



FOURTH SESSION — THIRTIETH LEGISLATURE  
of the  
**Legislative Assembly of Manitoba**  
DEBATES  
and  
PROCEEDINGS

26 Elizabeth II

Published under the  
authority of  
The Honourable Peter Fox  
Speaker



VOL. XXIV No.67B, WEDNESDAY, MAY 25, 1977 2:30 p.m.

TIME: 2:30 p.m.

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Honourable Peter Fox (Kildonan):** Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 80 students of Grades 5 and 6 standing of the McGregor Elementary School under the direction of Mrs. McGregor, Mrs. Clark, Miss Kitchen and Mrs. Pennell. This school is located in the constituency of the Honourable Member for Portage la Prairie.

And we have 29 students of Grades 5 and 6 standing of the Swan Lake School under the direction of Mr. Foidart. This school is from the constituency of the Honourable Member for Rock Lake.

And we have 44 students of Grade 6 standing of schools from Madison and Fargo, North Dakota.

And we have a group of guests from the Loyal Travel Service from Minnesota.

On behalf of all the honourable members we welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills.

**ORAL QUESTIONS**

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

**MR. STERLING LYON (Souris-Killarney):** Mr. Speaker, a question to the First Minister. Is he now in a position to make a statement to the House with respect to the dispute at the Jenpeg generating station and the problem arising from unpaid accounts?

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

**HONOURABLE EDWARD SCHREYER, Premier (Rossmere):** Mr. Speaker, I have no statement. I have ascertained the facts. The facts are that today the principals of Flanders Installation Limited and the turbine suppliers are meeting, and there is an arrangement that in the event that Hydro's presence is required or information is required, Hydro stands ready to provide it. So discussions are current as of today.

**MR. LYON:** Mr. Speaker, a further supplementary to the First Minister. Can he advise whether or not there has been a withdrawal of the work force by Flanders, and if so, to what extent?

**MR. SCHREYER:** No, Mr. Speaker, there has been no withdrawal of the work force. There was a suggested possibility that would take place if certain things did not materialize, and that is precisely the reason for the discussions and negotiations today. I might add further that work having to do with the first unit is beyond the stage of installation. It is in the final testing and readiness process and is not affected by the other possible — or whether it is probable — interruption of work. But up to this point in time, there has been none.

**MR. LYON:** Mr. Speaker, a question to the First Minister on another Hydro-related topic, and it relates as well to the Minister of Consumer and Corporate Affairs. With permission there is some brief bit of explanation required. In cases where apartment blocks are being required to go on demand metering, could the First Minister advise if there is liaison between Manitoba Hydro and the Department of Consumer and Corporate Affairs with respect to the impact of The Rent Stabilization Act thereon, arising from the fact, as reported to us, that Manitoba Hydro is unable to give an approximate estimate of what the demand billing will be on blocks which are heated and treated as one unit, one meter, for Hydro charges, thereby causing the landlord or the property owner to be possibly in contravention of The Rent Stabilization Act because of the inability to get an estimate from Hydro?

**MR. SCHREYER:** Mr. Speaker, I believe with respect to new or relatively new apartments that it is possible to give an estimate that is reasonably close. With respect to the older blocks I'm not sure, and accordingly I will take the entire question as notice and check it out.

**MR. LYON:** Mr. Speaker, another question to the First Minister. Is the First Minister in a position to advise what policy, if any, the government has formulated, with respect to the recommendation of the Franco-Manitobain Society that there be a totally autonomous French school system in the Province of Manitoba?

**MR. SCHREYER:** Mr. Speaker, I don't know if that was the formal suggestion, but in any case, that is not government policy.

**MR. SPEAKER:** The Honourable Member for Lakeside.

**MR. HAR J. ENNS:** I direct a question to the Honourable the Minister of Renewable Resources and Transportation. My question to the Minister is, with reference to a contract for gravelling of some 21 miles of all-weather road at Norway House, is the Minister prepared to waive tenders on this project, as permitted under the Northlands Agreement, and award the contract to Sea Falls Trucking Limited, on the proviso, of course, that local manpower is used.

**MR. SPEAKER:** The Honourable Minister for Renewable Resources.

**HONOURABLE HARVEY BOSTROM (Rupertsland):** Mr. Speaker, there's been no decision to go for tender or whatever on that particular project at this time. The tender will probably be let some time in July or August on that particular project.

**MR. ENNS:** A supplementary question, Mr. Speaker, to the same Minister. Is the Minister not prepared to take advantage of the clauses under the Northlands Agreement, that in instances where work of this kind can be and ought to be, in my judgment, let out or made available to the local people, that he would in this instance waive the tendering process?

**MR. BOSTROM:** Mr. Speaker, we will be looking at all possibilities and will follow the course that is most prudent.

**MR. ENNS:** Can the Minister confirm that on the last \$4 million contract for similar road work done in that area, that the award was made to an outsider, a southerner in this instance, employing little or no local people?

**MR. BOSTROM:** Mr. Speaker, the contract was awarded in the normal fashion, as any highway contract is awarded in the Province of Manitoba. Legitimate tenders were called and the lowest bidder was awarded the contract.

**MR. ENNS:** Then I would ask the Minister, you are prepared then to waive those kind of agreements that the Northlands Agreement specifically makes it possible for you to give Job Creation an opportunity to work in those particular areas like Norway House where it's needed, where 80 percent of the residents are on welfare.

**MR. BOSTROM:** Mr. Speaker, in this particular case, there was no construction company in Norway House which could undertake major road construction work such as was needed under the circumstances, so there was no one to whom a contract could be awarded in the community of Norway House.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. R. (Bud) SHERMAN:** Mr. Speaker, my question is to the Honourable the Attorney-General, and I would ask him whether he has, as yet, received the legal opinion that he was seeking with respect to the constitutionality or unconstitutionality of Bill 18, the Retail Businesses Holiday Closing Act?

With your permission, Sir, I'll repeat the question. I believe the Minister of Labour didn't hear the question. I directed the question to the Attorney-General, however, I would want the Minister of Labour's attention on it anyway, Sir. The question is whether the Attorney-General has, as yet, received the legal opinion which he undertook to obtain as to the constitutionality or otherwise of Bill 18?

**MR. SPEAKER:** The Honourable Attorney-General.

**HONOURABLE HOWARD PAWLEY (Selkirk):** Mr. Speaker, I don't recall the undertaking referred to by the Honourable Member for Fort Garry. I do recall the submissions that were made to the committee, and indication at that committee that certainly I would be considering the submissions pertaining to the constitutionality. I don't recall the reference to a specific undertaking.

**MR. SHERMAN:** A supplementary, Mr. Speaker, and without divulging any confidentialities, I wonder whether I could ask the Attorney-General whether he did not undertake to a Mr. Ken Regier and to one of the legal counsel of the department to seek a legal opinion on the constitutionality of the bill?

**MR. PAWLEY:** The Honourable the Minister of Mines was present when I was speaking with Mr. Regier. He provided me with some case law and had suggested that we look into the constitutionality of the matters before the House. I certainly indicated I would review the materials being provided to me. I don't recall the specific commitment, but certainly I will review the arguments that have been submitted to the House pertaining to the constitutionality.

**MR. SHERMAN:** Mr. Speaker, in line with that undertaking, would the Attorney-General consider suspension of further consideration of the bill pending a legal decision and legal satisfaction on his part as to whether we are dealing with a constitutional or an unconstitutional measure?

### ORDERS OF THE DAY

**MR. SPEAKER:** The Honourable House Leader. —(Interjections)— Order please. Order please. Order please. I wonder if those gentlemen who wish to have a conference of their own would leave and take it outside.

**HONOURABLE SIDNEY GREEN (Inkster):** Mr. Speaker, I move, seconded by the Honourable the Minister of Labour, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

### COMMITTEE OF SUPPLY

**ESTIMATES — MINES, RESOURCES AND ENVIRONMENTAL MANAGEMENT**

**MR. CHAIRMAN, Mr. William Jenkins (Logan):** I would refer honourable members to Page 44 of their Estimates Books, Resolution 83(d) Exploration (1) Salaries and Wages \$626,300— pass. (2) Other Expenditures \$487,800—pass. 83(e) Geological Services (1) Salaries and Wages \$613,300.00. The Honourable Member for St. James.

**MR. GEORGE MINAKER:** I wonder, Mr. Chairman, if the Honourable Minister can advise us of the contract employees under the total for Item 83 and all its subsections, and possibly the computer charges?

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

**MR. GREEN:** The honourable member wishes the number of contract employees and the computer services under Other Expenditures in all of Item 83. That will be obtained.

**MR. CHAIRMAN:** Resolution 83(g)(1) Salaries and Wages \$613,300—pass. The Honourable Minister of Mines.

**MR. GREEN:** Mr. Speaker, contract employees under that division, 48. Computer charges, \$11,500 under 83(3)(d)(2). That's it. —(Interjections)—

**MR. CHAIRMAN:** Order please! If these honourable members want caucus meetings, go outside somewhere else. The Honourable Minister of Mines.

**MR. GREEN:** Details on the prospectors' training program: 1975, number of graduates, eleven; 1976, nineteen; 1977, fourteen expected. Gone back to university: 1975, four; 1976, ten; employed by the department: 1975, three; 1976, zero; employed by industry: 1975, two; 1976, one. Seeking employment and prospecting in Manitoba and in British Columbia: one in 1975; eight in 1976. No longer interested: one, 1975.

**MR. CHAIRMAN:** Resolution 83(e)(1) Salaries and Wages \$613,300—pass; Other Expenditures \$267,900—pass. 83(f) Canada-Manitoba General Development Agreement - Minerals Sub-Agreement: (1) Salaries \$146,000—pass; Other Expenditures \$763,90—pass. Resolution 83 Resolved that there be granted to Her Majesty a sum not exceeding \$4,344,300 for Mines, Resources and Environmental Management—pass.

Resolution 84. Water Management. (a) Administration (1) Salaries and Wages \$419,400.00. The Honourable Member for Morris.

**MR. WARNER H. JORGENSON:** Mr. Chairman, in this particular branch of the Minister's department, I would like to raise the question of the agreement that the government has signed with the American authorities with respect to the works that are contemplated on the Roseau River and which will have some impact on that portion of the province in which the Roseau River flows. My understanding of the nature of the agreement is that the American authorities, the corps of engineers, had effected a considerable amount of drainage in the Roseau River basin, which increased the flows of the tributaries leading into the Roseau and thereby creating somewhat of a problem in the City of Roseau itself in that the channel was not able to remove the water quickly enough to prevent flooding in the area of the City of Roseau. The plan of the corps of engineers was to straighten and enlarge the channel leading from the City of Roseau north to the Canadian border. I know that a large portion of the water that drains into the Roseau River comes in from two tributaries that originate in the southeastern part of Manitoba — the Sprague Creek and Pine Creek and, indeed, a number of years ago, a diversion was constructed from Pine Creek into the Roseau River Wildlife Management area in order to facilitate the flows of water into that management area.

Now I am not sure just the nature or the status of the present arrangement that the Government of Manitoba have with the American authorities and I would like to have the Minister outline in some detail just where the situation stands at the present time. The final report of the International Joint Commission, and I understand it is the final report that was recently submitted, accepts the proposition that the American authorities would be paying to the Manitoba Government a sum in excess of \$3 million for mitigating works along that portion of the river that flows into Manitoba. I am not convinced and I know there are a number of people who live along the reaches of the Roseau River who are also not convinced that the \$3 million that are contemplated in mitigating works will be sufficient to carry on the kind of improvements to bridges and roads, etc., particularly in the area of the Municipality of Franklin, to compensate for the damage that will be done. My understanding is that the compensation of \$3 million is largely intended to compensate the Provincial Government for the improvements, bridges, \$10,000 for the treatment plant at Dominion City and other works, enlargement of the channel, the Gardenton Floodway and the flood diversion to the Red River at the Roseau River Indian Reserve, or the general area of Lake flood sea as it is called during periods.

I see nothing in the agreement that will compensate the municipalities, or nothing in the proposals that were made by the IGAC, to compensate the municipalities for the extra work that they will have to do in connection with the construction of bridges and the damages that could occur with the increased flows that are anticipated. There is no question that the engineers, both the Canadian and the American engineers, in their engineering study report, have concluded and have agreed that

there will be increased flows. Well, Mr. Chairman, increased flows in addition to those that already exist during periods of water would increase the problem that the municipalities have in that area. It seems to me that the concept of accepting compensation for estimated damages that may well exceed, by a considerable margin, the anticipated flows, is really not the best way of negotiating an agreement.

