



**Third Session — Thirty-Second Legislature**  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES**  
and  
**PROCEEDINGS**

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33 Elizabeth II

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The Honourable D. James Walding  
Speaker*



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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Second Legislature**

**Members, Constituencies and Political Affiliation**

Name	Constituency	Party
<b>ADAM, Hon. A.R. (Pete)</b>	Ste. Rose	NDP
<b>ANSTETT, Hon. Andy</b>	Springfield	NDP
<b>ASHTON, Steve</b>	Thompson	NDP
<b>BANMAN, Robert (Bob)</b>	La Verendrye	PC
<b>BLAKE, David R. (Dave)</b>	Minnedosa	PC
<b>BROWN, Arnold</b>	Rhineland	PC
<b>BUCKLASCHUK, Hon. John M.</b>	Gimli	NDP
<b>CARROLL, Q.C., Henry N.</b>	Brandon West	IND
<b>CORRIN, Q.C., Brian</b>	Ellice	NDP
<b>COWAN, Hon. Jay</b>	Churchill	NDP
<b>DESJARDINS, Hon. Laurent</b>	St. Boniface	NDP
<b>DODICK, Doreen</b>	Riel	NDP
<b>DOERN, Russell</b>	Elmwood	IND
<b>DOLIN, Hon. Mary Beth</b>	Kildonan	NDP
<b>DOWNEY, James E.</b>	Arthur	PC
<b>DRIEDGER, Albert</b>	Emerson	PC
<b>ENNS, Harry</b>	Lakeside	PC
<b>EVANS, Hon. Leonard S.</b>	Brandon East	NDP
<b>EYLER, Phil</b>	River East	NDP
<b>FILMON, Gary</b>	Tuxedo	PC
<b>FOX, Peter</b>	Concordia	NDP
<b>GOURLAY, D.M. (Doug)</b>	Swan River	PC
<b>GRAHAM, Harry</b>	Virten	PC
<b>HAMMOND, Gerrie</b>	Kirkfield Park	PC
<b>HARAPIAK, Harry M.</b>	The Pas	NDP
<b>HARPER, Elijah</b>	Rupertsland	NDP
<b>HEMPHILL, Hon. Maureen</b>	Logan	NDP
<b>HYDE, Lloyd</b>	Portage la Prairie	PC
<b>JOHNSTON, J. Frank</b>	Sturgeon Creek	PC
<b>KOSTYRA, Hon. Eugene</b>	Seven Oaks	NDP
<b>KOVNATS, Abe</b>	Niakwa	PC
<b>LECUYER, Hon. Gérard</b>	Radisson	NDP
<b>LYON, Q.C., Hon. Sterling</b>	Charleswood	PC
<b>MACKLING, Q.C., Hon. Al</b>	St. James	NDP
<b>MALINOWSKI, Donald M.</b>	St. Johns	NDP
<b>MANNES, Clayton</b>	Morris	PC
<b>MCKENZIE, J. Wally</b>	Roblin-Russell	PC
<b>MERCIER, Q.C., G.W.J. (Gerry)</b>	St. Norbert	PC
<b>NORDMAN, Rurik (Ric)</b>	Assiniboia	PC
<b>OLESON, Charlotte</b>	Gladstone	PC
<b>ORCHARD, Donald</b>	Pembina	PC
<b>PAWLEY, Q.C., Hon. Howard R.</b>	Selkirk	NDP
<b>PARASIUK, Hon. Wilson</b>	Transcona	NDP
<b>PENNER, Q.C., Hon. Roland</b>	Fort Rouge	NDP
<b>PHILLIPS, Myrna A.</b>	Wolseley	NDP
<b>PLOHMAN, Hon. John</b>	Dauphin	NDP
<b>RANSOM, A. Brian</b>	Turtle Mountain	PC
<b>SANTOS, Conrad</b>	Burrow	NDP
<b>SCHROEDER, Hon. Vic</b>	Rossmere	NDP
<b>SCOTT, Don</b>	Inkster	NDP
<b>SHERMAN, L.R. (Bud)</b>	Fort Garry	PC
<b>SMITH, Hon. Muriel</b>	Osborne	NDP
<b>STEEN, Warren</b>	River Heights	PC
<b>STORIE, Hon. Jerry T.</b>	Flin Flon	NDP
<b>URUSKI, Hon. Bill</b>	Interlake	NDP
<b>USKIW, Hon. Samuel</b>	Lac du Bonnet	NDP
<b>WALDING, Hon. D. James</b>	St. Vital	NDP

# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 18 June, 1984.

