26, 27 million dollars. What has happened under the leadership, the lack of leadership, which is understandable for the last little while, we haven't a full-time Minister. What is happening to this important department? Mr. Speaker, this department that they again felt politically the right thing to do was to immediately change the name, Environmental Management I believe is tacked on to the name -- (Interjection) -- that's fine. This is the day and age of concern for ecology and our environment and it's surely in keeping and the right move that should be done. But what have they done, Mr. Speaker? What particularly distresses me most, Mr. Speaker, is their utter failure, their utter disregard for, for a move that was initiated at the time that I was Minister of that office when the previous administration was there, that perhaps is the kingpin to making that environmental management policy work, namely the transferring of the Water Control Department out of Agriculture, out of Highways, back to where it belongs in the Department of Mines and Natural Resources. -- (Interjection) -- Right and what have you done with it? What have you done with it? Mr. Speaker, to lay into balance, you know everything goes in its cycles. -- (Interjection) -- Well I'll tell you what we did. In the first ten years we had to drain land so farmers could produce crops. Some of the Red River Valley. Do you want to name them? Through the Interlake, through -- (Interjection) -- Pardon? -- (Interjection) -- Do you want to stand up and compare the record of drainage record, of building and drainage record? The ten years of our administration, for the last 50, the 50 previous to that.

Well, Mr. Speaker, I don't want to engage in this kind of argument, because it is diverting me, and he's on a diversion path to begin with. What I'm trying to suggest is that it's become acutely important to our province that we redirect our emphasis and our thrust in that department to a question of conservation. And for that reason it was doubly important that water control be moved into the total resources department and to become concerned about what we are doing with respect to such sensitive areas, land-use areas where it's in the escarpment? What are we doing with respect to providing recreational and other needs for waters in the southwest on the Antler, on the Souris? What are we doing with respect to the problems that my friend from Rhineland has, since day one practically since he's come to this House, talked about the Pembilier. What are we doing in these areas? And I'll tell you, Mr. Speaker. Mr. Speaker, I'll tell you what are we doing? Mr. Speaker, I just told the Honourable First Minister that answer.

We you know every government faces its set of priorities. You know your set of priorities was shoving Autopac down our throats. That was your first priority. Fine, and I don't quarrel with that, if that was your point. But our problem was having - Mr. Speaker, we had received a legacy from the inept Liberal administration of one of the greatest floods this province had ever seen in 1950, and surely one of the biggest priorities that we had to undertake was to invest the proper public funds into providing flood protection for the heart of the

(MR. ENNS cont'd) . . . . province, for the Metropolitan area of this city. And that had to be considered along with many other things. Mr. Speaker, this present administration isn't being faced with these kind of pressing demands on their public purse. Yet, Mr. Speaker, the department is still spending \$26 million a year - although I must admit that this particular department I notice is down by, by a minuscule amount I believe, or about the same. The fact of the matter is though that while we were spending those amounts of money, we were doing tangible things within that department.

Mr. Speaker, what is happening - what has happened in the watershed districts that you have set up? What money have you put into the watershed districts? You know, the watershed district that he talks about is a piece of paper at this particular point. I congratulate the Minister. I did so when he set it up, I did so. But, Mr. Speaker, I suggest to you that now there are pressing things that have to be done. The Whitemud River, Sir, the river that you flew over, the flood that you flew over shortly after coming into office. Nothing has been done to resolve that question or problem yet. No physical structures have been built along the Whitemud River. No contracts have been entered into with the municipalities to start doing some work. Nothing has been done on the escarpment. No mass of land purchasing program to return back to forestation land that otherwise should have never been broken or cultivated or farmed. Nothing has been done in the southwest corner. The only thing that has been done is what was initiated under our administration, the Pleasant Valley Dam. Mr. Speaker, I doubt very much whether that department can name me one project that wasn't well under hand when the previous administration, the Conservative administration, left office. One project of some size that we could point to. And I suggest to you, Mr. Speaker, it's not for lack of need, and, Mr. Speaker, it is not for lack of money. They are allocating for themselves and for this department precisely the same amounts of money that we had, and more, at the times that we were building and developing the water resources providing flood protection in a massive scale for this province. Mr. Speaker, those were my concerns that I would like to voice at this time with respect to the estimates of this department.

Mr. Speaker, we asked I believe for a drainage schedule. Has anybody received the drainage schedule? You know the drainage schedule used to be -- (Interjection) -- Was it tabled? -- (Interjection) -- yesterday. Well, Mr. Speaker, that's fine. I'm thankful that it came yesterday. I'm thankful that it came yesterday. Here we are at concurrence motions but, Mr. Speaker, the drainage schedule used to be received with as much interest by rural members at least as the Highways program was. And, Mr. Speaker, the kind of attention that it now receives from the Acting Minister is to not even have it -- (Interjection) -- and we have one for the caucus. Well I haven't - obviously, Mr. Speaker, I can't speak to it because I haven't had a chance, haven't had a chance to analyze it. But, Mr. Speaker, I would have to really indicate to you, Sir, with what reluctance we concur in these estimates. This is the department. It's in this field, environmental management, that some of the most exciting things could be done in the use of public money. Mr. Speaker, it's in this department that the spending of public money could be perhaps as well received as in any other department. It certainly is topical. It's of concern, and it's a question of, if we don't do it now are we putting ourselves in a position of being too late in some instances.

Well, Mr. Speaker, the Honourable First Minister suggests, become specific. Then allow me to conclude by becoming specific. Mr. Speaker, there is a crying need for water development in the southwest corner of this province. Well engineered, well documented studies, building plans and projects, and aid from federal sources is in the wings, all that is needed is provincial initiative. Provincial initiative, that is all. Initiative from that Minister; initiative from that government.

Mr. Speaker, the same situation exists in the riding of my old friend the Member for Rhineland. Now, Mr. Speaker, you can discount, you can argue values change, you can argue whether or not the emphasis placed at the time some of those studies were made; emphasis was placed on irrigation, and no expert will argue about the value of irrigation, the cost benefits of irrigation in that particular area, and so forth, Mr. Speaker. But you can't deny the fact is that our options are going to be foreclosed in that area. The Americans are going to do something in that area, unilaterally. They are going to do something in that area in their good time. Well, the honourable member, you know, the Member for Inkster shakes his head and the Honourable Minister doesn't agree with me, but I want to suggest to you, Mr. Speaker, that unilateral action is going to be taken that will materially affect our capability, our

(MR. ENNS cont'd) . . . . capacity, of providing the kind of long-lasting benefits of a major water development project in that area that is needed for recreation, that is needed for town water use, that is needed for farming, that is needed for industrial expansion in that particular area. Particularly in that area that offers such tremendous promise in the canning industry, which the Minister when wearing his other hat as Minister of Industry and Commerce likes to indicate to us, indeed supply us with free samples of the nice canned goods that is produced in that area and, Mr. Speaker, aside let me put it on the record, they are extremely good. My wife, I can report, has switched over from Aylmers to Campbells to the product of my honourable friend's, the Minister's. Specific projects, the First Minister asked me, and I'm naming some of them, Mr. Speaker. I'm limited to my time, Mr. Speaker, I know that you will cut me to my 40 minutes, and so I would ask the First Minister to reserve his question for the -- (Interjection) -- How's that?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: What's very germane at this point in the honourable member's remarks, I ask him very quickly, whether the Member for Lakeside really feels that he gave it high priority at the time when he had the responsibility - the question of the dams in the Rhineland area and in the Melita-Souris area?

MR. ENNS: Mr. Speaker, I repeat for the last, I will repeat for the last time. We had our problems as every government whenever they come into government, their problems of setting priorities. Our biggest priority was in doing something that the inactive Liberal administration refused to do anything about, namely providing major flood protection for the Red River Valley. That was our first priority with respect to this department, with respect to water control, and that, Mr. Speaker, you have to acknowledge, whether you want to argue with the plans eventually developed, which is the Portage Diversion or the Shellmouth, were always in the best interest or not, that's beside the point, but that was clearly a priority that we didn't establish for ourselves, Mr. Speaker. The 1950 flood established that for any government that assumed office and could do something about it, and had the guts to do something about it.