Indeed, I find it rather difficult to understand how the Minister can accept the concept of compensation in this particular instance, when he rejected it out of hand insofar as the Garrison is concerned, and I draw to the Minister's attention an article which appeared in *The Manitoban*, an interview which he had with the reporter from the paper, in which he said this: The question that was asked the Minister was, "Why was there no discussion of compensation at the recent meeting with Governor Link?" And the Minister replied, "Because that is the smallest stick that I could use. If I said to the Governor of the State of North Dakota, we want to be compensated for the damage that you are causing us, he would say, 'Good, you are now compensated and we are going ahead just as we please, and whatever change we cause we will compensate for.' And then, instead of \$600 million, they will spend \$603 million and they will say they were compensated. The request for compensation is the smallest stick we've got. They will give us that immediately."

I find it difficult to understand why the Minister, in this instance, would reject compensation, and yet, in the case of the Roseau River will accept it. He may want to explain that.

I find that the situation is parallel with one exception. The only difference in the two projects is that, in the case of the Garrison, you are introducing water from another basin into the Red River basin. But in the case of Roseau, it is water that would normally find its way down that basin in any case. But the widening of that channel is intended to accommodate a greater flow of water which of necessity will increase the flow of water, which in turn will erode or cause a considerable amount of erosion.

I recall shortly after the 1950 flood along the Red River when speaking to the people from Water Resources, and we had many discussions in those days. There was very little else to do during the height of the flood other than filling sandbags, but to discuss what could be done to prevent flooding. And one of the suggestions I made at the time, in my ignorance of hydraulic engineering, was that the Red River Basin, which contains a similar situation that exists in the Roseau River where a height of land north of the Town of Morris prevents the water from escaping at a rate faster than it comes into the basin, thereby creating a rise in the levels of the water behind that rise of land, which resulted in 1950 water levels reaching a height of about seven feet above the height of land at the Town of Morris. When I suggested that perhaps the river channel could be widened and straightened in order to move the water out more quickly, I was told by the engineers — and I had to accept that because that was advice that I thought was based on engineering studies and knowledge of the effects of movements of water — I was told that the straightening and the widening of that channel would increase the velocity of the water to the extent that there would be great danger of continuous erosion along the banks of the river and more destruction would be wrought than was taking place during the height of the flood. Well, that's precisely what is happening in the Roseau River on the American side. They're widening and straightening that channel which can only have the result of increasing the flow of the water into the Canadian side and, notwithstanding the Gardenton diversion that is contemplated, the fact is that the water along the Canadian section of the Roseau River is going to move in at a much faster rate and in order to be accommodated within the banks of the river, is going to have to move out at a faster rate which presumes that there is going to be some channel widening taking place at certain portions of the Red River. But the great difficulty will be experienced when the water reaches or goes past the Roseau Rapids portion of that river. There is a considerable fall in the river at that point, 19 feet, I believe, to one mile, but beyond that and thence to the Red River, the land is fairly flat and the only way that that water can be accommodated is by spreading out. One can only assume that there is going to be a considerable amount of flooding that will take place as a result of those increased flows.

In addition to that, Mr. Chairman, the Americans in that area of the province, or in that area of the state, have drained and have put under cultivation considerable portions of land that are in the Roseau River drainage basin which assumes that if that land is to be intensely cultivated, there will be a greater use of pesticides, herbicides, fertilizers, and all of those chemicals that caused so much of a problem to the ecologists who were speaking out against the Garrison Diversion. I can see no difference insofar as pollution is concerned with the exception of, as I said, the transfer of waters from one river basin to another, I can see no difference in the degree and the kinds of pollution that will be taking place along the waters of the Roseau River with that more intensive application of agricultural practices that are contemplated in that area.

One other thing that I would like the Minister to tell us is if he has knowledge of what other areas of that basin either in the United States or in Canada, because I happen to know that in the Canadian portion some of the tributaries along the Pine Creek and the Sprague Creek districts, there is some pretty good farmland there as well and I would think that ultimately there would be an inclination on

the part of some enterprising farmers to go in there and start farming that land. If that does happen, then there is going to be an increased application of chemicals along that portion as well which will be flowing from Canada into the States and through the Roseau River back into Canada again and up along the Red River. I wonder if the Minister could give us some idea of how much more land is capable of being drained in that area which will, after a period of time, add to the pollution that will currently exist as a result of the farming practices that are taking place there right now.

I would also want the Minister to tell us at what stage this whole agreement now is at; whether there is a final agreement; is there a provision for accelerating costs from the time that the original agreement was made of \$3 million to the time of actual construction — and one can only assume with rising costs and increased energy costs in particular — that the \$3 million will be a figure that would be well out of reach of actual costs at the time that the construction will begin.

I want the Minister to tell us also at what stage has the government now reached in preparations for the mitigating works that are planned, are contemplated on the Canadian side in order to ameliorate the effects of the increased flooding that will take place as a result of the widening of that channel on the American side. It would seem to me that if the Americans — and my understanding is that they intend to proceed with construction on their side just as soon as weather conditions will permit them to do so — that it would be negligent on our part if we failed to have in readiness the mitigating works on the Canadian side in preparation to meet the increased flows of water. The present weather conditions are ideal for construction for one thing but secondly, they are not going to continue and, if in the event we return to higher levels of water, it would be something greater than tragic if we did not have in place at that time the projects that were originally contemplated in the report of the International Joint Commission.

I wonder if the Minister could give us some information as to just what is the present status of that entire operation.

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

**MR. GREEN:** Mr. Speaker, first the status of the proceedings and I will concede to my honourable friend that at one time I was somewhat confused as to what stage they were in. The final report was received, making recommendations to the governments as to the findings of the study board. That was the report of the International Joint Commission. The step then is for our government and the government of the United States to meet and discuss how that report is or is not going to be implemented. Our technical people met with the Federal Government people in order to deal with some of the matters raised by my honourable friend including the — our understanding is that we are talking about actual costs. The estimates of what work would have to be done don't provide an adequate measure of what will have to be paid to get the work done as has been indicated by other programs that have been undertaken so that we are talking about actual costs. The other major feature is that there is some suggestion on the part of our technical people that the \$3.08 million, although it is calculated on the basis of certain work being done which are a direct consequence of the works in the United States, that some of that money could be better used to greater advantage by not doing that particular work but doing other work in the district and the question as to whether we could get agreement to accepting a figure on estimated value of work with permission to use it in other areas rather than the one specifically indicated because the one specifically indicated will, in the view of our technical people, completely or substantially ameliorate the conditions which arise from the works in the United States. We can get even better results by applying that money to different water projects in the area, and that is a consideration that is now being dealt with. The Canadian government would then meet with the American Government as to when — the timeframe of this would be within the next month. That is the meeting between the Canadian people and the American people. — (Interjection) — Well' the meeting with the Americans would be scheduled, I would hope, shortly after that, within the next two months. I take my honourable friend's caution seriously that we have to move in such a way that the Canadian works are in place so that they are effective as soon as the American works go into motion.

So I accept that word of urgency on the part of my honourable friend and I convey it immediately to our department. They will be meeting with the Canadian representatives very shortly. There was a meeting in April and there will be another meeting within the next three weeks and there will be, I would think, continuous contact with the American counterpart by Environment Canada, I believe is the group — External Affairs — which is meeting with the United States officials. Now that is the status of the matter.

**MR. JORGENSON:** If the Minister could indicate just what time frame is he talking about from the start until the completion of the widening and straightening of the channel on the American side. How much time do we have? Two years?

**MR. GREEN:** Mr. Chairman, my understanding of the matter is that the American works will not go ahead until there is an arrangement between the two governments or until the two governments come to the conclusions that they cannot make an arrangement, which I don't even wish to

contemplate. I would think that matters have proceeded in an amicable way up to this point and I wouldn't want to contemplate other arrangements. So whatever timeframe it is, if things take their normal course that timeframe would permit the Canadians to move concurrently with the Americans in dealing with whatever projects are decided to be undertaken.

**MR. JORGENSON Again, while we're on this particular phase of the discussion, I wonder if the Minister, since he indicated that negotiations are now taking place for some alternatives, if I understood him correctly, to the proposals that were contained in the IJC Report, if he could take the House into his confidence and tell us just what those alternatives are at the present time.**

**MR. GREEN:** Yes, Mr. Chairman, I believe that those matters have been as a result of the discussions between the Division and after discussions with various people in the area. The projects and estimated costs are: The Gardenton Floodway Rehabilitation is \$307,000.00. These are the mitigating works. This is what they have allowed for. Channel enlargement of \$2,000,063; the extension of bridges \$300,000; the Roseau Red River Diversion, \$405,000; and Dominion City Water Treatment' \$10,000.00. Now that is what is provided for in the Study Board Report. The recommendations ' and by the way these have to be agreed to by the Department of External Affairs as a reasonable means of dealing with the question. If you'll just give me a minute I'll get the list of suggestions that we'll proceed with as possible alternatives.

**MR. JORGENSON:** While the Minister is looking it up, am I to understand then that the costs that were arrived at do contain a provision of escalation from the time that those costs were arrived at until actual construction.

**MR. GREEN:** Mr. Chairman, I've indicated that that these estimated costs are the Study Board's recommendations for the mitigating works that would have to be constructed in Canada. It is not the amount of compensation. We are talking about compensation in the amount of that which would be required to complete those works, but there had to be an estimate as to what they were in view of the fact that the works were not being constructed. We are dealing with the actual works, not with the estimates and I've impressed upon the department several times to do that.

Now projects of the co-ordinated plan within the Canadian portion of the basin include work such as flood-proofing buildings, river dikes, land drainage works, wildlife impoundments, reclamation of swamp lands for agricultural purposes and water based recreation schemes. This would be in place of complete fulfilment of the channel enlargement, that we wouldn't do exactly what is suggested as being the necessary mitigating work in that area and we would use some of that money for projects such as I have now listed. I believe there should be more details of some of these suggested projects. I will try and get them again. I will still try and get them for my honourable friend.

Mr. Chairman, I guess that that is the generality in which they are now in. They would have to be negotiated as substitutes and we would have to be certain that they are satisfactory to create better conditions in the area than would be created if we did the channel area improvement just as is suggested. And that is what the departmental people have suggested with respect to this program.

The IJC Report tells you the amount that would be needed to deal with the mitigating works and that has been prepared, Mr. Chairman, after long consultation with the areas concerned. I believe that this matter first arose in 1965 or 1966, although the Roseau River and the works that they've been constructing much predates that, but between that time and the present there have been numerous meetings and discussions with people in the area, surveys of what problems would occur. There was an International Joint Commission set up. A Study Board was set up which contained people from our department and people from the United States Department. There were hearings in the areas concerned and the IJC came out with these recommendations.

It is always, I suppose, open for somebody to say that, well we didn't get enough. I mean, I think it's like any law case, where somebody or any union negotiator who comes back to the members and somebody stands up and says I could have got more. I'd like honourable members to first of all contemplate what is occurring here. When I was at the United Nations Conference in the Argentine, I was shocked to learn that most countries, or many countries do not have such arrangements. People proceed as they would like to and whatever happens, to where the water is flowing is sort of accepted as being one of the conditions of being downstream. Canada and the United States — as of 1909, I believe it is — have an agreement which, although not perfect, works rather well and for the most part, in terms of the Manitoba border at least, protects Canada. If we did not have this procedure there would be nothing that we could do with regard to the Roseau River. There would be nothing that we could do with regard to the Garrison Diversion and we wouldn't have what some people think is the right to say "No. Don't proceed with the program."

I mean when I listen to people sometimes from the Environmental Council, or other people, who suggest that we tell the Americans that they have no right to do anything, it really perplexes me. The people in the United States have a right to proceed in a reasonable way with water programs, just as we in Canada do. And in order to protect the citizens on the other side of the border a procedure has been set up. But if after setting up this procedure, and after going through the hearings and having the International Joint Commission try conscientiously to protect both sides we say that we don't

agree with that, well, Mr. Chairman, the elimination of the procedure would not help Manitoba. The elimination of the procedure would free the United States, where the rivers are flowing from south to north, which is in most cases what is occurring with rivers between Manitoba and the United States.

So the principle of what we are doing, in my opinion, cannot be invoked upon by all of those people who — especially when the States is involved — think that we should stand up and exact a pound of flesh because it's the United States who is involved in a dispute with Canada. We have a civilized way of proceeding with it. I will say that, like in every other dispute between two people either of litigation or union and management, there will be people who say that you didn't get enough, that other things could have been included. All I can tell my honourable friend is that the best capable people that we have working for the government, conscientiously tried to determine what our problems were. Those problems were agreed to by study boards and technical people from both sides of the border. And I want to put in a caveat at this point. Our study board representatives never took the position that the works south of the border were necessary or desirable. We took no position with regard to those works. What we did say is if they are constructed here is what will have to be done in Canada to deal with the effect of those works.

So we did not approve or disapprove. Nor have we a right to approve or disapprove of what they are doing in the States. What we are saying is that if those works are done, these are the effects that will be felt in Canada and this is how they will have to be dealt with.

Now my honourable friend says that there is a big inconsistency between the position that we took on the Garrison, and the position that we took on the Souris River. I don't know whether they are joking with me or they are testing me. But in either case, Mr. Chairman, we will deal with it.