Time — 2:00 p.m.

**OPENING PRAYER** by Mr. Speaker.

## PRESENTING PETITIONS

**MR. SPEAKER, Hon. J. Walding:** The Honourable Member for Roblin-Russell.

**MR. W. MCKENZIE:** Mr. Speaker, on behalf of the Honourable Member for Minnedosa, I beg to present a petition of the Agricultural Community District of Newdale praying for the passing of An Act to amend an Act respecting the Agricultural Community District of Newdale.

**MR. SPEAKER:** 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

**Thunderstorm - June, 1984**

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

**MR. H. ENNS:** Mr. Speaker, I direct a question to the Minister responsible for Emergency Measures Organization. The weekend delivered a series of exceptionally heavy thunderstorms and rain to different communities in the province. I'm particularly concerned about communities such as Elie that stretch immediately west of the city. Can the Minister assure me that Emergency Measures Organization's people have been in contact with municipal officials in these afflicted areas?

**MR. SPEAKER:** The Honourable Minister of Government Services.

**HON. A. ADAM:** Mr. Speaker, there was quite a heavy rainstorm Saturday, I believe - over the weekend - and we had one request from the R.M. of Cartier for assistance in that there were a number of basements that were being flooded and the pumping facilities were unable to lift the water quickly enough to prevent some flooding of basements. We immediately dispatched our municipal emergency advisor from Portage to Elie and steps were taken to locate pumps and the assistance of the Hutterite Colony and also the resources. Some rental pumps were able to maintain the problem under control; that is the latest information I have. Everything seems to be in order at the present time. There was some flooding in the City of Winnipeg, some basements were flooded; however, there were no provincial resources called upon to deal with the situation in the City of Winnipeg.

**MR. H. ENNS:** Mr. Speaker, I thank the Minister for that response.

A supplementary question to the same Minister. Particularly in the case of the community of Elie, the situation was compounded with power failure and hydro failure at the same time, which made it impossible for many of the businesses, communities and residences that had their own pumping facilities to be able to take advantage of them. Will, under these circumstances, Mr. Speaker, the government be looking at that situation in Elie for any possible assistance?

**HON. A. ADAM:** Mr. Speaker, the preliminary report that we have is that everything is under control. We do not know at this time if there was any major disaster that took place and until we have more information we'll have to take it under advisement and review what happened there. We will be, of course, depending on the municipality to provide the information, and they will certainly be in touch with my office if it is felt by them that there should be some review as to whether or not there should be any assistance at this point and time. We can only wait for further report.

**MR. H. ENNS:** Mr. Speaker, again I thank the Minister for that response.

## Bills, calling of

**MR. H. ENNS:** Mr. Speaker, I direct a question to the Government House Leader. I note that on today's Order Paper no additional bills were introduced for first reading. Does that indicate, Mr. Speaker, through you to the Government House Leader, that all bills are now before the House that are going to be considered during this legislative Session?

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

**HON. A. ANSTETT:** Mr. Speaker, I have not had an opportunity to do a check on the status of all the legislation which I would normally have done this morning. I'll take the question as notice. I believe we are at or are near completion of the legislative package. I believe there may be one or two bills which have been introduced for first reading, but have not yet been distributed. It had been my hope that they would all be distributed by the end of last week; those that are outstanding will certainly be distributed within the next couple of days. I'm not sure that there are any more bills for first reading. I don't believe there are, but I'll confirm that tomorrow.