Now, Mr. Speaker, with something in the area of \$100 million dedicated to that project along, Shellmouth, Portage and the floodway. It's one project, but it was an integrated project. One hundred million dollars to that project alone and not to speak of building at the same time the Shannon, the Norquay, the Grassmere, you name it, major waterways that helped the drainage problems of the farm people and the farmlands of Manitoba. Those, Mr. Speaker, were our priorities. We knew, and we made the Member for Arthur - the former Minister of Agriculture - had to wait for the development of projects dear and very important to him, namely the water control dam projects in the southwest. But we had, you know, our demands on our purse at that time, Mr. Speaker, as 67, 68 came about, these projects were completed.

Our major drainage programs were well in hand and we saw the need for then shifting the emphasis within this whole department to that of water conservation, to that of providing water for recreation, to that of providing water and conservation programs for future Manitobans. We moved the Department, the directorate and the Branch of Water Control to the Department of Mines and Natural Resources in the expectation, and in the hope, and, Mr. Speaker, let me make it very clear, were we government today those specific projects would be under way today without a question, without a question, without a question. -- (Interjection) -- Mr. Speaker, I have nothing against the Holland Dam. I think the Holland Dam probably ought to be built, and 50 others like that, and 50 others like that. Mr. Speaker, we're not in 1950 any more, in 1960 anymore; what the requirements are, the requirements for conserving water, the necessary steps that should be taken to provide for recreational purposes and other reasons water that comes down that embankment from the escarpment on, would probably make very good ecological sense. That was the reason why that department branch was put in that department, Mr. Speaker. That is why we regret the lack of initiative, the position that the government finds itself in defending estimates of \$26 million and then can't raise to defend, can't name a concerted program that they have in mind for the use of this money. You can't honestly get up on your feet and tell me this is the direction of the department; this is the direction that we're going to move in; this is where the major portion of our \$26 million is going to go to. Oh, you put the title on it, Environmental Management, and we'll hire a few more civil servants, and we'll carry out the programs that have always been, and always will be, within that department, and you will improve, you will enrich some programs; we'll start

(MR. ENNS cont'd) . . . . catching more carp and make Manitoba - that's fine, that's good. But, Mr. Speaker, in terms of a dynamism in that department, in terms of a new, you know, a step forward for the next decade, it is sadly lacking, Mr. Speaker. For that reason I find it difficult to concur with these estimates.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, after listening to the number of people participating in the debate and hearing from both sides, the present government and the former government, in connection with both the Fish Marketing Board and also the matter of Hydro, it seems that we in this corner of the House sit and try and weigh the situation and see which is right and, however, whoever has the responsibility of government has the responsibility of making the decision and they will have to live by it, if it's correct or not. Certainly when I notice in the estimates that there is about \$1,200,000 set aside for studies, I'd like to know just what kind of studies are anticipated, what these studies are for, because I'm interested to know, and I do hope when these studies are made available that all members will receive copies so that we can study the situation ourselves, and so that we can make up our mind without having to depend too much on other people.

The last election came about to a large degree because of South Indian Lake, the dam that was proposed at that time, and since then we've had a change of government. Now this government is on a different course, at least temporarily, that they're going to construct a regulation on Lake Winnipeg, and then lower the dam on South Indian Lake, but still proceeding with it. I think that some of the people at the time of the last election were under the impression that the dam would not be proceeded with. However that is not the case, and I never took it for that either. I do hope that whatever course this government is taking is a wise one and will bear itself out in that respect. We're not finished with the Utilities Committee hearings as I understand and if further representation is going to be made, I certainly will be there to listen and to hear and to see whatever decision I have on my mind, and which way I will vote, if it ever should come up for a vote although the action that is now being proceeded with will not require a vote in this House.

I think that before the last election we had a bill in the House which I don't think was finalized, Bill 17, if I stand correct, 15? We took it into committee and we had hearings on it but I don't think it was ever approved, or proceeded with, because of the election that resulted at that time.

Mr. Speaker, I want to briefly dwell on the matter of the Fish Marketing Board and also the matter of redundancies because before the bill was passed in Manitoba, which set up or gave approval to a Federal Fish Marketing Corporation, we passed supplementary legislation, and I certainly for one took it that there would be compensation made to those fishermen and to those people in the processing of fish that were aggrieved and who would as a result of centralizing the matter of fish processing in Manitoba, would receive compensation, and for what other purpose was a certain section put into the Act if it was not contemplated using it and I'm referring to the Fisheries Act which is Chapter F90 where under Section 29 (1) titled, "Purchase of Surplus Property" and I'm quoting now, "Where in the opinion of the Minister any real or personal property that before becoming into force of this Act was used by the owner thereof in, or in connection with, his business as a fisherman, fish dealer, or fish processor, as an earning asset in that business can no longer be used by the owner because of the operations of the corporation, the Minister may" -- (Interjection) -- yes, "may" at any time not later than the first day of May, 1971 for and on behalf of the government purchase the property." Mr. Speaker, I noticed the word "may" in there but the people that appeared before that committee were left with the impression too that compensation would be made. At the last session I asked the then Minister, just how much progress had been made; how many people had fouled; and what had been done in the way of making payment for these redundant fishermen, or processors? Today we hear that apparently nothing has been done, and that now we find that the former Minister, the now Member for Inkster, is blaming the Federal Government for not coming along. Well, Mr. Speaker, the legislation that I quoted from is provincial legislation, we as a Provincial Government made ourselves responsible for this, and not the Federal Government.

Then too I took strong exception at that time that the legislation was passed that we were handing over the fishing industry of this province, as well as our sister provinces, to a federal body, the Freshwater Fish Marketing Board which was going to be a federal corporation, and

(MR. FROESE cont'd) . . . . . by doing so we gave away the authority to look after them properly as far as Manitoba is concerned, and Manitoba was the one who would be either the big winner or the big loser, because we're the big contributor to the Freshwater Fish Marketing Board. I think that at that time it was mentioned that something like 85 percent of the freshwater fish came from Manitoba. And now the other day we were invited over to visit the new fish plant in Transcona, and I asked for a financial statement, and I have a copy before me, and I find that in the year 1970 the Corporation had an excess of income over expenses of \$829,000.00. What about 1971? The last year for which we have figures. It was less than \$5,000, \$4,799, and what were we told. We were told by the person in charge there that we could expect that they would be running in the red for the next several years. What does this mean? Does this mean that the people selling fish will be having to accept lower prices, that they will have to do with less. The overhead of the corporation is far too great for the amount that they're handling and therefore the cost is so great, and so this will be reflected in the financial statement. And we find the same thing happening now and in the fish we'll be seeing the same thing happening now that we see in the western farmer with his grain. We're completely dependent on a federal Crown corporation for what they are going to give us for our commodity, and this applies to the fish too. It's a federal corporation. We as a province have one representative on the board, and what will one representative do when the Federal Government have four or five of their administrative people who have a majority and who control that corporation.

So often it is referred to as orderly marketing. It isn't orderly marketing, it's compulsory marketing. This means that the people have to deliver their fish to the corporation. As long as the prices are good people will be satisfied but just you wait for another year or two when they'll be operating in the red and the prices will be lower, you will have these people on your backs. I certainly feel very strongly about that section in the Act which is a provision to make payment to those people who had losses, to the fishermen, to the processors, who lost out because of bringing in legislation, setting up a monopoly, and thereby putting them out of business. It seems to me that we have more compassion with the people up north when it comes to flooding South Indian Lake, we have compassion with those people. When it concerns people in the southern portion of the province we don't have that same compassion, we don't have that same feeling towards them, and I certainly don't go along with that by any means. -- (Interjection) -- Pardon? -- (Interjection) -- The Honourable Premier says that Alberta went along too. Well their participation and their production is very small compared to ours.

MR. DEPUTY SPEAKER: Order, please. Order please. Would the honourable member not get distracted and address him remarks to the Chair, please.

MR. FROESE: May I say to my honourable friends that it was the civil service in Alberta that defeated the government there and the same thing will happen in this province that your Crown corporations are going to defeat this government right here in Manitoba. You just wait and see; it won't be too long, and you'll find that very thing happening right here that the thing that you're championing now will be your downfall, and that you will find to your sorrow later on.