In the Garrison Diversion there was a significantly different program and significantly different treaty rights. In the Garrison Diversion, our claim was based not on flooding or changing of water levels, our claim was essentially based — in fact the entire submission to the International Joint Commission was relative to the pollution of water flowing from one country to the other, and the water having been polluted in that flow. And there is a specific section of the treaty that deals with that.

In the case of the Roseau River Diversion, pollution cannot, in any real sense of the word — although in our last brief it was mentioned — be a factor. What is happening is that the same water is coming, that there will be changes in water levels, and the treaty that we are talking about provides an entirely different remedy. The treaty with regard to water programs of this kind says that the parties will determine — and I'm paraphrasing not even the wording of the treaty, the effect of it — we have to determine what our problems are as a result of the program and if those problems can be solved. And if the International Joint Commission finds that those can be solved, then that is the kind of disposition that is made of the matter.

With regards to the Garrison, although I have indicated that the position is fundamentally different as to claim, the Canadian Government has indicated — and I accept it — that the International Joint Commission can also deal with that question by suggesting that the levels of pollution are not such as would injure persons or property in Canada, and other of their effects can be compensated, and they can make a recommendation to that effect.

What I said to the students in connection with Garrison is to negotiate that position would be fatal to the Province of Manitoba in terms of any attempt to prevent pollution from taking place.

There is no basis upon which we can say that the program in the United States, which is a normal water program which doesn't divert water from one place to another and send polluted water up to Canada, is not a normal agricultural program which either country should have a right to engage in on their side of the border, provided that the International Joint Commission procedure is followed.

With regard to the Garrison, it is not a normal use of a waterway, it is the moving of one waterway to another waterway, and our case was based on pollution. The flooding argument was hardly used by the Province of Manitoba in any of these cases. It was used by the CBC with dramatic science fictional — (Interjection) — Absolutely, Mr. Chairman, if I was an American, I would wonder at the vindictiveness and the bitterness of presenting such a characterization of what was to occur, which was completely fictional.

The flooding features of the Garrison Diversion are relatively non-existent. I think they are talking about something like 500 additional acres of land for several days of the year. So imagine, not quite a section of land, and the CBC chose to deal with that question. Because, Mr. Chairman, everywhere you go you will find a little bit of flag-waving and jingoism. It occurs in the United States; it occurs in Canada. We feel that there is mileage in suddenly talking about, for instance, that there is no better baby than the Canadian baby or other worse such things, which are manifested today in the Province of Quebec by the term Quebecois, which no longer means a person living in Quebec. It no longer means a bilingual person. It no longer means an English speaking person who can speak French. It now means a person of French origin who speaks French. The fact that I can learn the language and live in Quebec is not satisfactory.

Now, Mr. Chairman, when you engage or when you wish to fan the flames of that kind of jingoism,

I suppose you can do it with some. It's never had any effect, I hope. My worst emotion is cheering for the Bombers against the Calgary Stampeders. And if I can limit my nationalism to that, I will be satisfied. —(Interjection)— Since I am not that involved in hockey . . . . But even that kind of jingoism has its excesses and we have seen it. We have seen it in mass riots at games, etc. But if it can be kept to relatively harmless types of activity, fine. But when it stems into areas of this kind where we have everything to gain and nothing to lose by being friends with our neighbours, and doing unto them as we would have them do unto us, Mr. Chairman, that is the kind of thing we should be doing. The CBC program, from what I am advised of it, particularly by the Americans who subsequently spoke to me on the issue, was not a very neighbourly program. But what is worse, it was so non-factual when it dealt with the issue of flooding as being the major problem with respect to the Garrison Diversion.

So there is a difference with Garrison. With Garrison what we said is that we cannot accept the deterioration of our water quality. If that deterioration is considered to be recommended by the International Joint Commission, they will have to be the ones to determine how we are compensated because our position will be that we believe that the program should not proceed so as to use our river basin. Now although that position could be reasonably taken with regard to the Garrison, it can't reasonably be taken with regard to the Roseau because when they ask us, "Is there things that can happen in Manitoba which would ameliorate the effect of Roseau flooding?" in all honesty we have to say, "Yes, these things will ameliorate and largely mitigate the effects of Roseau." But, we have the people who say that they are going to stop a program. You see, you have a Mr. Cramers (?) who says that we can stop the program by suggesting that there will be pollution as a result of construction; that there will be additional silt floating down the river bed. Well, certainly that is arguable, certainly. But on that basis, Mr. Chairman, there is nothing that can be done south of the border which will not affect Canada and which we would then not have the right to say stop to. There is nothing that can be done on the Canadian side of the border where waters flow north to south which the Americans could not say stop to. Now, somebody thinks that will be an improvement? Are there people who believe that that is an improvement? I believe that that would go to where many countries are in the United Nations — and I was quite stunned to hear it — that the country which is upstream refused to have anything to do with the country which was downstream. Brazil sat there and they voted against any form of consultation or discussion between a downstream country which would affect their water plants. They wouldn't even admit of the word "discussion" because discussions meant that they would perhaps have to ameliorate what they intended to do.

We have a good system. The system is not always going to find itself approved of by every person who would like to exact something additional from the States. The honourable member says, "Are we looking after municipal works?" My understanding is that our administration not only took it on their own to determine what effect would be felt in municipalities but had consultation with all the municipalities and then the municipalities, many of them, appeared before the International Joint Commission. But would it be fair to say, Mr. Chairman, that some municipalities say that if we've got the Americans by the short ones that now is the time to get some additional work or to have work that we could never get done under ordinary circumstances thrown in to the package? We have tried, and it has not been a political investigation. We have tried conscientiously to not only evaluate what those problems will be but we have visited the municipalities and my impression was that as a result of the visits to the municipalities and the indications of what we intended to include, that by and large, the municipalities accepted the kinds of suggestions that found their way into the study board report. Mr. Weber is nodding that that was the case. I am sure that after that happened that somebody who said, "Well, this doesn't appear to be bad," was sitting next to somebody who either was just elected to office or wants to be elected and said, "You fool. You should have got this; you should have got that; you should have got ten other things. The Americans can afford it and now is the time to push."

I believe that the people who were responsible for assessing these damages were trying to assess them properly; I believe that the International Joint Commission conscientiously took them into account and I believe that as a result of the process, the people of Manitoba would be, in accelerated figures dealing with actual and not with estimates, \$3 million to the better in terms of dealing with these problems than we would be if we adopted the positions that others are now urging which amount to: "Let's not have this kind of thing; let's tell the Americans that they cannot proceed." The moment we say that you cannot proceed and do not have a manner of determining what is reasonable procedure, then I say that the Americans will ignore you and if I was in the same position and somebody told me that, I would do the same thing. I believe the system that we have applied is an adequate one; I agree with my honourable friend that we have to be careful that we are going to include all of the anticipated problems. I would go further. I would think that if the Department of External Affairs in the United States could agree that if something occurs which can demonstrably be shown to have been caused by the program in the States, and is affecting Canada but which was not anticipated or could not have been anticipated in the study board report, that there should be an agreement that that too will be looked after. In other words, a non-predicted result because it is

impossible to predict every result. That's the kind of thing that I would urge the Canadian government and our government to agree to.

The essential remarks that my honourable friend was concerned with: "Are we dealing with municipal problems?" I am of the belief that we are dealing with all known predictable problems. I am also of the belief that some people would like to include a few other things when the time is right. If the honourable member is aware of some problems which he thinks we haven't included which are predictable and he would let me know, I will take them up with our technical people and find out whether they think that that is a real problem.

I also am of the opinion that the United States authorities and the Canadian authorities should get together on these recommendations and then that the United States withhold proceeding until there is an understanding and that the work be proceeded with in such a way that we don't find ourselves with a time lag between them proceeding and us proceeding. I agree with my honourable friend; I welcome his observations in that connection and I assure him that they will be given weight to when the discussions are being held.

**MR. CHAIAN:** The Honourable Member for Morris.

**MR. JORGENSEN:** Mr. Chairman, the Minister reminded me of a killdeer using that old broken wing trick trying to lead me away from the nest. We went to the Argentine; we dealt with the bilingual question; we sort of manoeuvred him into the Jet and Nordique situation but the fact is in this particular instance, what we are dealing with is a problem that the Americans created for themselves through the activities of the corps of engineers. I have been in the area, not on one occasion but on a number of occasions — the most recent was early this year — and have spoken to the Americans. I have spoken to the people who live in the area and have some knowledge of what is going on. What really happened is that the corps of engineers, because they had a fairly substantial allocation of money at one time or another, they decided they had to spend it all. That is one of the features of the American system of government — and I am not going to criticize them — but that is one of the features of the American system of government that lends itself to that sort of a problem. Because they had this allocation, they spent a great deal of money draining areas that should never have been drained and people in that area will tell you they should never have been drained. —(Interjection)— Yes, and I daresay that in some instances we have done that but I think that we can learn a great deal from their mistakes. Certainly the American Wildlife Federation found out a number of mistakes that they made in draining the pothole country of the mid-western States only to find that that pothole country could not grow crops; the soil was too alkaline as a result of water that had stayed there for a good many years. The American Wildlife Federation they follow in behind them; they buy up that land and then re-dyke it again. So that's the kind of mistake that I don't think is necessary for us to make. The fact is, that is their problem. They have drained water into the Roseau River basin at a much faster rate than it can get out of there and they are going to do what is very natural under the circumstances, they are attempting to transfer their flood problems to some place else and there is only one place that they can transfer that problem and that is to the Canadian side. Now, we are going to be the recipients of that additional flow of water.

What the Minister did not deal with and is one of the problems that I mentioned and that is the degree of erosion that will take place on the Canadian side as a result of the increase and the greater velocity of the flow of the water that will take place. I think that that is a problem and I wonder if a study of that kind of erosion has taken place and if that is contemplated in the mitigating plans that are about to take place.

One other — the Minister invited me to make suggestions that I thought might occur and are not contemplated at this time — I am not sure whether I can accept the Minister's argument with respect to the difference between the Garrison and the Roseau River situations. I mentioned at the outset that there is one essential difference and that is the transfer of water from one river basin to another. Otherwise, the situations are parallel because the pollution that the government were concerned about, was the pollution that was going to be created as a result of irrigation along the Souris basin. Well, there is nothing to say that the lands that are now being cleared — and there is a considerable amount of it in that Roseau basin just south of the border — will not be subject to irrigation in the very short time. Even if it is not subject to irrigation, the chemicals that are part and parcel of modern farming today will be applied and they, by themselves, will create pollution whether or not there is irrigation. If there is irrigation, I think the expectancy is that there will be even greater pollutions and I am not sure whether any thought had been given to the possibility of extensive irrigation in that particular area. As near as I can make out, it lends itself to irrigation. But the pollution, I think, will come as a result of the application of chemicals as much as it will result as the application of chemicals in the Souris basin along the Red River. In my opinion, there is no essential difference. The only difference that does exist is that in the Roseau basin there is not a transfer of water from another river basin into the Roseau basin. The water that will come in there is essentially the water that would reach there in any case under normal circumstances with the exception of the low-lying swamp areas where the water would remain.

The Minister also mentioned the improving of some farmland and I presume that it is contained in the map just east of the village of Roseau River itself. The very fact that they are intending to drain more low-lying land into the Roseau River would add to the flood problems. I am not suggesting that the flood problem is the greatest one that we are going to have to face, but the draining of that land, unless there is some way of holding that water back at times of high water levels on the Roseau River, could contribute greatly to the increase in the flows from the Roseau Rapids down to the flatlands in the Municipality of Franklin between Green Ridge and the Red River.

In addition to that, I don't know whether the Minister mentioned what was going to happen to that portion of the river on the Roseau Rapids. It is a very scenic area; I think that its preservation would be much desired. I wonder if the Minister could give the House some assurance that nothing will be done to destroy the scenic beauty of that area or its value as a vacation or a tourist attraction.

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

**MR. GREEN:** First, Mr. Chairman, I am advised that given the mitigating works, etc., that there will be no destruction of the scenic view that my honourable friend is referring to.

I do think, Mr. Chairman, that despite my honourable friend not being able to see it, that there is a distinction that I would see between the Garrison Diversion program and the Roseau program. The Roseau program is essentially a means of flood control in the United States so the same water would flow, the same amount of water would flow and, if anything, I gather it would be for a shorter time on the fields in the United States than in the absence of the flood control works. I am just contemplating now, but if it is flowing out of the United States faster because they have straightened out channels, etc., to get the water out quicker, then it would be on fields in the United States for a shorter period of time than it would be under the present time and therefore would have less opportunity to pick up pesticides and chemicals on fields in the United States than it does now.

The other thing is that contrary to what was my expectation and what was the expectations of many who complained about the Garrison diversion, the pesticides appeared to be the least of the pollutional problems that was contemplated by the Garrison diversion. Again, I am hoping that Mr. Weber will listen for a moment so if I am wrong, I will be corrected — that the pesticides and fertilizers were the least of the pollutional problems that were predicted by the Garrison diversion. He says that's correct so I am safe on that.

The most substantial pollutional problems would take place as a result of the water being spread for irrigation purposes and then coming through the ground and back into the groundwater system and then back into the Souris and that they would pick up the dissolved solids, etc., which were not the result of chemical applications on the soil but as a result of the soil content itself. So our case on the Garrison was based entirely, or if not entirely most substantially, on pollution. We were able to invoke that section of the treaty which said that the country shall not pollute water flowing from one country to another. We did not make a case for pollution on the Roseau River and I doubt whether trying to make a case would have been considered far-fetched. It would possibly have been considered merely an attempt to stop the program which is not what is envisaged by the Boundary Waters Treaty. The Boundary Waters Treaty is intended to facilitate a normal activity provided there is no danger to the receiving count

Now, ry. the honourable member makes the point which I can't really argue with, that really they put themselves in this jam and now they are asking us to get them out of it. But I have heard that on numerous occasions from farmers in the Province of Manitoba who talk about the fact that the problems they are having have been caused by other drainage works that we have been constructing and, therefore, we have to construct new works to undo the problems that we have created. If that is so prevalent in both jurisdictions, I would have to say that it is a normal activity. Now, that doesn't mean that I won't agree with the honourable member's criticism of what the army corps of engineers did but the treaty, I think, properly interpreted, would not give Manitoba much of a position to try to reject them doing anything about that program. Therefore, we are left with — how do we deal with the effects of what is occurring? The Study Board dealt with it; found that these mitigating features would take care of it and that being the case, the International Joint Commission made a report. In the Garrison case, the more they studied, the stronger the case that there was pollution to our side of the border. And the International Joint Commission — and it's still pending before the International Joint Commission — any notion that we are out of that problem is not correct, and I have never said that we are out of it. The only point that I have made, Mr. Chairman, is that I believe that Manitoba handled that problem in the best way of achieving satisfactory results. That there were no other ways of achieving better results. I still believe that to be the case. I know that is the subject of arguments. But we're not out of the problem of the Garrison. It's before the International Joint Commission. The International Joint Commission will not take cognizance of a dispute between Congress and the President. And they will come out with a report perhaps saying that with the mitigating works suggested, the Province of Manitoba has to receive these waters. I'm hoping they will not do that. I'm hoping they will say that the United States cannot proceed with this program by using the Red and the Souris River because there is demonstrable pollution effects and the mitigating factors do not

appear to undo them. As a matter of fact they are rather speculative in their recommendations. So I'm not going to convince my honourable friend. I think that negotiations the way they were conducted with regard to the Garrison have led to as reasonable results as we could expect. I'm suggesting that if we took the position on the Roseau, that we say that the project cannot proceed because of pollution to Manitoba waters, that we would not have been taken seriously.

**MR. CHAIRMAN:** Resolution 84(a). The Honourable Member for Roblin.

**MR. J. WALLY MCKENZIE:** Mr. Chairman, I thank the Minister for the works and construction and reconstruction and maintenance that's mentioned in his report here dealing with the Fishing River and the Shanty Creek in Roblin constituency, but the watershed — (Interjection) — No, I . . .

**A MEMBER:** That's the strict orders of your Premier, your boss. You told the people in Roblin, you elect this guy, you get nothing. You might as well put that on the record.

**MR. MCKENZIE:** But the watershed area on the east side of the Riding Mountains which drains all the water into Lake Winnipegosis is an ever-growing concern of, as the Minister knows, most people in the area and the major drains and the major rivers and there are many of them in the area are presenting major problems due to erosion, and they're becoming jammed with floating debris, and I suppose the deepening and clearing of these natural waterways will eventually have to be considered, even though the present day costs seem to prohibitive. The Local Government District of Mountain and the Rural Municipality of Ethelbert don't have the financial resources nor do they have the tax base to deal with the major problem. Nevertheless we can't walk away and leave it. There was a day when the government did come in on a fifty-fifty basis, through what is known as the drainage maintenance district system and through the old grant and aids structure and certain works were done and a lot of money was spent in the area, but. . .

**A MEMBER:** That was in the good old T ry days. We changed it in anticipation that you were going to take over.

**MR. MCKENZIE:** Anyway the drains and the classification and drains in the area may need to be re-examined. I think, was it one to first and second order drains are the 100 percent responsibility of the municipality and then from third to seventh order drains are declared provincial waterways, but they're a 100 percent responsibility of the municipalities.

So I just wonder, the diversion of the north duct is it, at the Cowan area, if any studies or any ongoing moneys can be expended for that diversion which the people in the area are still asking about — the north duct in the Cowan area there, in the Drake. If, in fact the people are just going to have to try and get along the best way they can, or does the Minister and the government have some long range program to go in and deal with that problem which gets more serious every year?

The other one that is constantly brought to my attention is the problems of the river that flows through the Village of Ethelbert there where one lady's home is about ready, I daresay, the next time there's a flood in there some of her buildings will be tumbling down into the river. The village certainly doesn't have the resources to deal with that problem. Some say that it should be diverted away from the dwellings. I just wonder if the Minister has any suggestion or thoughts in mind regarding the problems of that watershed.

**MR. GREEN:** Mr. Chairman, what I can tell the honourable member is that for every problem that he will give me in that particular area, I will give him three in another area. And we will never catch up with all of them. There will be various means used to try to bring pressure on the Provincial Government with regard to drainage. I believe we've been sued to construct drainage. We've been sued to stop drainage. We've had petitions at our office. I meet with more delegations on this issue than on any other issue. We've had the highways stopped, or people barricading the highways or suggesting that they're going to get drainage. We have had people coming in and making very decent representations with regard to their problems. And as a result of all of these things and an assessment of need, we take the available money resources and we proceed with the program.

As to the particular problems that the honourable member is referring to, he'll just have to give them to me and I'll have to take note of them and tell them where they stand on our priority list, if at all. I will have to confess to my honourable friend that my track record in this respect for requests of this kind is to say no more often than to say yes, not because I'm mean, but because there is an assessed program which we are proceeding with and we prefer to try to proceed on the basis of assessed need rather than on the basis of petitions or drastic actions such as; we are not going to pay our taxes unless we get the drainage or things of that nature. We do listen to all groups and I think that for those groups who have come in, I think that they will have to say that despite the fact that they didn't get it, we did respond to them. In many cases we prepared cost benefit studies to show that it just wasn't viable. The Duck Diversion, for instance, the Duck Mountain Diversion, my department tells me just by note at this time, that it has not been possible to proceed with on the basis of the cost benefit.

The Member for Pembina has pursued programs and I'm not arguing about that. I think that that's a duty of the honourable member and I think that it should be done, but I think that he will have to agree that eventually one has to decide just what level of spending you're going to participate in and

we do make knowledge the programs that we are proceeding with and continue to hear delegations and continue to see whether there shouldn't be readjustments of priorities. I would not expect that the honourable member would want us to go back to the pre George Hutton program, which he has referred to because there will be less money available to the municipalities if we do that.

The program adopted with regard to third and second order drains was an improvement of provincial participation. At the same time as that program was adopted, or relatively concurrently therewith, the Conservative government enacted the watershed authority legislation, which permitted the establishment of watersheds which could result in a much more comprehensive drainage program based on several municipalities and based on a total program, not the Provincial Government working on a third order drain and the municipalities not doing whatever had to be done on the other drains. The difficulty with the watershed concept was that generally upstream municipalities were not anxious to participate. The water flowed out of their constituencies down into the downstream municipalities. As the concept proceeded the administration would not create a watershed unless they had unanimity. We abandoned the unanimity rule and said that where there was reasonable grounds for creating a watershed we would do so and we did so. That doesn't end all problems. We did so with the one in the Neepawa area, the Whitemud Watershed. There is one in Turtle now, Turtle River Watershed and there's a third one — Turtle Mountain Watershed, and we are working on others to try to convince them to go into watersheds. In which case the programs are more effective because they are comprehensive programs and secondly, the provincial contributions are more generous because we have to that extent elevated our water program in that we've added to the water program the amount that was being spent on watersheds. So that was an augmentation of the amount of moneys that we were spending. At least that is my impression.

I don't know which watershed the honourable member's riding would be in. I don't know whether there has been discussed with that group of communities — (Interjection) — Well, I think that that's really the thing that the honourable member should pursue and push and help us with. It will accrue to the benefit of anybody and I think that it is a good program. It doesn't stop problems. I think that we are now being sued in the Whitemud Watershed because somebody doesn't like what the watershed authority is doing. But that's not surprising to me, Mr. Chairman, we have been sued. This government has been sued numerous times. We've been sued for drainage. We've been sued for taking over the forestry complex. We've been sued to stop the Churchill River Diversion. If the government was to become inactive every time they were sued, they wouldn't be here for a day. So I'm not saying that it stops all problems or solves all disputes but it is, in the view of the water people, a more effective way of proceeding. It's not an invention of any political party. It was the Conservatives that put the legislation into effect. It's legislation that makes sense. They were reluctant. I'm not being critical. They were reluctant to require a watershed where one municipality did not want to be involved. We did not feel that that should stop the concept of a watershed any more than it should stop the concept of the province spending money on drainage because some city ridings might say we don't want it spent. I mean that would be horrendous. If we said that some city ridings don't want some drainage money spent, and therefore it shouldn't be spent. Well that would not be correct. So we take the same position with regard to watersheds that the people that are the source of the water are as much responsible for dealing with the questions of the problem as the people who are the recipients. And we have three watersheds in existence, the Whitemud being the first one.

I would urge the honourable member to both give me his individual problems, which he has done from time to time, and I think that although he will not say that I've given him positive results each time, I don't think I've ignored his question and I won't this time either.

**MR. MCKENZIE:** Mr. Chairman, I just have one more question for the Honourable Minister. It's related to the proposed construction of the dam at Grandview. The old earth-filled dam that's been placed there by the town for many years and has been the source of backing up the water. There is a lot of people in the area . are concerned that when the dam is constructed that the river won't be dredged and that earth fill removed from the river. I wonder if the Minister has any idea. Do they plan on dredging it and removing that fill that has been placed in the river over the years for their water supply?

**MR. GREEN:** Is the honourable member asking me whether the existing residue is going to be removed? I don't know. The Director-General of Water Resources tells me that it will be part of the construction costs, so that it will no doubt be dealt with.

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

**MR. JAMES R. FERGUSON:** Yes, thank you, Mr. Chairman. First, I'd like to assure the Honourable Minister that I've no vested interest in either the water or the lawsuit that's taking place between his department and my constituents. However, I think that we are facing the realization this year that water storage is probably as important or more important than getting rid of it all. Unfortunately Watershed No. 1, which is the Whitemud, has accomplished a great deal, has done up to this point. But unfortunately there doesn't seem to be anywhere for the water to go once it reaches a certain point and this apparently has definitely created a problem, this bottleneck.

But, I would like more or less to impress on the Minister would be back further in the area, back beyond the ridge of the Arden Ridge, or even No. 5 Highway, where with a series of very small dams a considerable amount of water could be held back, especially south of No. 4 Highway in the vicinity of the Arden Ridge. —(Interjection)— This is all in the watershed, yes. Consequently, in an area between ten, twelve miles, there are about six creeks and they all come out of the sand hills, they all come out of muskegs, and they also come out of a very narrow, they normally come out of a valley or something along this line which wouldn't take very much for quite a major restriction. Here again this land is pretty well all owned by the state and there is no loss. It's muskeg. It's wasteland in any event. And with the advent of irrigation which I feel is coming — as a matter of fact in the immediate area south of Gladstone are two units already installed at a cost of about a half a million dollars a piece and I don't know where they're going to get the water to make them go. Possibly now that we've had a few rains there might be a bit of water, but this will require a considerable amount of water for irrigation. It's for potato plants and again ties in with the McCain plant at Portage whereby there are about 15,000 acres worth of contracts being let, supposedly by the fall of 1978. There is a demand for the product if this plant goes ahead. It will certainly be a benefit to our area and irrigation is something that has been proved that we are going to have to have because of the fact that this year we just about had our backs to the wall when these rains came.

I notice by the sheet that we received the other day that the watershed program I guess is basically cut to nil. I see a couple of small projects in the RM of North Norfolk and I guess that is a couple of the areas that are not involved in the suit. This may have some bearing on it.

I would like the Minister, if he would, to clarify if there has been a complete stoppage of all the programs in the Whitemud or what the program is going to be this year, as it is not shown on the sheet. Again, I would like to impress on him that there seems to be a problem this year also in the management of the grass marshes. Some of it I guess is under the Ducks Unlimited. Here again' the water was let out of the marsh this spring. I don't think there was even enough in there probably to hold the ducks and the geese. It seems very foolish that as of last year when the water was back right from Woodside up to practically McCreary, running all over the place, that this year when we were in short supply that the logs, as I understand, were out of the dams, and the water was just drained. There was no spring run-off, as you are all quite aware.