The First Minister just walked out of the Chamber but I can well remember when he was sitting on this side of the House way back in 65, I think it was 65, or was it 66? No in 65, when we had the flooding or the high water on Lake Winnipeg, he was the one that complained bitterly at that time of the people in that area being flooded and facing those hardships. Now they're going to raise the lake. Just wait and see what's going to happen. -- (Interjection) -- So just wait and see what will happen. At that time too we had the diversion around Winnipeg, what happened? The wells went dry in the Birds Hill area, we had to create a park. There was nothing else to do these people didn't have water, so there was no other way out, but to make a park of the area. So that's what happened. So we bought the people out and made a park of it, so that to do away with that particular problem. -- (Interjection) -- Sure I will.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Does the Honourable Member for Rhineland know that in fact the only concern expressed about the regulation of Lake Winnipeg comes from people other than around Lake Winnipeg.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: I haven't attended the meetings that were held, and I would have been there if I had been invited -- (Interjection) -- Why didn't you invite me then? So I'd be only

(MR. FROESE cont'd) . . . . . too willing to attend and see what these people had to say.

MR. SPEAKER: Order please. The Chair is having difficulty hearing the honourable member. I would ask the honourable member to direct his remarks to the Chair and not across the Chamber. The Honourable Member for Rhineland,

MR. FROESE: I mentioned that the Crown corporations would some day defeat this government and that they would be a contributing factor. Look at the projections that they come up with as to the money that this government and this province is supposed to spend over the next five, ten years. They plan as though it's a matter of course that the money will come, regardless of what the conditions as far as prosperity is concerned in the province will be, and regardless of what the economy will be, they are building these big plans and they are just going ahead with spending - spending as though there was no limit as to the amount that may be spent or should be spent, and this is going to be one of their downfalls.

On the other hand, I certainly don't want to be critical only -- (Interjection) -- No, and I want the Minister to listen, if he has the time, if the Minister would listen for a minute and the House Leader would not be distracting him. Just the other day we got the report as to the major construction projects for 1972 under the Water Resources Branch and I find that there will be several projects furthered in my riding, which I certainly want to compliment the government for -- (Interjection) -- No! Although I would have liked to have seen a little more done but I am thankful for what they are proposing to do on the Marais, they are going to do some work and some planning, and I think this is also in conjunction with the U.S. authorities that there is a sub-committee or a joint committee studying the project, and I do hope that something good will come out of it, and that the whole situation can be corrected so that we need not have any further trouble.

I also appreciate the work that will be carried on on the Deadhorse Creek and the Rosenheim Coulee. Certainly these are projects that have been started some time ago and are now being furthered. The one on the Hespeler I think is completed except for the portion I mentioned the other day just near St. Jean, and I do hope the Minister - I want to remind him once more that if it's not done this year that he will look into it, so that it is done next year, so that the first two miles right at the source on the Red, that that part is completed because I think the people there are really suffering and for some reason or other, at one time or another, there must have been funds that had been appropriated for that purpose, were put to use for another area, and as a result the work was never carried out and the farmers in that area certainly are suffering as a result. I do hope that the Minister will look into this and do something in that regard for next year.

Mr. Speaker, these were the three major points that I wish to discuss. I had some other points but, I think, other members have spoken on them and I don't think I want to repeat any of those items, so that with those remarks I will allow the concurrence motion to pass.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Thank you, Mr. Chairman. I guess we've pretty well blown the day, so I may as well stay on - we may as well finish the night with Mines and Natural Resources.

The Freshwater Fish Marketing Corporation is rather an interesting corporation as far as the constituency of Churchill is concerned and it's remarkable how the M.L.A.'s in this House have different approaches in respect to the particular approach that this corporation has taken, and I harken back to the remarks that have been made in respect to fishermen over the years in this House. Certainly historically far longer than I've been sitting in this Legislature and I know that over the years, the hue and cry was always that the fisherman was getting the short end of the stick, and like the Member for Rhineland I too took advantage, along with some of the other interested people, in touring the Fish Marketing Processing Plant. Quite frankly I was skeptical and I was going there to be quite critical because I had seen fish processing plants, and I've seen enough of them that I thought I was an expert on them, and I went there to criticize and I got the shock of my life, and it was a pleasant one, Mr. Chairman.

I've never seen an industry that has gone so far forward as the Fish Marketing Corporation that we have in the City of Winnipeg or in Western Canada today. I would suggest if the Member for Minnedosa thinks that's all that you get out of touring the Freshwater Fish Marketing Corporation was the free meal, then he went around with his blinkers on. I think that he should have gone back, should go back and take another look at it because he failed to see many of the things. He failed to see them preparing the fish, cooking it and freezing it

(MR. BEARD cont'd.) . . . . within 30 or 40 feet. I suppose he's used to sitting in the bank and wouldn't understand, wouldn't understand the approach. He doesn't know what a rough fish is, he wouldn't know what a rough fish is, Mr. Speaker. He can't know the problems of the fisherman today who has had to up to today throw away two-thirds of his fish into the bush because there's been no market for them; there has been no purpose, real purpose, in bringing them to the plane because the cost would have been exorbitant; there would have been no market for them; there would have been no value in giving them to anybody. But today, if he had really toured that plant, he would have seen what they are doing with the rough fish today, and in doing this they are able to extend the season for almost year-round fishing, except for break-up and freeze-up to many of the lakes, and this is extending the season for a lot of these fishermen to almost year-round work, and I think this is a wonderful thrust forward.

I think if you extend that to the western provinces, and even up into the Northwest Territories, you'll find that the benefits are flowing to many areas. I marvel at it, I marvel at the fact that they can market everything they can produce. I marvel at the fact that the plant itself is structured so that it can absorb everything that is brought into the plant. I marvel at the fact that it can do this in spite of provinces and the Northwest Territories being able to set their own limits for their own provinces. I believe this is a wonderful step forward for our freshwater fish industry. I think it is paying the fishermen more money than they have ever received.

The other end of it, it has quickly dispelled that one real problem that they had for many years and that was a cartel of buyers that had been formed down in the States where they were dictating to how much they would pay for the Canadian fish. They were the ones that told the producer up here how much they'd pay, when they'd take it, and they could even decide not to take it after it had got there, and now they tell me that the back has been broken there that they're dealing direct with the retail outlets in the States, the big supermarkets, the big users, and in that way they're offering better prices, good competitive prices, and they in fact now have a market which can absorb everything that can be produced in this processing plant. This is wonderful news for the fishermen.

However I'm sure they haven't solved all the problems because while we have a modern plant in Winnipeg, they still haven't, they still haven't solved the problem at the lake and unfortunately far too often we are still back in the horse and buggy days as far as netting the fish, finding them in the operation which has been used as long almost as fishing has taken place commercially, and until those problems have been overcome, until that part of the fishing is upgraded, and until that is made as efficient as the processing plant in Winnipeg, then you will not really find the true profit going back to the prime producers.

But this is not the problem of the plant itself in Transcona. It's doing good, but I say to those people that they just can't stand still and pat themselves on the back. Something has to be done. I don't know whether this is the responsibility of the provinces or the Freshwater Fish Marketing Corporation, but certainly somebody has to get out and use that same ingenuity, that same approach towards lifting the prime producer out of that system that they are using now and get it into a modern efficient operation where they too can take advantage of the modern facilities that are available and that will give them the returns that they require.

The one problem I do find though and I have a complaint with, is the fact that each fisherman gets the same price for the fish per pound wherever he may fish from. However, he has to pay the freight into Winnipeg so unfortunately the further away from Winnipeg that he lives, the less he actually gets for his product, and unfortunately as you go north the higher his cost of living, the higher his cost of gas, the higher his cost of boats, the higher his cost of nets, and all the other things it takes to live and carry on his part of the business of fishing, and of the fish industry.

So I would suggest that the Freshwater Fish Marketing Corporation has two alternatives, I believe first is that they have to accept the fish f.o.b. where it is caught, so that everybody gets the same price for the fish, and the freight should be passed along to the consumer because that is a cost, just as the profit is to the fisherman, or the wages are to the man that works in the plant, just as the freight is from the processor to the store where it is being sold. So why should the producers be harnessed with that additional cost, particularly when on the other side, he is also strapped with that additional cost of high living when he lives in a high cost area.