So with these few words, Mr. Chairman, I would await the Minister's reply.

**MR. GREEN:** Mr. Chairman, I am happy to hear the honourable member say that the watershed authority has accomplished something. It appears to be a better devised program than what existed before. Because I am admittedly not very cognizant of what goes on in these areas. And therefore when I hear from the honourable member that it's doing something, then I am pleased.

Most of the things that he mentioned, in terms of programs, could be the program of the watershed authority and I think that the watershed authority should consider them. Our advisors to the watersheds will also take note of what you said, and I will ask them to give consideration to them proceeding.

I would indicate that the watershed programs are not listed in the volume that my honourable friend has. So the fact that they are not mentioned doesn't mean they are not proceeding.

I believe that there was a letter sent to the authorities telling them that the lawsuit will have some effect on the program. That was sent in error, in my opinion. I believe we have communicated to the authority that we are not going to, in any way, delay the implementation of watershed programs by virtue of the lawsuit. So the honourable member can rest assured that the lawsuit will not stop the program.

**MR. CHAIRMAN:** The Honourable Member for Fort Rouge.

**MR. LLOYD AXWORTHY:** Thank you, Mr. Chairman. Mr. Chairman, I wanted to come back to the questions that the Minister raised in relation to the present status of the Garrison negotiations. I think that he said some things which I think should be clarified.

Probably there is some confusion at the present moment on Garrison because of the actions taken by President Carter in recommending certain mitigation measures. I think that certainly from the public point of view there is an assumption that the problem has been dealt with. I would like to have the Minister clarify more precisely the status of, and I would perhaps pose the questions to him in this way. That, as I understood his remarks, he is still going on the basis that the full Garrison Diversion program in the United States is what the IJC is itself considering and that they have not had any further terms of reference given to them as to what would be the fact of the mitigation amendments by President Carter. So that in fact, the IJC is still assessing the program as it was originally proposed and those proposed mitigation efforts are not part of their terms of reference.

If that is the case, Mr. Chairman, I would like to ask the Minister if in fact the question of those proposed mitigation efforts are themselves being examined in terms of their potential impact, that, as the Minister alluded to; certain questions were raised I believe by the Chairman of the Manitoba Environment Council suggesting that even with those mitigation efforts it could still have an effect upon the Red River, I believe was the issue that was raised by that Chairman. And that the mitigation

efforts, while they would stop waters coming north, they would not stop the effects of the diversion in different kinds of ways affecting Manitoba waters. And again, if I understood the Minister right, he said that it is within that area that there is a preparedness to negotiate or deal with the Americans. That once the issue of the major polluting effects are dealt with, either through IJC recommendations or by the actions taken by the Americans unilaterally, that there is an area of negotiation or discussion, compromise or whatever it may be, which would be considered as part of the ongoing process that we have with Americans concerning Garrison.

I'd like to have that particular issue clarified for us to determine really what is the present status of Garrison in relation to the IJC, and then what has been the flexion, really, I suppose of the public attention if nothing else, as a consequence of President Carter's steps that he has taken, and what are we doing to react to those particular efforts or recommendations that President Carter has made.

**MR. GREEN:** Mr. Chairman, I think that I at all times, even when President Carter's announcement was made public, indicated that we are still before the International Joint Commission on our original reference. The International Joint Commission I think will deal with that original reference. They could make recommendations with regard to the entire project and use of the Red and the Souris Rivers. That need not have any effect on what the Federal Government of the United States does with regard to supply of funding for the Garrison Diversion.

So I got no notice from the United States authorities, or from Canadian authorities, that the terms of reference of the IJC have been in any way reduced by virtue of a reduced project in the United States. I am therefore assuming that the International Joint Commission is still dealing with the entire project. But the International Joint Commission doesn't fund projects and if they made a recommendation to the two governments, there would still be the discussions between the two governments as to how the United States intends to proceed. And therefore I welcome the announcement on the basis that the opinion in the United States at the executive authority, which is important — I'm not fully conversant with United States politics but it's not all-important but it certainly is important. It could mean that their thinking is to not use the Red and the Souris as originally envisaged.

If that were accomplished, I would not say that it removes any possible problems to Canada. But I don't think anything can be accomplished that would remove from the United States the possibility of using their water resources to benefit their conditions. I rather expect that what was being said by the Environmental Council is that there are hazards, even with the existing program, through spills out of the low-feed and other accidents which could result in problems to Manitoba.

But you know, we can't stop a program because an accident could result in a spill. We can raise an objection to a program, which is envisaged to do certain things. But if a program is not envisaged to do those things and can reasonably be proceeded with on the basis of those things not happening, then I doubt whether the Canadians will be able to make a very strong position. As a matter of fact, I think that if it is proceeded with along the lines that has been suggested by President Carter, and if we are able to obtain assurance doubly sure of certain protections which would prevent accidents and which could protect any possible effect on the Red, that I will have thought that the Garrison Diversion problem has been resolved in a manner which is beyond that which I thought could occur when we were first faced with it, because there is considerable Canadian position. It was the Canadian Government that appeared before the International Joint Commission and acknowledged that a certain amount of activity is acceptable. We can argue about whether it's pollution; we can argue about whether it will cause injury. It was the Manitoba position throughout that we look to the United States to keep their commitment not to proceed in such a way to use the Red and the Souris in violation of the Boundary Waters Treaty and we say that a deterioration of our water quality is a violation. If somebody is to say that that is not the case, then it has to be the International Joint Commission, not us. We say that a deterioration is a violation. That was a point that was made in the Peace Gardens and that is the position that we take. It will have to be an International Joint Commission who will reduce our water quality as not being a violation of the Treaty, not a voluntary reduction by the Province of Manitoba.

I think I dealt with all of my honourable friend's questions. The status? The status is unchanged as far as the International Joint Commission is concerned, to my knowledge. The results of the International Joint Commission do not mean a project will proceed. The International Joint Commission could make its recommendations and then the United States could decide that it's not worth proceeding with this type of program and we are going to limit it to the 65,000 acres which can be dealt with, with the existing installations, without going into further irrigation in the Souris region, and without envisaging further irrigation beyond the 250,000 acres. Because if my honourable friend will realize that in the Manitoba brief that was presented to the last commission hearings, we raised a point which I think has not really been raised strongly before and that is that the total program is not 250,000 acres. The total program is a million acres. The program that is presently envisaged is 250,000 acres and that's the program which would use the Red and the Souris, and in which all of the calculations have been based. If they get to a million acres those calculations are considerably

aggravated. And if we can hold it at 65,000, which is the installation that is now in place, and which the United States say will not affect the Souris and the Red — And my honourable friend says, "Yes, but there is a possibility that can happen." Then our job is to try to prevent the possibility, not to prevent the program.

**MR. AXWORTHY:** Thank you, Mr. Chairman. I would like to pursue it, if I might, just a couple of steps further. Because the Minister indicates that the responsibility and jurisdiction of the IJC is purely one of making recommendations. Then what we're dealing in *de facto* is the decisions of the United States Government as to what they are going to pay for, and therefore what is going to be built.

Now I think it would be useful and I understand almost just by reading American newspaper reports that the executive branch of that government has indicated which appropriations they are prepared to expend on the Garrison and that there is some counter-reaction in the Congress. But that as it now stands, as far as the executive branch is concerned, that there is in effect another project in place, that the original Garrison which has been referred to IJC is no longer what we're talking about. We're talking about a somewhat different set of construction arrangements which would not have the direct flows into the Canadian waters.

That really raises in my mind the question, should there be, in a sense, a secondary reference to the IJC on the basis of that is now what we are dealing with, not what was before. What we were dealing with before is now almost hypothetical or past history. But what we are now dealing with is a different project in that any examination or assessment that they are making concerning a potential violation should be taking both those particular possibilities into account. Should it be the original one, which I think we would have to concede at least the executive branch of the American Government says we don't want to go ahead with, so that the possibility or likelihood of it going ahead with it is relatively remote. So that if we can call it Garrison One is somewhat distant or in relative terms not likely to be fulfilled.

A much more likely project is the one that has been announced by President Carter. Should that not now be the focus of our attention concerning whether in fact that itself inviolates in any way the treaties, or in fact it will have any impact? And I would really just ask by way of inquiry whether that should be taken up with the IJC, considering the latter developments in the United States, and secondly, whether our own officials, or study boards, or those groups that have been set up to examine all the matters pertained in the Garrison, should also now be examining, in a sense, what would be the potential impacts of the probably more realistic program that President Carter announced some months ago, and which, I expect in the way of politics, will be negotiated with Congress, but would probably be closer to what will happen than the original idea.

So I am really saying again that from the point of view of providing for our own protection, should we be putting, in a sense, an additional reference in to IJC, or asking the Canadian Government to do so, or at least raise that issue with them. And secondly, should we be undertaking our own initiatives in terms of looking at potential effects of the Garrison Two, if you want to call it that?

**MR. GREEN:** Mr. Chairman, I don't know whether that would make us appear to be too eager to alter the course of politics in the United States. I am not dismissing the idea. But the United States Government and the Canadian Government have a reference to the IJC. That's where we start from. The United States Government, you say, has decided not to proceed. Well let's just carry it forward to show you why I am concerned.

The IJC would expect the party that is affected — that is the party that says that they are making a change — to contact it and say, "Do not proceed on this reference. Deal with it as if it contained only the following: A, B, C, D." Let's say that's President Carter's new program. That would be entirely normal. What I think would be considered to be perhaps too eager and presumptuous on our part — and I'm not dismissing it; I'm just asking my honourable friend to consider how he would react if he was the congressional authority — is we go to the International Joint Commission and we tell them that the United States is not intending to proceed. I think they would say, "Well, who are you to tell us how the United States intends to proceed."

We are dealing with a reference by the government of the United States. What I presume could happen, and I'm not dismissing it out of hand, is that the Canadian Department of External Affairs could get in touch with the American counterpart and say, "Are you still — Is it wise to continue the reference as is, or is the United States committed now to a new program? If so, should we not change the terms of reference before the International Joint Commission?"

I'm not certain that that would be a good idea. On the other hand, I don't say that there is anything seriously wrong with doing that. Certainly, I'll consider it and get in touch with Mr. Jamieson and ask him whether that kind of stuff will be considered by him and I'll suggest that it was brought up in the House. At the moment, I have been playing it, as they say, cool. As far as I'm concerned we are still dealing with the program that was referred to the International Joint Commission. I would not want anybody in the States to get the impression that we are trying to influence the politics as between the

President and Congress, and the state government. That is something we have tried to stay away from. We are bound to consider the program that the United States wants to proceed with, and to see whether it constitutes a violation of the treaty obligation. It is not our province to try to play a role in the United States politics. If it can be done without endangering that position, then I tell my honourable friend that we can certainly consider it.

He had another question but I have lost sight of it in contemplating the first one.

**MR. AXWORTHY:** Mr. Chairman, just in response to that, I agree with the Minister that we wouldn't want to appear overt in influencing those peculiar congressional arrangements but I think it would be a good idea if we at least sought through External Affairs for them to inquire with the Executive Branch and so on, what the status is and what they intend to do, at least to the point of view of ensuring that we have proper information as to what the American intentions are and that there is a full reporting of that. Perhaps the issue can then be raised whether it should be an additional reference to the IJC.

The second question that I had flowing out of that one is that again, anticipating that — perhaps it may be premature — but anticipating that the Carter proposals again have a degree of likelihood to them considering that he does control their appropriations or the directions of the Bureau of Reclamation, would we be in a position through our own officials or through the Study Board if it is still in being to have a fairly quick ability to determine the impact of the new Carter proposals that we would again determine what dangers or hazards or pollutions might result from it?

**MR. GREEN:** Yes, Mr. Chairman, I believe that if there were new terms of reference that it would be in the nature — and now I am guessing — that the whole includes its parts and that we have examined the whole, therefore we should be able to examine its parts and that the IJC could get from the Study Board fairly expeditiously information respecting the suggested possible — and I hasten to warn the members of the House — by no means confirmed new program. I do not share my honourable friend's outspoken optimism that the executive has decided on this program. If that happens, then it is to the good but I am not certain that we can be sanguine about that.

**MR. CHAIRMAN:** The Honourable Member for Rock Lake.

**MR. HENRY J. EINARSON:** Mr. Chairman, I would like to make a few comments in regard to water resources here. I would like to mention first that it is about a year and a half ago or going on two years, six municipalities in the constituency which I represent, we met together to discuss the possibilities of a watershed area and Mr. Newton was asked to come out. All municipalities were well represented; the meeting was held; Mr. Newton explained what a watershed was all about, the pros and cons of it, and gave a good detailed discussion to all members of all councils at that particular meeting. I am wondering, I haven't checked with all the municipalities, but the understanding was made to the council that a resolution from one municipality if it was sent into the department, would suffice to be able to begin the workings of a watershed area. I am wondering whether or not the department has received such a resolution from any one of the municipalities from the Constituency of Rock Lake.

Another matter that concerns me, Mr. Chairman, and that is that some honourable members have been making mention of the various projects that have been conducted by the report that was given to us and if it is conspicuous by its absence, maybe I can thank the Minister of Mines for not considering spending so much as a five cent piece in the part of the province from which I come. I am wondering, Mr. Chairman, I think we have had it very calm and easy here this afternoon, but you know, I think it should be made for the record to this Minister of Mines and Resources that, you know, there is more to Manitoba than just the constituency which he represents and even the few areas in the City of Winnipeg. He sort of referred this afternoon when he was talking about watershed area to my colleague from Roblin and related a little bit of it to the City of Winnipeg. I think that people in the country haven't forgotten when we were government what we did for the City of Winnipeg by putting the diversion, the flood diversion, which was a tremendous cost to the Province of Manitoba and I don't regret spending one five cent piece of it while I got criticism from the rural areas. But you know, Mr. Chairman, this government has been here for about seven years now and I am wondering is there anything in the works, in the plans for Rock Lake, for Pelican Lake, for all the lakes or series of lakes that run from my leader's constituency right down through to Pembina constituency and the Pembina River finds its way out into the United States. I am wondering if the Minister has any plans for improving the dams and the conservation of our water schemes in that part of Manitoba. So, having made those few comments, Mr. Chairman, I would be interested in hearing what the Minister has to say.

**MR. GREEN:** Mr. Chairman, I want to acknowledge that the people of all of Manitoba but with particular reference to the rural areas, responded in my opinion very very well to the cost of building a floodway around Greater Winnipeg. I believe that that is the essence of socialism and I believe that the rural people are good socialists in that respect.

With regard to the absence of programs in his area, the five cent piece, I am going to have to deflate my honourable friend. It was not done by design; it just happened and I know that my honourable friend would feel much better if he felt that this was a directed attack against him. I gather

that in the list of priorities that have been scheduled by the reviewing branch of the agency that there was not a great need, or there was not a high priority item in your area. If you feel that that is wrong, that's why we distribute these, then I think that you should bring it to my attention and don't tell me about Rock Lake, that's not in the drainage program, but bring to my attention areas that you feel have been overlooked insofar as drainage is concerned and I would be happy to discuss them with my honourable friend or with people from the area as I have done with people from other areas.

With regard to the watershed, my impression is that there has been no request from any of the municipalities for a watershed. So, I regret to advise my honourable friend that what happened to him did not happen by design. He can't enjoy the satisfaction of feeling that he is being purposely discriminated against.

**MR. EINARSON:** Well, Mr. Chairman, it goes back a few years. I said before, the Minister's got a pretty good memory; I don't think he'd forget this one but there was a time a few years ago when three full councils from my area came in to meet with the Minister of Mines and Resources, also had the Minister of Agriculture and supposedly the Minister of Highways, to meet with the Minister to see what could be done about Rock Lake at that time. I know I recall the Minister — I have no regrets for saying so, it doesn't refer to the gentlemen that sit before him this afternoon — but I remember so well, Mr. Chairman, and this is the kind of support that I was getting. The Minister of Mines and Resources he looked to one of his staff members who sat to his right, I believe it was, when he came into the room and saw the three all — I think there must have been about 18 of them there that day — and he said to his friend from his department, he says, "Do we know anybody in this group?" Of course, my constituents realized right away that they might just as well have stayed at home because this has been the attitude and the approach of this Minister of Mines and Resources. He has referred to me as the blackbird socialist and, you know, Mr. Chairman, I must tell you and I have been trying to find out and I have been requesting, I think reasonable requests, about some kind of assistance in preserving our lakes and so on out there. They don't mind taking all the money that is coming for licenses when it comes to fees and so on and he talks about his priorities. I think that his government, if they would, instead of buying up land for the preservation of wildlife, could do something in the way of preserving our water supplies because we talk about and can foresee probably a cycle of greater drought than what we have had over a number of years. Possibly this government — I leave this as a final word — I think that they had better start thinking more — of course, their time is coming to an end anyway and probably we're going to have to take that responsibility — to give greater consideration to water preservation of our lakes and so on throughout this province. Not only just in the areas that the Minister wants to design this for to suit himself politically but I think for the whole of Manitoba. Thank you, Mr. Chairman.

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

**MR. GEORGE HENDERSON:** Well, Mr. Chairman, I heard the Minister say that the people of Manitoba were what he called "good socialists" — they didn't mind building the dam around Winnipeg. I wish that the members on that side and the Minister himself would be as — what will we say — as good socialists and help to build the dam around Carman. This is something that came up very much in the last number of years; they didn't have a problem this year; nobody really had it because of the dry spring but it is something that's going to recur again. The people are going to be back in here again just as sure as I'm standing here that this flooding will occur again at Carman because that area west of Carman has had many sloughs drained, they have had government road allowances with bigger culverts and better ditches put in, there's been a lot of bush taken out and if they get an excessive rainfall at the time the snow is melting, the conditions are such that there will be flooding in Carman. To compare the number of floods there was over the last hundred years is really a wrong way to look at it now because I am sure that if we have the same type of conditions that we had over the past number of years, we really would have more floods the way that country has been drained there.

I would like to go on record too as favouring the watershed idea in that area. I know that councils haven't agreed on it yet but personally I think it is something that will happen. When you see everybody draining their ditches from further up or taking out bush and these things, it's just going to make the situation worse and they're going to have more flooding down stream. So I think that we're going to have to accept the watershed idea in the rural areas.

There's another thing that I have talked about ever since I came in here and as I look at Manitoba and the years ahead and what will be happening, I see that we have great tracts of land that's going under pavement each year and there's a certain amount going under housing and there's more being bought up for wildlife. I do see that good cultivated land is going out of production and that irrigation and farming more intensively is going to be what is going to happen in the years ahead because they aren't making any more land and it seems to be disappearing all the time and I can't see but what it will keep disappearing. I see that area down through there all around Carman and south of Portage, right down around Winkler and Altona and Morden, I see that . . .

**A MEMBER:** And Selkirk.

**MR. HENDERSON:** . . . as land which is very suited to special crops and row crops and irrigation will be in there in the years to come and I don't think there is any doubt about it. The type of soil that we have down there is very suited for growing special crops and when you're growing things like potatoes and that, to be able to have nice loamy soil that isn't polluted with stones or boulders or, you know, a type of earth that digs so when these automatic machines come along either to thin your beets or to work your potatoes so that they can handle the soil in such a way that they can do it. There are only certain types of soil that really is adapted to these special crops like potatoes and that. We have it down there so it is only a matter of time until irrigation will be in in that area. That's why I was really disappointed that we didn't go ahead with the concept of two dams at that time but probably the people in the States were more farsighted than we were; they wanted to go ahead with theirs and it was a good thing that we didn't stop them. I think that it will happen in the years to come that we will have the two dams and that country will be irrigated.

It also has other attractions because we find people nowadays that only want to work 30 and 32 and 36 and 40 hour weeks. There's an awful lot of time spent on recreation and on every lake there is, all the cottages are sold and people are looking for more lots and they are driving hundreds of miles to be at resorts. I say if we had a dam . . . Pembilier dam south of Darlingford in that area, that there could be a great tourist attraction there where we could take in a lot of money from the States as well as from people even from Winnipeg because in that area there it would still only be about 90 miles from Winnipeg. It could be a very nice attraction. I think the way lifestyle is changing that there is no doubt in the world but this sort of a thing will take on prominence.

I think myself that this government has had too many other priorities that haven't been as good for the country as if they had spent more money on we'll say water conservation and proper drainage. I know it is quite a thing to be talking about dams and at the same time talking about irrigation, you know, but if you don't hold this water back at a time when it's running off, you haven't got it for other uses during the summer and we just have to have dams to hold it so as to be able to do this. No matter what special crop you grow, there are certain times when moisture is very critical to that crop or else it will go back very much. It's just like tomatoes or corn, any of these things, when they are just coming to the canning stage, if there is an exceptionally dry spell and there is no water, the quality is reduced and they can't put out choice quality. In order to be able to do this, they are going to have to have water that they can add at certain times. In that area already, even though there isn't the real supply of water that we would like there, we find there are many people irrigating. We find, along by Carman, that they are piping it out from what there is in the river and they are using it and we find north of Winkler they are using it for irrigation so the people who are trying to go ahead who are aggressive are trying to move in that direction. They see there's potential there. I just hope that the government would be doing something on that line.

I would like to say that I am glad to see that finally they plan on going ahead with the McEachern Dam this year. It's been a long time since that started and I hope that it is built this year. I just realized by talking about the Pembilier Dam, I know it's many years now since we started, but even if you started now, it would be so long before it would be completed even if things did go ahead that the people would be really willing and wanting to accept it then because I know that the communities and the municipalities have many meetings now. The Pembina Development Corporation and these larger organizations are in favour of the principle now and want to go ahead with it. It is just a matter of getting a government to go ahead with it.

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

**MR. ARNOLD BROWN:** Thank you, Mr. Chairman. I would like to go on pretty much the same topic as the Member for Pembina was talking about and that is the construction of the Pembilier and the Pembina Dams. I would just like to ask the Minister if he has any information regarding the start of construction on the Pembilier Dam? Could he give us some type of information as to when North Dakota is ready to go ahead?

Another concern that I have is that the Pembilier Dam is to be constructed at a lower height than was originally planned in the original study. I wonder if the Minister could tell us how this is going to affect future development regarding irrigation and supplying water to the Pembina Triangle? I wonder if the Manitoba Government have signed an agreement with the North Dakota Government as far as construction of this Pembilier Dam is concerned. But I think that we must go far beyond flood control only and start thinking more about water conservation. If we're going to start talking about water conservation then we have to start thinking about the two dam concept.

The area was very dry this year and there was a number of towns that were very concerned about their water supply and this certainly would assure a water supply for most of the towns up in that area. The government seems to have found millions of dollars for development in Hecla Island and I believe that to date some ten million dollars has been spent on that project. And this certainly would have gone a long way in providing flood control and also providing a source of water for the area which I represent and not only myself but the Member for Pembina, the Member for Rock Lake, all these areas are affected. You certainly would have been able to provide a source of water and also

provide a recreational area for the most densely populated area in rural Manitoba. As already was mentioned these people have to drive more than 200 miles to go to any lake of any size whatsoever and this certainly would have brought a recreational area right to their back door.

A guaranteed supply of water would also induce many industries into the area and here again we're talking I suppose of food processing industries. The area now is the major supplier of vegetables in Manitoba and many dollars in freight could be saved if these vegetables could be processed right where they're grown. I think one thing that is interesting to note is that it costs between \$60 and \$70 an acre now to get your beets transported to the plant in Winnipeg. The cost of freight is rising so high that that industry is in serious danger. We just won't be able to afford to grow beets if freight costs keep on rising the way they have. So plants will have to be located closer to where these crops are grown. In order to get that type of industry in then we do need a large supply of low cost water. Irrigation of course complements this type of industrial growth that would occur if we had an available source of water.

The Minister has always stated that we must have a cost-benefit ratio before he will proceed. Well, it's very difficult to get a cost-benefit ratio and as far as the second dam is concerned. It's relatively easy on the first dam because right now we're thinking in terms of flood control only. But the second dam we are thinking of industrial growth; we're thinking irrigation; we're thinking of new industry and the jobs that would be created. Yes, we're really thinking in terms of survival of that whole area. So it's very difficult to obtain a cost-ratio benefit. But we know that it is there. So we would like the Minister to take these things into consideration and hopefully come up with a more favourable attitude as far as the second dam concept is concerned.

**MR. CHAIRMAN:** Resolution 84(a)(1). The Honourable Minister of Mines.

**MR. GREEN:** Mr. Chairman, I just want to indicate to my honourable friend that the status of the Pembilier Dam is that the St. Paul District Corps of Engineers department of the Army has sent the report called Feasibility Report for Flood Control and related purposes, Pembina River, North Dakota. That report is in the hands now of the United States State Department and I gather the United States State Department will initiate a meeting with the Canadian State Department to consider the report and whether or not it can be implemented.

I want to acknowledge my honourable friend's implied endorsement of the Manitoba Development Corporations' activities with regard to Morden Fine Foods, which have for the last five years borne the brunt of deficits every year on the statement of the Manitoba Development Corporation resulting in losses every year, which results in red ink on the Manitoba Development Corporation which I know the member endorses because it is a matter of survival of a processing plant in the area which he represents.

**MR. BROWN:** Mr. Chairman, I asked a question in regard to the height of the dam. The original study indicated — I forget just exactly what the height was going to be — but I know that the height of the dam is supposed to be lower. Now I just wonder how this is going to affect getting the water into the Pembina Triangle, getting it into our area, if the level of the dam is lowered.