If this raises the product out of price, out of line with what the consumer can afford, then I would suggest that the government will have to consider a subsidy. I say that because I think it's an important industry, it's a food industry and they haven't backed away from using this

(MR. BEARD cont'd.) . . . . approach on other food products. So there should be some way to protect the prime producer because that is the one that is paying the real cost of the product, the one who lives furthest away; and there's no reason, Mr. Speaker, why somebody in Brochet should be paying to send his fish down to Kildonan for you to buy. If you want to buy that fish then I think that you should pay, not only the cost of processing it in the Freshwater Fish Marketing Corporation, but you should also pay your share of the freight between Brochet and Winnipeg. I think that's only fair to ask for that.

Some discussion was considered on the redundancy of the processing plants - I'm not going to dwell on this too long, it's been discussed and argued about for some years. I think first of all it was brought on by the industry itself and again I go back to the many years that this has been talked about and the fishermen literally ended up owing his soul to the company store, was it not - soul to the company store. And the processor generally owned that store. And whether it was the skidoo that was required in the wintertime, the nets, the food product, the clothing, whatever it was, he paid and he paid well for those things. And he paid in advance so that when the cheque did come in there was usually little or nothing left. This went on for years, many years; many many years. The plants themselves made money over the years - and let us not forget this when we are arguing the point - while they were family industries there were many of them that made a lot of money and maybe some of them got caught with buying new equipment or changing over. But I question were they buying it on a monthly or yearly basis because they had to or was it more economical to do it that way for bookkeeping purposes, etc.? These are some of the questions that would have to be answered.

But secondly, what bothers me on the whole thing, I don't think that really government should come along and make a business redundant and then say it's not worth anything so we'll offer you this much for what is left. Because they in turn have made the business redundant and then decided what it is worth after it is redundant and I think this is what bothers me about it.

So this becomes legal. But not everything, Mr. Speaker, that is legal is either right or fair, and I think this is what government have to consider. Is it right and is it fair? No necessity of going back and worrying about a precedent, no necessity of worrying about something that's going to happen in the future, there's just something that they have to worry about being right and being fair. They're not going to do anything illegal if it's either right or fair. And I think this is something that should be considered.

I don't think I want to sit down without saying something about another water situation we have and that's up in the South Indian Lake area. I suppose if you break one leg it's not so bad as if you'd broken two, but I think that the people of South Indian are still concerned and while they are concerned I think that it is the responsibility of those people that are causing the concern to sit down and see what they can do about it. In respect to legal aid I would say that it should be given to them. I would say that the Conservatives did give them the legal aid, but then if they found that they were caught, Mr. Speaker, by this smart lawyer, as the Member for Lakeside said, and decided that they had wasted the money on this smart lawyer and they out-smarted him by bringing in a bill, then they were wasting money. They were wasting money. Because they were fooling the people of South Indian Lake.

I think, Mr. Speaker, that if you're honest with people honesty is what most want; and you've not only got to appear to be honest today but people will see through you if you're not. If there is money made available let the people spend it as they may. If the government can't afford to buy a smart lawyer with their money, or as smart a lawyer as the South Indian people buy then that's unfortunate. But I would say before they give the people of South Indian the money then go out and hire the smart lawyers that the Indian people had last time - South Indian people. And then they will have the smart lawyer. But anyway, I think that really as far as that's concerned everybody in South Indian would be happy at this time and feel more comfortable with a community of 600 or 700 people if they did have their lawyer and the money to look after the payment of him. The lawyers are there, they're working for the community, the lawyers don't know whether they're going to get paid or how they're going to get paid. The community don't know how they're going to get paid. The lawyers have shown good faith. But I think that the government should place the money at their disposal and let the mistakes fall where they may if they've made mistakes.

I take issue at this time with the point of clearing the land of trees before the flood. It bothers me to see Hydro put in a bill for \$50 million in clearing - estimate - and then to say we're only going to spend half of it; because to me it says they're only going to do half a job,

(MR. BEARD cont'd.) . . . . and I would like to know where that other \$24 million worth of trees are going to be. Because that's an awful lot of trees to leave hanging around somewhere. And it means a lot of trees surrounded by water. I think that that is going to be a problem, I'm sure it's going to be a problem and it's going to be around for another hundred years. --(Interjection)-- But our children will be, our children will be around to be bothered by those trees. The trees cause a lot of trouble where they're not supposed to be. If you're going to play around with the laws of nature then you've got to play the rules according to her game not to some engineer's rules. You don't see many lakes that Mother Nature creates with some trees growing in them. When she wants trees she puts them on dry land and I think that the engineers of Hydro better take another look and follow the laws of nature because Mother Nature has a way of talking back every once in a while, and when she does she usually comes down with a heavy hand.

I think Canadians generally have managed to do a good job of declaring war against Mother Nature in one way or another in southern parts of Canada to the point of where we now have to spend many billions of dollars on pollution programs and environmental programs to offset the problems created when we didn't pay attention to the laws of nature. And here we are again setting off on another what could be one of the biggest pollutions that Manitoba has ever decided to try in the history of the province. And there will be many greedy people that'll stand up and say, Hooray. Out of sight out of mind. We'll just go ahead with this because we want electricity. They haven't got either the imagination or the care to look ahead further than the end of their nose. Because they don't care about the northern half of the province, because they haven't been up there-- for they really don't bother or worry, they say just go ahead, just go ahead. And we say take a look at it, because if you don't care maybe your children will learn to care and maybe your children will have to live with another pollution problem. It's something that you have to think about.

I think it's another fish problem because South Indian Lake Indians have one industry. It's a one industry town really and the fish industry is one that is their most important one. They're concerned about the spawning areas. I'm not going to go into fish spawning, Mr. Speaker, but as a general rule we all know that fish spawn in rocky areas or in gravel areas and a certain depth of water. But if you start to raise water four, five feet you'll realize that you are changing the depth of water, the pressure of water and those fish aren't going to necessarily spawn in that area. But if they move further towards shoreline there's not going to be gravel and sand there, they're going to land up in muskeg and they're not going to spawn in muskeg. So we do have some problems that could be anticipated.

But I wonder, I wonder why we've really gone ahead with -- I believe it's a \$2 million Federal-Provincial resource study before -- and this study hasn't been completed and yet we've gone ahead with our decision to flood South Indian. While Hydro can say that this is a necessity I think either the study should have been done sometime before or else they should wait and see what the results are in the study. Because as far back as September 10th, 1971 when we were questioning Mr. Cass-Beggs, he said details on the effect of lower Churchill River are being studied carefully in the Federal-Provincial study. I wouldn't like to anticipate the findings. I don't believe that study has been completed as yet and if he can't anticipate the findings then I don't know really how he can anticipate the costs or what it really involves. If he can then I don't know why we are spending that kind of money.

We have heard calls for a public hearing and I am still not convinced that a public hearing would not be a good thing. I think if the plan is good it will stand up under a public hearing. I don't think, as the Member for Inkster said, we can resort to roadside meetings, to hot line programs for public review of our Crown corporations. I believe the Public Utilities Committee is the proper place, or public hearing is the proper place to carry on these things. I think if we can debate them, listen to the challenges then we can meet them, we can hear both sides. How can I arrive at a fair conclusion when I hear one side saying something one day and the other side saying something the next day. They claim they're experts but until those experts are there to face up to what they're saying at a meeting where they have to make responsible statements then I don't think that we're really getting to the crux of the program.