**MR. GREEN:** My engineering advice is that regardless of the design that the honourable member is referring to the water will still be able to be channelled into the Winkier area, that this will facilitate it.

**MR. BROWN:** I'd like to go into a different area. As you know the area that I represent probably has as many drainage problems as any constituency in Manitoba because of the nature of the area along the Red River. I would like to say that I am very pleased that we're going to complete the Dead Horse Creek this year. I believe that this has been under construction for 17 years. I myself have been involved with this project at least for 30 years, so it dates way back. And you have no idea how much pleasure I take out of seeing the completion of this particular program. — (Interjection) — No, it's my area. And I'm also very please pleased to see that the Rempel Drain is going to be proceeded with although this of course is not going to affect nearly as many people. But I wonder if the Minister would be able to tell me when they are going to start tendering on these two projects.

**MR. GREEN:** Mr. Chairman, they will be let between April 1st, 1977 and March 31st, 1978. That's the year of the Estimates. I gather that they will be done during this year.

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

**MR. ENNS:** Thank you, Mr. Chairman. I must tell the Honourable Minister that I rise reluctantly and enter his debates for the second time because, on both occasions I wish to take issue with him and let him know that I am offended by his stand-pat budget that he has put before us. I say that recognizing that I and my Leader and my party have every intention of forming the next government, forming the next government certainly with the help and with the charge that this government has been wasteful in its expenditures of money, has been extravagant in its dipping into the taxpayers' pockets for that money and have in many instances placed their money, or the taxpayers' money into misguided projects. But here again, Mr. Chairman, I find myself taking issue with the Minister because he's not spending enough money. I did that earlier in his Estimates on his mining policies. Now I find myself doing it with respect to this whole Department of Water Management, Water

Resources.

In just a very rough check in that stand-pat budget that he has presented on this department, the increases barely cover the normal salary increases; I don't think in fact would cover the kind of inflation that we have to deal with in terms of material that the department has to buy whether it's timber or whether it's steel or whether it's the contract nature of the work that they have to do. My engineer friend here may be able to give me the actual percentage increase in the appropriation of this budget . . .

**A MEMBER:** Right now?

**MR. ENNS:** Yes, right now. . . . but it looks to be certainly less than 10 percent. It's something in the order of 7 percent of a budget increase for the Directory of Water Resources group. Now that just barely looks after the normal salary increases. It doesn't look after the higher charges that the department is faced with in terms of building material or contractual obligations that it assumes so in fact, Mr. Minister, we are going back. We are going back in terms of the amounts of public dollars we are dedicating to this particular activity of government.

Mr. Chairman, I don't wish to elaborate at any length on those comments that have already been made by other members, but the Minister is getting the message. It is really inconceivable that during the whole course of this Minister's holding of this office and being responsible for this particular aspect of government activity that there has been virtually no new initiatives. There has been, as we were shown with his report that he handed out, barely a maintenance of existing plant with only the odd new project undertaken in seven, eight years of this government's managing of this particular department. Those kind of projects that take time to develop, take time to reach consensus on the areas that they are contemplated, none of them has developed.

Mention has been made there has been no new initiatives taken to further extend the kind of flood protection that we did extend in the Sixties to the major population areas of this province. But the problems that Carman faces, the problems that a community like Westbourne or Gladstone even face from time to time on the Whitemud, the problems that Melita faces on the Souris, the problems that perhaps even some of the communities along the Whitemouth River face. None of them have been even put forward one step further on the drawing board. I'd like to think that while the Minister during this Session, particularly earlier when the possibility of a very serious drought loomed somewhat larger than it does right now, the Minister at least indicated, I think in either the Throne Speech Debate or in the Budget Speech Debate, that he had some understanding of the necessity for moving forward on some of the conservation projects, some of the dams that have again, in many instances, been talked about and as is always the case take a decade or several decades to get off just from the community concept onto drawing boards, onto actual plans and then actually negotiate the necessary arrangements whether it's federal participation, provincial participation, or in some instances international participation. But in the same context, projects such as the Pembilier that has already been referred to, projects on the Souris that have been talked about in the past, the departmental files are thick with plans and studies of various projects, Paterson Dam in the constituency of my honourable friend the Member from Arthur, whether or not such projects as the Keys Reservoir should be talked about or be part of the planning that is concerned and eventually resolving the problems along the Whitemud. You know, even such dams as the Holland Dam should be resurrected because of the different situation and because of a greater need and a greater emphasis that I believe this department and this particular area of the department should be concerned about in terms of water conservation. I must tell the Honourable Minister that in my judgment, the Minister has — and you know, he made mention of that earlier in the Estimates that he takes a considerable amount of pride in being able to travel that train at 60 miles an hour and veering it somewhat to the left — and it will always be to the left — and he was of course speaking about his pride and joy which is bringing about some fundamental changes, tax changes in this case, fundamental changes in our policies directed toward the extraction of natural resources and mineral resources in particular. But, I want to tell you, when I speak to my farmer constituents, or when the Member from Rock Lake speaks to his farmer constituents we do not distort, we do not lie and we do not mislead our constituents when we say that that is a problem that they face and that they will continue to face as long as this aspect of this department is under the hands of this Minister.

This Minister's concepts, his mind is totally preoccupied with what he envisions to be greater things and greater social changes to be made in the policies of mining and the policies of taxation and so forth. So when the Member for Rock Lake says that there isn't a nickel in my constituency, he doesn't say it with any vindictiveness, he just says it as a matter of fact. When we say that this department has just barely maintained the necessary plant that was built, built largely for them by a previous aggressive and progressive administration then that's a fact because the Estimates don't lie. When we say that out of a budget that has grown threefold, virtually fourfold, a total budget that now encompasses some billion one hundred and seventy-six million dollars, that we have not found it possible to dedicate \$14 million for the Pembilier, we haven't found it possible to dedicate three or four million dollars for the Boyne River Diversion, we haven't found it possible to resolve the

Whitemud flooding problems in that area, well, Mr. Chairman, my constituents and our rural people understand though at the same time we have money to build airplanes, we have money to build buses, we have money to do many other things. We have money to drill for mines, as the Member for St. James indicated. But I want to tell you, to the person sitting in the community of Carman that every other year virtually has water up to his waist, his priorities are somewhat different. His priorities are somewhat different. Mr. Chairman, I suggested to my honourable friend the Minister the other day on the other aspects of his mineral explorations why he wasn't going to win certain seats in the north because of his mining policies. I can say with much more clarity and with much more conviction why he's not going to win the seat for Rock Lake, or why his party is not going to take away the seat of Lakeside, or why in fact the rural representation in the New Democratic Party will continue to be virtually non-existent and will continue to fail to attract the kind of support that if perhaps one looked at more objectively some of the programs, some of the policies of this government, that they deserve. But it's spelled out in the Estimates. It's spelled out in the Estimates of Highways. It's spelled out in the Estimates of Water Control. It's spelled out in the Estimates that we are concluding at this particular time. We find it harder to believe; rural people find it harder and harder to believe with every rise in the total budget revenues of this province. We find that there need be no distortion take place when I can stand up on a platform in my constituency and say, "Yes, out of a budget of \$250 million, we found it possible to dedicate \$100 million for major flood protection works or major conservation dams in the province." And this government with a budget of \$1,176,000,000 can't find \$14 million to build a dam; can't find \$3 million to safeguard a community like Carman; can't resolve the problems on the Souris that have been on the shelf in the department for the last ten years, for the last twenty years. Because I will tell you, Mr. Minister, they were on our shelf for ten years and we had to tell our rural communities and we took the flack, we said, "No, our priorities are such when it comes to protecting 400,000 people as against 5,000 or 10,000 or 30,000 people in Carman, then we'll build a floodway first." We had the same heavy rural representation in that Roblin administration to deal with. It wasn't particularly easy for rural members to forego the dreams of the Pembilier Dam which were there and the McEachren Dam which were there as long if not longer than the floodway was there.

We also told them that in the scale of priorities, these major things had to be done first: the Winnipeg Floodway — \$64 million expenditure; the Portage diversion which was an integral part of the total floodway protection for \$20 million; the Shellmouth project, another \$14 to \$18 million. That kind of dedication was found possible out of a budget on average \$250 million. \$250 million. Now out of a budget of \$1 billion, out of a budget of \$1 billion, our provincial road system has deteriorated rapidly and it's going to take money to bring it in; our drainage program is just being maintained and no major initiatives have come forward in the seven years that you have had the reins of responsibility as government in terms of some of the projects that have been mentioned by the rural members on this side of the House.

Mr. Chairman, I just want to remind the Honourable Minister that it is for reasons that I now mention that rural Manitoba will not be convinced that their interests can be served by the New Democratic Party come the next election. It will not be for any reasons of distortions or exaggerations or lies, it will be the factual evidence of how rural Manitobans are taxed most by governments. We get taxed most by provincial governments in a very direct way. I mean, either we've got water up to our ass or we don't. Either we shake our cars to bits on roads or we don't. And a rural Manitoban has a very close affinity in feeling for his provincial government, much more so than urbanites have. You have failed and you have failed in the last seven or eight years to make that attempt to reach out to rural Manitoba; you failed it under a Minister that could have, a Minister that we have often congratulated and often acceded to as wielding a fairly significant clout in this Cabinet of this government; a Minister that is quite prepared to sign Order-in-Council after Order-in-Council to write off a million dollar loss — a million dollar loss — and keep the money coming for MDC. But a Minister that has singularly failed to walk into that Cabinet room even in competition with a Minister, or try to keep up with the Minister of Agriculture who thought it might have been politically astute to ladle out millions of dollars to a particular group of farmers — in this case the beef producers of the province — to hopefully entice their political support or their vote. But this Minister didn't use that influence in his office that he has in his Cabinet to provide for this department, to provide for this aspect of the department that he has direct responsibility for, the necessary kind of funds, the necessary kind of initiatives, to do those things that are very close, very real and, in fact, very fundamental to the sustenance and the improvement of everyday life in rural Manitoba.

Regrettably, in the last few years, the business diversion that has taken place — and I use that word that way as in the Garrison — and what it has done, it has diverted everybody's attention to some extent while we're fighting gizzard shads and while we're fighting the Americans and while we're fighting everybody else, we have stood back and judged the Minister or the government's performance on how well that battle has proceeded and by and large he has won our accolades. By and large he has won our accolades. But what we have forgotten about, what we have been diverted

from is what hasn't been done in terms of our problems for Pembina, in terms of our problems for Rock Lake, in terms of my problems, in terms of the kinds of projects that the Minister has heard from here in the House.

So, Mr. Chairman, once again, I must lean heavily on my friend and colleague, the Minister of Mines and Natural Resources, who single-handedly is going to bring about the defeat of this government.

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

**MR. GREEN:** Mr. Chairman, with regard to the appropriations for Water Operations and Management . . .

**A MEMBER:** Never mind that.

**MR. GREEN:** . . . these are the following facts. That \$12 million of the total of \$20 million that we are expending in this department is going into Water Management. That's number one. That the honourable member is ignoring in the capital budget \$2,924,000 — \$3 million — which is going into the water operations including — (Interjection) — yes, under capital and there always is under capital. The honourable member will remember it because he was in the department and the mystique was there then and it's carried on since. They called it a capital carry-over. I don't know if their accountants knew what it was; I know I didn't know what it was but I know that it's there.

There's \$1 million for the Vermilion River Dam; there's \$200,000 for the Sturgeon Creek radiant; there's \$67,000 for the McEachren Dam; there's \$169 in the Apasqui Drainage Project — \$169,000, yes — what did I say \$169.00. Not very much. There's Canada-Manitoba ARDA projects of \$228,000 which is \$1.2 million higher than was in the budget last year which is an increase of roughly 30 percent on the capital budget and we have maintained an increase on the current appropriations because, Mr. Chairman, there are non-recurring programs in current appropriations totalling \$500,000 — these are programs that have been completed and which we have to, in employing the honourable member's zero budgeting concepts that we have to start from the fact that we don't have that money. We got that back to the extent that this is the one area of the department in which there has been a program . . . well, the word would be program increase to some extent. I agree that it is not to the major extent that has been requested by my honourable friend and I am not going to be largely shook by that.

You know, my honourable friend talks about me single-handedly bringing down the government. That's good rhetoric; perhaps my honourable friend is in a dejected mood today because it seems to me that the people who lost seats yesterday were the Conservatives; that a year ago they were talking about throwing out the Liberal Government but now they are on the run and they are looking again, is there anybody else up there . . . and I am not going to tell the whole story. And they believe, and I have never really known the source of this complacency and supreme confidence but they think that is there in the Province of Manitoba. If it is — and I have never seen it — let them remember that times change very quickly and that somebody has to say something of substance and I am prepared to talk to the people of rural Manitoba about this program.

I want to know, Mr. Chairman . . . and I don't mind the honourable member saying that I have different priorities; that my priorities are not consistent with the priorities of the Conservative administration, that is absolutely true; that is why I went into politics. It is absolutely true that Conservative representatives in this House for years and years considered it a much higher priority to talk about the health of an individual farmer's field who happened to have some weight than talk about the health of several hundred babies in the Province of Manitoba. They were quite prepared, Mr. Chairman, to practice socialism when it dealt with providing public funds to deal with their problems but they would talk about rugged individualism when they talked about accepting social responsibility for the basic needs of all of the people in our society, including those in the urban area. And there is a difference in priority, and I believe . . . — (Interjection) — Well a lot of garbage, Mr. Chairman. I know what the people in the rural areas said when the issues of hospital care first came up. They said that that is an individual responsibility, that the state has no responsibility to pay for the hospital care of the individuals of society. They have a responsibility for putting drainage ditches beside my land. That's what they have a responsibility to do.

We have, to an extent, tried to balance off some of these priorities and I make absolutely no apology for it. At the same time, Mr. Chairman, and let's get down to issues. I want to know of one program — and I don't mind when my honourable friend criticizes me for doing that and says that I am responsible, or members on this side are responsible, and that we should be criticized for doing that. But I do object, Mr. Chairman, when I read in the Carman newspaper that some local hack politician in Carman will get up and say that the engineering report of the department was prepared by New Democrats and they can't find the cost benefit. Well I challenge any member of the opposition to find one plus cost benefit report on a water program which this government has then not pursued. Name one. The Boyne River? That showed minus cost benefits.

The honourable members say that they are going to doctor the reports to make them show plus cost benefits. I won't do that. Well, Mr. Chairman, then I challenge them. Then what they are going to

do is proceed even if there is no cost benefits to a program.

Well, Mr. Chairman, the fact is that on the basis that they say they are going to proceed if there is no cost benefits to a program — I have already indicated, Mr. Chairman, that that will not be the industrial policy of this government. That to the extent that we are involved in that, it is a legacy from Conservatives, and it is the policy of Liberals and Conservatives throughout this country, and that we don't intend to try to proceed on a negative cost benefit program. But my honourable friend says that even if the cost benefits of the Boyne River Diversion are one dollar earned for ten dollars spent, he will proceed with that program. — (Interjection) — Mr. Chairman, the fact is that he says that there will be no way of determining. There will be no measure; that the way he will proceed is when he feels that it is wise for him to proceed on complete subjectivity on his so-called "compassion" for people.

Well, Mr. Chairman, you know I used to be the director — And my friend from Morris is going to say that again I am being carried away. I don't know what figure that he uses, but I used to be the director of a camp. There were 120 children at the camp and there was one of our division heads who was very compassionate and everytime a single child came up and asked for a privilege he couldn't say "no" and he would give that privilege. And when I told him that this is an impossible way of proceeding, he said, "How could I say no to that little girl?" I said, "Never mind that little girl. How about the 118 other children who you deny that privilege to on the basis that you are giving it to the little girl with the big eyes who said that she wanted something?"

Now, we can't proceed that way. That's the way my honourable friend says he would proceed. I say that that's not compassion; that's stupidity. You do not have compassion for people by giving on the basis of urgent request. You have to have a program. And the program that we have, Mr. Chairman, and if I am wrong I ask to be corrected now, even by my own staff. I know of not a single program which shows cost benefit pluses. I am not talking about an individual drainage program; I am talking about the major programs such as you have referred to. That's the Pembilier the Souris, where we have cost benefit figures which indicate that we should be proceeding, where we have not actively proceeded with the program. I know of none. If I am mistaken, even in the face of the House, I ask the honourable member, Mr. Weber, to correct me. There is none. All right.

Now then we have some hacks in common. I don't care where they are; they are hacks who are saying, "Yes, that's right. I want them to read it." — (Interjection) —

**MR. CHAIRMAN:** Order.

**MR. GREEN:** Mr. Chairman, there are hacks throughout the Province of Manitoba, including Carman And there are these guys who are willing to criticize, not merely the administration of this province and that's legitimate, but they are saying that the engineering staff of the Province of Manitoba are doctoring reports because they are New Democrats and that they are against the people of Carman Manitoba. That's what I read in the Carman newspaper.

Well, Mr. Chairman, I say to you that I am willing to walk out of this speech on the spot if any member can substantiate that I have had anything to do with preparing, advising, encouraging, or in any other way trying to influence the results of any of the studies that have been prepared by the engineers.

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

**MR. ENNS:** On a Matter of Privilege. I have no objections to the Minister's statements or references to hacks in certain parts of the province but he intermingles that with members in this House and I want to make very clear that no member of the House has suggested what the Honourable Minister is making a very capable strawman out of, that we have suggested that the New Democratic Party has interfered with the engineering reports of his department. No member in this House of this Opposition has made that suggestion.

**MR. GREEN:** Mr. Chairman, I have referred to comments that have appeared in Carman in the newspapers. That's what I have referred to. The same thing appeared in Souris. The same type of snide innuendo appears from the Honourable Member for Rock Lake, who says not five cents in my constituency. And I assured him that is was not by design. That's the way it happened. That's the way it came up.

But nevertheless, Mr. Chairman, that is the way — (Interjection) — All right, I will take that away. You didn't intend it to be snide; you meant it as a fact to demonstrate that your constituency wasn't getting five cents. It had no reflection on the manner in which these judgements were arrived at whatsoever. Okay.

That is the way we have been proceeding. And, Mr. Chairman, we have proceeded and maintained a substantial program in the Province of Manitoba. We have done plenty other things in the agricultural area which indicate a willingness to spend. The Province of Manitoba in the past two years has spent more money in direct payments to beef producers than all of the money that is invested in Flyer Coach Industries. More than twice as much, because Flyer Coach now — our latest figures show a \$16 million deficit which is all that we have lost. \$34 million have been given out to beef producers in the Province of Manitoba. And you know I don't get whangs of anguish from honourable members opposite on the basis of this program. So there is no doubt — there is absolutely no doubt

whatsoever — that this province has taken different direction than they had under the Conservative administration.

I believe, Mr. Chairman, and I am prepared to appeal to the people of the Province of Manitoba on that basis, that they have been better directions. And I will make that pitch in the rural and in the urban areas. But the honourable member cannot show that either this program has not kept pace, and particularly this year — where I recognized last year that we had been slowing down some and that we had to keep pace — or, and what is more important, that there is a single program that shows cost benefits plus benefits that we have not actively pursued. And don't forget the Red River Floodway showed cost benefits pluses and that was pursued. The Portage Diversion — my impression is that it showed cost benefit pluses. The Shellmouth Dam showed cost benefit pluses. So you didn't, in your day, proceed with programs strictly on the basis of compassion. You can make that criticism of yourselves but you didn't do it. You proceeded with cost benefit plus programs. The major programs were completed. We're not going to put another floodway around the City of Winnipeg. And we're not going to build a floodway around Carman on the basis of a cost benefit ratio that doesn't exist. Because on that basis, Souris is just as entitled to it as Carman.

My honourable friend says there are studies on Souris which show cost plus programs, or benefits programs. There are none that I am aware of. And secondly, we are now engaged in a Souris River study. We are engaged in various ones, but we are engaged more materially, in a more sophisticated way certainly, in a study on the Souris River. The last letter I got from the Pembilier group, from Mr. Friesen, indicated that the cost benefits will change because of this year's drought condition. Well, I have to tell my honourable friend that when the cost benefits are calculated they are calculated over conditions that existed for a period of perhaps 80 years. That's certainly what it was with Lake Winnipeg Regulation, so that would be the same with regard to the Boyne River. If not 80 years, it certainly would take in the 1930s. So drought conditions are part of those studies. Drought conditions are contained in the studies. We don't prepare a study which doesn't take into account that there are going to be droughts and there are going to be periods of high water. And we gave you the report. We didn't hide it from you. We sent it to you. And what did we get? We got a meeting at Carman where some hacks got up and said that these engineers are working for the New Democratic Party and that they have coloured their results in order to suit the New Democratic Party.

Well, my honourable friends say that that will make good reading, the word "hacks". I say what the Member for Thompson, said, "If the shoe fits, wear it." The guy who makes that type of statement is a hack, in Carman. I don't care where he's from and I'm not going to let him insult this staff without defending them. And I am going to tell him that those things are done on the best professional advice, not on the basis of the party in power. If the Conservative Party wishes to go to Greater Winnipeg, or anywhere else, go to even a rural area and say that when we get a cost benefit study that shows to spend a dollar, that we will spend ten dollars to gain one, but we will proceed because we are people of compassion. I don't think that they're going to get support for that position even in the rural area. Because if it happens in one area, then how do you deal with the Member for Roblin? How do you deal with the Member for Arthur? Do you do everything at once and everything on the basis of no cost benefit relationship? Well, you don't, Mr. Chairman. And you won't. You may say it now, but you won't. You won't be able to do it.

I think that the people who have come into my office for drainage programs or for projects of this kind have at least not found me saying one thing to them and something else to somebody else. We are dealing with the programs on their merits. One thing is true, if we had more money, we could deal with more programs, more things would fall into the priority category. But that essentially is a drainage field — not into major water dam construction programs because both things, Mr. Chairman, are based whenever we find one that has a cost benefit ratio, which is favourable, we have pursued it and they are in our program.

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

**MR. JORGENSON:** Mr. Chairman, the Minister presents an interesting argument when he suggests that the government is providing a great deal more in the way of drainage and conservation works for the Province of Manitoba. One of the difficulties — and I have perhaps said this before in another committee — one of the difficulties we are faced with is a problem of our own creation, that is various departments operating in isolation. And the problem that has been created to a large extent on the Boyne River is a problem that has been created by the Assessment Branch of the Department of Municipal Affairs. Now there was a time when that land north of Carman, north and west — and it is marginal land, at it's very best it's marginal — but during the war when there was a demand for food and farmers were encouraged to grow more food and fertilizer became into general use, these farmers started breaking up that land and applying fertilizer applications that grew fairly good crops as long as there was a fairly consistent amount of rain. And during those years that seemed to be no problem. Then having increased the yield of that land, the municipal assessors went in and the result was that their assessment was raised to the point that they were now paying taxes equal to farmers who had good drainage, who had good roads, who had good communication. They very logically

then started demanding the same kind of services and the same kind of services provided in that area is a mistake and will continue to be a mistake. We're persisting in carrying that kind of a program on. One way to stop it is to stop the municipal assessors — simply because an enterprising farmer has found a way of increasing the yield on his acres that he now has to pay more for it, he should not be encouraged to do that. And he certainly should not be encouraged to drain land that creates more problems than it solves. Because the systematic draining of that land also creates a groundwater problem that would not exist in dry years if the land had been left alone. You know, you can talk about cost-benefit ratios all you like, but the cost benefit ratio doesn't mean a thing when there is no water at all. Then under those circumstances suddenly cost benefit ratios disappear. And we were faced with that situation this spring and you had communities the length and breadth of this province, not worrying a bit about cost benefit ratios where they had been concerned about them before. Their problem as they saw it in the immediate future was a problem of survival.

This government talks a great deal about wanting to build up a livestock industry, and I have no quarrel with that providing the building up of that livestock industry is consistent with the demand for that particular product. We had some criticism to offer to the government for encouraging the beef industry in this province at a time when it needed no encouraging and at a time when every indication and every knowledgeable beef expert in this country was telling us that it was a time to hold back rather than expand the beef industry. Notwithstanding that kind of advice coming from people who were expert in that field, we went ahead and created the problem that the beef industry has suffered from for several years now. Then the government, in order to solve that problem, dished out about \$34 million and the Minister now brags that he passed out that amount of money to the beef producers. Mr. Chairman, that money need not have been passed out, had there been a policy consistent with the projections that had been made by knowledgeable people in the beef industry. It's all very well to talk about the amount of money that you're taking out of one pocket and placing into another and then make yourself sound like a good guy, and that's what the Minister essentially has done here this afternoon; it's another matter entirely providing the infrastructure for any industry, the infrastructure that is necessary to ensure that that industry will survive. What we're asking for and what we're suggesting in this department, that part of that infrastructure is water conservation. And in some respects drainage; drainage to eliminate the problems that have been created by bad planning practices in the first place.

Mr. Chairman, I see that it's 5:30.

**MR. CHAIRMAN:** The hour being 5:30, the hour of adjournment, the Committee rise and report. Call in the Speaker.

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

### IN SESSION

**MR. SPEAKER:** The Honourable Member for Logan.

**MR. D. JAMES WALDING:** Mr. Speaker, I beg to move' seconded by the Honourable Member for Thompson that the Report of the Committee of Supply be received.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. JORGENSON:** Before the House adjourns for the day I would like to move that the name of Mr. Banman be replaced for that of Mr. Blake on the Standing Committee on Law Amendments.

**MOTION presented and carried.**

**MR. SPEAKER:** The hour of adjournment having arrived the House is now adjourned and stands adjourned until 10:00 a.m. tomorrow morning.