I don't think that we should make this into a side show, the business of the Province of Manitoba, I don't think it should be intended to be a side show. Manitoba Hydro is well thought of, they advertise it, I believe, as "Your Hydro", they say "Use It", my appeal is different to others and that is why I think the people should be allowed to speak and to tell government what they feel. Because whether government like to think or not, it is an iron curtain at the front of

(MR. BEARD cont'd.) . . . . this building, and while the doors of the Minister's offices are not necessarily closed to the public, it's a fearful thing for John Q. Public to come in, the average person to come in and face the Minister in his office. It's much better for them to be able to come and listen to debates that are carried on properly. And I think it could be organized, I don't think it has to be some kind of a hearing that goes on for many many months, I believe there should be a date set with a start and a conclusion of it; I don't believe that anybody would disagree with that. But I think there are some points that should be considered as far as the South Indian people go. I think they'll be asking what will the benefits for the people of South Indian be; what assurance will they have that their future will be as good as what it has been in the past. Can they be assured that they'll remain as a community, that they'll have a viable economic future, that they'll continue to be helped, because they can't see anything, Mr. Speaker, other than their single industry. I want to ask you to look at it in the same attitude as you would be if you were living in Flin Flon or Thompson or Lynn Lake. If you said to those people in any of those communities, your industry is going to be threatened or could be threatened and it may be closed, those people are going to be very concerned in that community and they're going to be looking elsewhere; and the longer they've lived in that community the more concerned they're going to be, the more concerned they're going to be and they're going to want to look as to what they're going to have to do after. I don't think you can really compare these people to those that have moved around because they haven't, they have lived, if not in South Indian, very close to South Indian for generations. They're only a short distance from their reservation and when they're living within that short area, they're isolated, and it's not like taking anybody else and moving them from one community as the rest of us are, and the rest of us have moved from one place to maybe northern Manitoba, we're used to that. Our fathers and forefathers did that. But they haven't, they haven't. We locked them out of that a hundred years ago and that is the problem with them and that is the fear.

And I say to you once more, Mr. Speaker, that the problem comes closer home. When you look at the people that have been disrupted in the north - and we can count them on our hands now in northern Manitoba - and you look at the classic examples of the Indian people that have been disrupted and moved and you'll find that not one group of them have been happy or are happy or that the moves have been successful or anywhere near successful. They're unhappy people. This hasn't happened just once, it has happened each time that these people have been moved or dislocated. Now I'm not saying that they're not warned that they don't have to move, but when you take away the people's livelihood or when you threaten, they are concerned, and this is what these people are - concerned. What is the flooding going to do? And the fact of the matter is that the government are going to have to be very certain that they make sure that they can point out and prove to the people that their industry is not going to be disturbed. If that can't be done, then the people are going to be restless. Because whatever happens there's going to be a disruption not only in that community but in all the other tributaries, in all the other parts of the rivers that flow out of that area and there's going to have to be caution all through the river system right through to the Nelson and right through to Churchill because I haven't spoken tonight on what my feelings are and what the feelings are of the people that have lived on the Churchill River for many years and have trapped on it and have used it for transportation. But the experts, and I'm talking about the experts that have lived on the river and what they say, Mr. Speaker, is far far different than what the so-called engineering experts in southern Manitoba are saying about what will happen to the Churchill River with that amount of water taken off. And I would rather for one go by the northern experts than I would by engineering experts using a slide rule, because these people have lived with the river in the fluctuation, they know what can happen and I believe them when they say that if you take away that amount of water that you'll find that in the wintertime that it is going to freeze to the ground and you'll find that the river will be flooding its banks and flooding many areas throughout the winter.

And I say - with those words I will leave but I think that there should be some caution and I would hope the government again be very very careful in respect to the Churchill Diversion.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, it's twenty to eleven and I know the Minister is tired and I know other members are rather tired also and it is my intention to confine myself to one subject in the department which does cover a broad spectrum. But before I begin on my subject I feel that I have to say something about the last member that spoke about his remarks, about the Freshwater Fish Marketing Corporation.

(MR. G. JOHNSTON cont'd.)

We know that this is an agreement with Alberta, Saskatchewan and Manitoba in agreement with the Federal Government and considering the short term of time that the corporation has been in operation, I say thank God that the governments of those three provinces, and I don't care what their political stripe is, did not have the outlook of the last member that spoke because had we had that outlook the corporation never would have been formed, there never would have been a unified approach to the problem and it's evident in the brief time the corporation has been in operation that the fishermen are receiving more money, they can trust the people they are dealing with like they could never do that before. I'm not saying that they couldn't trust previous people they dealt with, but there was an area of uncertainty every year where the fisherman didn't know where he stood and I think that this is one of the greatest moves made in co-operation with the three prairie provinces and the Federal Government.

I might also say before I leave that subject that for many years the carp fish were known as a garbage fish, they destroyed our lakes, they destroyed the food and the wildlife, the wetland fowl, they destroyed the hatching grounds of the higher priced and better fish. So this year for the first time, and I compliment the Minister for this, we have a market now for carp - sure it's only four cents a pound. In the old days the carp used to destroy the nets, they used to throw them away in despair and they used to pull them out in any way they could to try and save their individual lakes. So this year the fishermen are taking this type of fish that has very little value out of the lake and the Freshwater Fish Marketing Corporation is getting for them four cents a pound. At the same time the lakes are being cleaned up and the fishermen are making a few extra dollars. And I give the Minister credit for extending the season in the quick manner that he did, I give him credit for that. So, Mr. Speaker, I would like to leave that subject and I'm afraid that the next subject I take up with the Minister I'm going to give him very little credit.

I'm referring now to the Leaf Rapids Agreement that was tabled in this House three or four weeks ago or perhaps more than, I haven't got the exact date, but I note the Leaf Rapids Agreement was signed on August 18, 1971. After the session began on March 9th, the Member for Assiniboia and myself began a series of questions during the Oral Question Period and we asked the Minister, has the agreement been signed; if so, will he table it, will he explain it and so on. The only record I have of my questions was on March 10th and the Minister said he would take the question as notice. I asked the question again on May 3rd and again an evasive answer. The Minister said he would look into it and he would take it as notice and do something about it.

Finally on May 8, the question was again asked and this time it was asked of the Minister of Industry and Commerce by myself. The question was: The question has twice been taken as notice so I'll re-ask the question. Will the government tell us whether they have signed an agreement with Sherritt-Gordon Mines with respect to the development of Leaf Rapids Mine. The answer was given by the First Minister, and I quote: "Mr. Speaker, I believe another honourable member asked the same question a few days ago and at that time I indicated that the agreement would definitely be tabled when we are in a position to do so. I can't advise the honourable member at the moment whether the agreement has been finalized in every last detail - certainly it has in principle - or whether there are some matters of relatively small detail that are still remaining to be worked out. But in any case by the time the Estimates of the Department of Mines and Resources are before the House I would think that the agreement would be in a form where it could be tabled."

Mr. Speaker, that's a record of three times that I have asked the question about the agreement. The Member for Assiniboia has asked at least twice on other occasions. When the agreement was tabled we find that it was signed on August 18, 1971 - seven months before the questions were asked. Mr. Speaker, this prompts me to ask the government some questions and under the rules that we're operating on . . .

MR. SCHREYER: Point of Order, Mr. Speaker.

MR. SPEAKER: Order, please. The Honourable First Minister on a point of order.

MR. SCHREYER: Yes, Mr. Speaker, at least I hope the Member for Portage regards it as a valid point of order. If the Honourable Member for Portage intends to base most of his argument or case upon the question as to the date upon which the agreement was signed, I would like to let him know that whatever date he feels that he finds there on that agreement I can tell him now and without equivocation that the agreement was not finalized in all of its important

(MR. SCHREYER cont'd.) . . . . aspects until a matter of only two or three months ago - less than that - within less than two months ago.

MR. G. JOHNSTON: Well, Mr. Speaker, the Premier has assisted my argument. My argument is that, that when you enter into a business deal, if you sign an agreement, surely you don't start to spend money to keep your side of the agreement when you're making a hard-headed business deal. It is my impression, and I stand to be corrected, that the government started to spend money on the development at Leaf Rapids either before the agreement was signed or else they were working with the hopes that everything was going to be fine and the agreement will be finalized.

In any case my point is, you're handing the other side a club, you're handing the other side a club. So to make a deal in this rather naive way seems to me is not in the best interests of the people of Manitoba. --(Interjection)-- Well the First Minister says supposing they were spending money. They have ore in the ground, they know sometime they're going to reach some sort of an agreement. --(Interjection)-- Well it's interesting, I'm starting to receive some advice from the backbench on the NDP side and I can appreciate the fact that when I'm through they may not like what I'm saying and I appreciate that. My first point is when you're entering into a hard-headed business negotiation, you don't hand the other side a club, you don't start to work without everything being finalized. This is not to say that you delay unduly, but surely the agreement should be tied down so that both parties know what's happening and what's going on.

Now as I examine the agreement further, I find that there's reference made to proven resources Sherritt-Gordon has said that they had of 18 years. They have stated and they have obviously done exploration work and they say that they have 18 years of proven resources to base their assumption on that their mine is viable and is going to last some time.

Then on top of that it is also stated in the agreement that there is another nine years that it is hoped by further exploration will be proved out, so we have the agreement based on 18 years firm, nine years possibly - I hope I'm not misconstruing the agreement. So I ask the government, did government geologists have access to Sherritt-Gordon records of exploration? Did they confirm the fact that there was 18 plus nine, possibly 27 years of normal mining operations? I hope the government didn't take the mining company's word for it. You know, Mr. Speaker, if I may digress for a moment, it's interesting that there hasn't been a full debate yet on this agreement in this House. --(Interjection)-- Yes there has been announcement by the government but there has not been given a full explanation of what this agreement is all about. So, Mr. Speaker, perhaps when I'm through, and I know the First Minister has spoken on this department; I know the former Minister has spoken, and the Acting Minister has spoken, but I would like some answers to some of the questions I am going to pose to the government. --(Interjection)-- All right I'm going to pose my question. Did the government examine the Inco provincial agreement to see how, or whether or not it could be improved upon? Now the former Minister said, yes they examined it and it's a bad agreement. Well, Mr. Speaker, let me remind my honourable friends about what they consider the bad points of this agreement. The first thing that happened was in the agreement Inco had to put in the infrastructure of a town, a planned townsite into place. They had to supply roads, lighting, sewer and water, schools, hospitals; they had to pay an annual grant in lieu of taxes for a certain number of years. Then after that certain number of years were up it was open to renegotiation; after that term of years was up what is now known as the City of Thompson was completely self-governing, with a mayor and council, with a school board, with a hospital board, in other words it wasn't a company town as we know mining towns in the past.

Well the former Minister, the Member for Inkster, says "Yes that's a company town.". Let's examine what it cost Inco to supply this before there's any ore taken out of the ground, something under 200 million Inco had to put into this operation before they started to produce and my friends, my socialist friends on the opposite side laugh at that agreement. They want to try a daring new experience; they want to do it their way; they want to be in control. So what do we have, we have another company town. They just said that Inco's operation with Thompson was a company town. Now we have a provincial company town, and what kind of a deal does this agreement explain to the people of Manitoba? By the way, before I leave Inco, let it be remembered that to date, and my information is back dated a year or two, Inco has put \$375 million into the Thompson area, but my honourable friends are now going to take on another mining company on the following terms:

They are so proud that they've got the mining company to pay tax on their above ground

(MR. G. JOHNSTON cont'd.) . . . . operations. They think that's wonderful. They in the name of the province and in the name of the people have committed \$7 million to the infrastructure, the development of a town that will look after 3,500 people in the formative stages. Can you imagine what the Board of Directors of Sherritt-Gordon are saying to themselves when they looked at the experience of Inco and they look at the deal they've now got with our socialist friends opposite for taxes for 18 years, and possibly nine more years. Would they not say to themselves, well if the price of our product drops we can close down operations a little bit. If it's really bad we can close the thing down completely, and let's face it the mining game is pretty risky.

It would be fair to say that the mining industry in the last 30 years has been based by and large on wars all over this world. Is it not our hope that some day these wars may terminate, or at least slow down. When that day comes, and God help us if it doesn't, will not the price drop on the metals that are strategic, when the great nations have completed their stock piling. Will not this happen? And what have we here in Manitoba? A government who have been taken by a Mining Company. In the old days of the mining companies they used to exploit, it was a shack town. It was a shack town operation. They didn't give a damn about the miners, or their families, or their schools, or anything. So we have in Thompson a model that all in North America can take a look at. Sure there are problems, no question about it, there are problems there. What I say to the government, I've said it before, is why didn't you take a look at that, see what improvements can be made, and be tough and hard-headed in dealing with this large multi-national corporation, be tough, if you want royalties, you want the town site in place. If it's that rich a strike your government geologist should know about it; if it's that good of a strike the company would have given more to stay on site. So we have now an agreement firm for 18 years - if anything happens up until then it could be a ghost town. The company can walk away, they can walk away; it can be another Bissett like the Member for Rhineland says. Well as I understand the agreement the guarantee is to pay taxes --(Interjection)-- What is the infrastructure? No one has told us yet --(Interjection)-- because the government of Manitoba puts up \$7 million --(Interjection)-- Oh what a great deal. They've guaranteed the 7 million and then they are going to pay taxes. I ask my honourable friends to compare that to the agreement that was made with Inco at Thompson. Well my friend the --(Interjection)-- I'm sorry that my friend the Member for Inkster has spoken on this department; I'm sorry that the experts over there have all spoken, because I want someone on that side to stand up and explain this deal that isn't in the print then --(Interjection)-- Yes.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Would the Member for Portage regard it as a fair offer if he were to proceed to stipulate his questions, if we were then to give him his answers on each of the particulars, within two days. Would that be a fair offer?

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Well, Mr. Speaker, I wish to be fair. If some way or another the government can find a method to supply answers, I'd be very interested in having them. But I'm surprised at this late stage in the session that under the Acting Minister of Mines and Resources Department, he didn't explain this most important deal to Manitoba --(Interjection)-- no, well - there's a brilliant statement from the Minister of Universities and Colleges, he said "nobody asked", nobody asked. I asked three times; the Member for Assiniboia asked twice. The agreement was put on our desks but there was no way we could debate it.

MR. SPEAKER: The Honourable Minister of . . .

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): On a point of order, I believe we tabled the document during the discussion of the estimates of the department, and I did give the highlights of the agreement. Now the honourable member may not have been in his seat, or he may not have been listening, but we did give the highlights of the agreement.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Well, Mr. Speaker, I am glad I've evoked some response from the opposite side on this subject, because they were strangely silent on it when we were asking where was the agreement that had been signed six or seven months before and they - can you imagine a Minister taking as notice, in other words he doesn't know, he doesn't know whether the agreement was signed or not. That's the meaning I take out of a simple question as to whether or not the agreement has been signed, and the Minister says he'll take it as notice, he doesn't

(MR. G. JOHNSTON cont'd.) . . . . know. He doesn't know whether he's committed a non-renewable resource to a mining company that the province is committed to put up \$7 million, and he doesn't know --(Interjection)-- It has not been announced ten times. Well I wish, Mr. Speaker, there was a way to be found for my friend the Member for Inkster to get into this debate because he's very twitchy right now.

MR. GREEN: Will the honourable member permit a question?

MR. G. JOHNSTON: Yes.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: . . . that announcement was made that the province was paying for the infrastructure and would be returned in taxes. Did he not read it in the Winnipeg Free Press, the Winnipeg Tribune, the Toronto Globe and Mail, and other papers in this country? Is he not aware that those announcements were made?

MR. SPEAKER: The Honourable Member for Portage.

MR. G. JOHNSTON: Well I will give a little bit of ground to my honourable friend. The announcement was made but in the typical socialist manner, no price tag. No price tag. Nothing spelling out what they had to do in dollars and cents, a general agreement, and it's my guess that the work was started before the agreement was signed --(Interjection)-- Well we have the admission. Work was started before the agreement was signed. Boy there's hard-headed businessmen for you --(Interjection)-- eh?

MR. SPEAKER: Order please.

MR. G. JOHNSTON: Well my friends opposite say, well the company's working in the ground; they are working at their mine; they are getting ready. But what a beautiful negotiating position to be in, where you have a very loose vague agreement signed and then you are going to fill in the details later on. So I say to my honourable friends opposite that well under our rules and at this late stage in the session we can't have a give and take debate, but I would like one of the Ministers over there to stand up and spell it out, spell out the agreement. What is going to accrue to the province? What are their intentions, or what are their hopes in mining royalties? Have they got a projection by the year? Have they got a price tag on what the company is going to spend to put the infrastructure into place? The Inco provincial agreement that was there, it was all spelled out. Inco put in \$375 million finally. I'm very interested to hear what my friends say opposite about what Sherritt-Gordon is going to make an input into the Leaf Rapids operation.

MR. SPEAKER: Is it the pleasure of the House to concur in Mines and Resources --(Interjection)-- On division? (Agreed) So ordered. Next item.

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$19,248,900 for Municipal Affairs.

MR. SPEAKER: Order please. The Honourable Member for Rhineland - Municipal Affairs.

MR. FROESE: Mr. Speaker, I don't think we would want to pass this item without making some comments on this department, and especially to assessment. This has been a sore point in my estimation with this department for a good many years. I feel that something has to be done and that some correction should be made in the criteria and the formula by which assessments are being carried out in rural Manitoba.

We are getting to the point where we are confiscating property, farmlands in Manitoba because of the assessment that has been put on farmlands and I personally have a parcel of 122 acres which is assessed at \$25,000.00. The tax bill on that is around \$1,700 a year. This is better than \$15.00 an acre. That land is classified as purely agricultural land. Mr. Speaker, I would like to have the Minister of Agriculture and the Minister of Municipal Affairs stand up and tell me, how is a farmer to remain in business on that basis? You cannot even rent the land for the amount of taxes that you have to pay. There is no way that you can hold onto property of this type. This is not something that - this is an actual fact, the tax bill is over \$1,700 a year on 122 acres. Mr. Speaker, this just means confiscation, that after a few years I will lose that property, and I know of other cases where this happens. I know of a certain party in Brandon who owned property there and who had a similar case, the same thing happened. Another guy close to Gretna had the same thing happen. These are exceptional cases but on the other hand, I feel that farmlands are assessed far too high in southern Manitoba compared to other regions in this province, and even members in other regions have complaints about assessment because we should take into consideration the productivity, the amount of revenue

(MR. FROESE cont'd.) . . . . that you can produce from an acre of land - this should be used as a measuring stick in assessing the property, not just some speculative price, or some other criteria by which you measure and arrive at a certain assessment per acre.

Mr. Speaker, this is a very serious situation and I would appeal to the Minister to look into this. I have done this before but I don't think he realizes the seriousness of the situation that we are facing up to and, with the costs rising annually that the farmer faces. The minimum wage goes up, so the price of wages goes up, regardless of the situation. Once you go up with the minimum wage, that's the lowest price that you can pay, and apparently this automatically increases the wage rates in other areas and at other levels. So that's only one aspect of it.

The inflationary costs in other commodities that the farmer has to buy increases annually, yet the product that he sells is not increasing. In fact in many cases it is less than it was some years ago. Flax prices are down very considerably from a few years ago, and rape prices fluctuate, but the situation is that very often that the farmer is tied to a quota, when the prices are high he cannot sell. He cannot deliver and he cannot take advantage of the higher price. He has to sell on the basis that he can deliver, and therefore he is also placed at a great disadvantage very often on that basis. So, Mr. Speaker, this is not just a sob story, this is fact, and this is something that the government should realize and do something about because we cannot continue indefinitely on this basis. I would appeal to the Minister to really look into this and bring about a change because we need a change in the worst way in the formula and in the criteria which assessments of farmlands are being made in rural Manitoba.

MR. DEPUTY SPEAKER: Item pass? The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I just have one or two brief comments to make to this department in regard to housing. Comments were made in the House earlier in the month. The Minister chose to somewhat try to belittle some remarks I made in the House. He said that "the other day the honourable member again discussed his emotional feeling insofar as low rental housing is concerned to those of low income. I recall remarks by the honourable member that for some reason or other poor people, people of low income should not be living along the river banks in Charleswood; there was a very obvious attack upon that concept in the House the other day. I had, I hoped, Mr. Speaker, that that concept, that ideology, that bias, that prejudice, that bigotry would have faded away 50 years ago. We still witness it on the part of the Honourable Member for Charleswood. And what that bigotry meant, Mr. Speaker, is that poor people were expected to live up against tracks, railway tracks and up against stinking packing house yards."

I asked the honourable member, the Minister of Municipal Affairs - he said that on June 7th - I ask him to refer to page 2381 of May 26th when I suggested to the Minister mix them throughout the several municipalities and throughout the city. Give them something to work for, put them beside your house and beside my house. We'll paint our fences, it may induce them to paint theirs. This is what I said. I didn't say put them against the tracks, you said that, you said it. And I say to you when you make remarks about what other members in this House said and what they make, check Hansard first. My remarks are in Hansard. And that's all I ask of you. Don't get in here making remarks like that. If there was any ideology, idiology, bigotry, you displayed it that afternoon. You're the one that displayed it. I say if you go out to Fort Osborne Barracks now and look at the mess you put there, or you go to the X area in Charleswood you're going to develop alongside of the Special Care Home that I mentioned, where I was feeling sorry for the people that was in that Special Care Home living away their last few years and want a bit of peace and quiet, and you move an area such as Fort Osborne Barracks in alongside of them, I say you are making a mistake. And if I'm displaying some dislike for the low income people when I say that I apologize, but I don't think they should be placed in the position that you're placing them in there. All I asked was that they be placed throughout the entire city.

When Charleswood came in with subsidized housing in places along the perimeter highway and Charleswood I said no it shouldn't be there. You're subjecting people of low income that generally have large families, the two things go together, they're going to be alongside the perimeter highway. Go and look at it today. The kids are there, the houses are there and the traffic's there. That's what I have against low cost housing in that area. I wanted them spread out throughout Charleswood as a whole; throughout Westdale as a whole, not parked along the perimeter like a bunch of chicken houses. You go look at them and you give me your opinion of them. The kids are straying out of the backyards, outside the fences as they get older. On

(MR. MOUG cont'd.) . . . Saturdays you'll see them over alongside the perimeter high-way counting trucks. I say that this is bad. Our Council fought it and this government in their wisdom thought it was the right place to have it. It's there now, you go and look at it. Tell me next time you see me what you think of it. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Item pass? The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Chairman. The Member for Rhineland cited to the Minister specific cases of what in my opinion is abuse of assessment of agricultural land. Mr. Speaker, on numerous occasions we have brought to the attention of the Minister what we on this side of the House consider to be improper procedures used by the Assessment Branch in this province. We have found the Minister by his own admission in bringing amendments to bills into Committee has found that the Assessment Branch have not got strict laid down rules and formula for assessment. What they thought were strictly technical matters proved to be far more than just technical matters in amendments to other bills, which only reaffirm my suspicion, and that I believe of the Member for Rhineland, that the Assessment Branch in this province is travelling like a headless horseman riding willy-nilly through this province making their assessments which are not consistent nor are they compatible with the usage of the property that is being assessed.

Mr. Speaker, I think that this is not in the interest of the people of Manitoba. We have appealed on numerous occasions for revisions to be made in this respect. We have had revisions made in the Municipal Act but the Assessment Act has remained relatively dormant. The Minister is rather reluctant to act and I would suggest that action be taken as quickly as possible in updating and making a sound re-evaluation of the entire assessment practices of the Province of Manitoba.

MR. DEPUTY SPEAKER: The Item pass? Mr. Clerk. On Division.

MR. PAULLEY: On Division. Let's go to Public Works.

MR. DEPUTY SPEAKER: Public Works.

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$10,605,300 for Public Works. (Passed)

Resolved there be granted to Her Majesty a sum not exceeding \$9,084,600 for Tourism, Recreation and Cultural Affairs. (Passed)

Resolved there be granted to Her Majesty a sum not exceeding \$1,751,800 for Urban Affairs.

Resolved there be granted to . . .

MR. DEPUTY SPEAKER: Order, please. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, we're being asked to pass the Urban Affairs in this province when we have a new Winnipeg Act which was passed last year. We know that it has created many problems. We know that many amendments should be made to the Act and yet at this late stage in the Legislature we find no indication of any amendments being made to the Winnipeg Act and I would suggest that the Minister is asking just a little bit too much to ask us to pass these or to concur in the estimates unless he is willing to give us some indication of when he intends to bring forward the amendments to the City of Winnipeg Act.

MR. DEPUTY SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, this is the last department that we are going to deal with and I just rise to take exception to giving the Greater Winnipeg area so much more money compared to rural Manitoba. --(Interjection)-- Hogwash is what the House Leader says. Okay, I'll retract. Somebody said hogwash. So used to having it come from the Honourable House Leader that I pointed at him in a wrong way this time and I apologize for it.

But I take very strong exception to giving so much assistance to the Greater Winnipeg area and not doing likewise for rural Manitoba. Through the assistance that we are giving there are certain sections in Unicity whereby the levies are going to be reduced very substantially and that the taxes as a result will be much lower. Just a minute ago I pointed out some of the taxation that we have in rural Manitoba and they are not considered giving a relief except in exceptional cases. Here we are going to give relief in exceptional cases, in so-called exceptional cases where they're not even nearly as bad as some other rural cases. The Member for Emerson pointed out in the Seine River area the differentiation, and the portion that wasn't coming into Unicity got relief, the portion of the municipality or of the division not in Unicity still sits with the large mill rate, high taxation. I feel this is grossly unfair; I feel that if we are going to give assistance that we better treat our citizens alike and not make such

(MR. FROESE cont'd.) . . . . differentiation as we are doing under this legislation.

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$100,000 for Flood Control and Emergency Expenditures. (Passed).

Resolved there be granted to Her Majesty a sum not exceeding \$700,000 for Special ARDA Agreement. (Passed).

MR. SPEAKER: That concludes the Concurrences. The Honourable Attorney-General.

MR. MACKLING: I move, seconded by the Honourable Minister of Labour that the House resolve itself into the Committee of Ways and Means for raising of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Ways and Means with the Honourable Member for Logan in the Chair.

#### COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: Resolved that towards making good certain sums of money to Her Majesty for the Public Service of the Province for the fiscal year ending the 31st day of March 1973 the sum of \$564,997,900 to be granted out of the Consolidated Fund. (Passed).

MR. CHAIRMAN: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Chairman. Mr. Chairman, members on this side of the House have repeatedly urged government to reduce their spending. We believe that the only way that this province can move forward is to reduce government spending rather than increase government spending and in that way the taxpayer, the people that are providing the money for the province will get some legitimate relief. I think it is not in the interests of the public at this time, Mr. Chairman, to require the huge amounts of capital that this government is asking for and I think that the debt load that the taxpayer . . .

MR. PAULLEY: Mr. Chairman, on a point of order, did my . . .

MR. CHAIRMAN: The House Leader on a point of order.

MR. PAULLEY: On a point of order. Don't confuse me with that character from River Heights. Mr. Speaker, did I understand from my honourable friend he was talking about Capital Supply, because the resolution that's before the House is not Capital Supply but Current Expenditures.

MR. CHAIRMAN: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Chairman, a debt of a taxpayer is a debt until it is paid.

MR. PAULLEY: . . . if I may to my honourable friend. The resolution as I understand it, subject to your correction, Sir, deals with an expenditure of \$564,997,900 Current Expenditure. My honourable friend when he was speaking dealt with the matter of Capital. Capital is a different and a separate item. --(Interjection)-- A slip of the tongue? All right but I want the record straight.

MR. CHAIRMAN: Order. Order. The Honourable Member for Arthur on the point of order.

MR. WATT: Mr. Chairman, I think that my colleague was talking on Current Expenditures as I heard him. Current not Capital. With your Capital Expenditures --(Interjection)--

MR. CHAIRMAN: Order, please. Order, please. The Honourable Member for Birtle-Russell. Order, please.

MR. GRAHAM: The expenditures, the expenditures of this government Mr. Chairman, to provide the goods and services that this government suggests are necessary for the people have to be paid for. Mr. Chairman, we believe that this government is spending too much money, it is not spending it wisely and it is not in the interests of the people of Manitoba. I would suggest, as other members of this side have suggested before, that the spending of this government be reduced, and that is a way of some relief for the taxpayers of this province.

MR. CHAIRMAN: Resolution . . . The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I would like to get an explanation on the amount that you're quoting because the Summary of Estimated Current Expenditures found on Page 2 of the Estimates is \$575 million. The figure you're quoting is \$564-odd million. Could we have the explanation for the difference.

MR. CHAIRMAN: Order, please. There are the total sums to be voted. If the honourable member would look at Page 40 of his Estimates, Page 40 the last page. Total Statutory Appropriations are \$10,851,200 on which this House does not vote. They are statutory by law.

(MR. CHAIRMAN cont'd.). . . . Which leaves a total of \$564,997,900.00. The Item pass? The Honourable Member for Rhineland.

MR. FROESE: I just want to thank the Chairman for the explanation. Thank you.

MR. CHAIRMAN: Passed. Committee rise.

Mr. Speaker, the Committee of Ways and Means has considered a certain resolution and directed me to report the same, and asks leave to sit again.

#### IN SESSION

MR. SPEAKER: The Honourable Member for Logan.

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

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I move, seconded by the Minister of Labour that the resolution reported from the Committee of Ways and Means be read a second time and concurred in.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

#### CONCURRENCE

MR. CLERK: Resolved that towards making good certain sums of money to Her Majesty for the public service of the Province for the fiscal year ending the 31st day of March, 1973, the sum of \$564,997,900 be granted out of Consolidated Fund.

MR. SPEAKER: The motion being agreed in, it's carried.

#### INTRODUCTION OF BILLS

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING introduced Bill No. 86, An Act for granting to Her Majesty certain sums of money for the public service of the Province for the fiscal year ending the 31st day of March, 1973.

MR. MACKLING: Mr. Speaker, while that bill is being distributed I would like to move first reading of two other money bills.

MR. MACKLING introduced Bill No. 87, An Act for granting to Her Majesty certain further sums of money for the public service of the Province for the fiscal year ending the 31st day of March, 1973; and Bill No. 77, An Act to authorize the expenditure of moneys for capital purposes and authorize the borrowing of the same, No. 2.

#### GOVERNMENT BILLS

MR. MACKLING (by leave) presented Bill No. 86, an Act for granting to Her Majesty certain sums of money for the public service of the Province for the fiscal year ending the 31st day of March, 1973, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Portage, that debate be adjourned.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. MACKLING presented Bill No. 87, an Act for granting to Her Majesty certain further sums of money for the public services of the Province for the fiscal year ending the 31st day of March, 1973, for second reading.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. MACKLING presented Bill No. 77, an Act to authorize the expenditure of moneys for capital purposes, and authorize the borrowing of the same, No. 2, for second reading.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Portage la Prairie, that debate be adjourned.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: By leave, Mr. Speaker, I move seconded by the Honourable Minister of Labour, that Bill No. 77, an Act to authorize the expenditure of moneys - Pardon me.

MR. SPEAKER: Order, please.

MR. MACKLING: Sorry, sorry, wrong one . . .

MR. SPEAKER: Order please. The Honourable Member for Rhineland.

MR. FROESE: On a point of order, I don't think we should go into third readings.

--(Interjection)-- I don't want to give leave at this point. I want to have time to examine the bills.

MR. MACKLING: Mr. Speaker, on a point of order, I was in error in attempting third reading at that time, and it will go into Committee of the Whole.

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Attorney-General that the House do now adjourn and stand adjourned until 2:30 tomorrow.

But if I may, Mr. Speaker, just before we adjourn, the thought has occurred to me that Law Amendments Committee meets tomorrow morning at 10:00 o'clock to consider certain bills. I believe that a number of colleagues in the Assembly would like to attend the last rites of the father of the Minister of Finance, and I would suggest, Mr. Speaker, and the funeral of our late friend takes place, as I understand it, at one o'clock tomorrow afternoon. I'm wondering, and I just make this as a suggestion at this time, Mr. Speaker, whether it would meet with the agreement of the Law Amendments Committee, and of course they have control of their operations and their hour of adjournment being in timing with the general hours of adjournment of the House, which would be 12:30, I'm wondering, Mr. Speaker, whether it would meet with the convenience - and I make this suggestion to the Law Amendments Committee - a general agreement that the House would adjourn, or the Committee would rather would adjourn at 12:00 o'clock tomorrow rather than 12:30, in order that members of the committee may attend the last rites to our friend the father of the Minister of Finance. The Committee itself controls this, not me as House Leader. I'm only making this as a suggestion at this time.

So therefore, Mr. Speaker, I make the suggestion, and of course the moving of the adjournment of the House till 2:30 tomorrow afternoon.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 tomorrow (Thursday) afternoon.