## Milk prices

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Mr. Speaker, I had a question for the Minister of Agriculture, but since the Premier dealt

with some of the subject matter which I wished to ask questions about last Friday, I would address this question to him and would ask him, in light of the concern that has been expressed now over the weekend to many members of the Legislature, with regard to the Milk Prices Review Commission's formula for the sale of milk, could the First Minister inform the Legislature whether or not the Milk Prices Review Commission is holding meetings and discussions with small retailers and distributors to learn first-hand the plight of these people under this new policy that has been issued?

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

**HON. H. PAWLEY:** Mr. Speaker, I believe there are meetings. I would take that question as one of notice.

**M. R. BANMAN:** Mr. Speaker, since this particular policy, which has been enunciated now and is being put into effect by the Milk Prices Review Commission, affects basically the small retailers and the small distributors and really is working at a disadvantage and helping the larger dairies as well as the large chains, would the First Minister give the undertaking that he will, through his Minister of Agriculture, instruct the Milk Prices Review Commission to take into consideration the problems faced by these small retailers, many who are now saying this is virtually going to force them out of business?

**HON. H. PAWLEY:** Mr. Speaker, I dealt, I thought, with those questions on Friday in respect to the overall impact and the fact that in the vast majority of cases there was greater stability, in fact, saving. There were exceptions to that case. So I would simply ask the honourable member to avoid overstating or generalizing in respect to the preamble of his question.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Well, Mr. Speaker, I would ask the Minister again, in light of the fact that it is being now demonstrated by very many small - I'm talking about small family store operations, I'm not talking about Safeway or SuperValu who goodness knows can look after themselves and who this policy seems to be benefiting; will the Minister not undertake to apprise himself of the problems that are being faced by these very small entrepreneurs who are struggling to make a living in this province and make changes within this commission structure to recognize the fact that we want to save these small entrepreneurs in this province?

**HON. H. PAWLEY:** . . . the information that I wanted, which in fact, I had disclosed to the Chamber during the discussion that we had on this issue on Friday morning that - and I would be interested if the honourable member has any specifics, I refer to specifics rather than generalizations that indicate otherwise - that indeed amongst retailers in Winnipeg, the one particular case that has been referred to frequently is an isolated one, it is an exception to the general rule and that in much more common which is

conveniently ignored by the honourable member is the fact that there are reductions taken place in smaller Winnipeg retail and convenience stores, and it's my understanding that three to six cents a litre; larger retail prices, if any, showing little change, there are probably still some exceptions in respect to that.

Also, I had indicated Friday, if you recall, in the Chamber, Mr. Speaker, in respect to this same question, that currently in those provinces where there are uncontrolled price systems, where rebates run rampant, that the prices are much higher than those prices which exist in those provinces where there are more effective control measures. So, Mr. Speaker, I think it is important that the honourable member be cautious and wise in the utilization of his statements to avoid sweeping generalizations that may not be accurate.

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

**MR. C. MANNES:** Mr. Speaker, thank you.

I was wanting to address my question to the Minister of Agriculture, but I'll direct it towards the First Minister; it follows on the answers he has just offered to my colleague.

The First Minister indicates that we don't provide specifics. I wonder if he would confirm that he has received a letter from the proprietor of the Sanford IGA Store, because I have a copy of that letter and I believe the First Minister has also, laying out the specifics of that particular store. I am wondering if he could confirm that he has received that letter.

**HON. H. PAWLEY:** Mr. Speaker, I cannot confirm that, I will take the question as notice.

**MR. C. MANNES:** Well, Mr. Speaker, in light of the fact that this particular letter, which the Premier will have an opportunity to read no doubt in the near future, points out that under the old policy retailers, like this particular store and many like it, were given an opportunity to make 14 percent gross profit on sales, and under the new policy the fact that consumers are now paying 7 percent more and the retailers' profits are dropping from 14 percent to 8 percent with the large processors making up that large difference in terms of profit; my question to the First Minister is, how does this new policy help consumers, how does it help small stores which will now be laying off staff as indicated by way of this letter and how does it help the consumption of milk and the livelihood of many dairy producers in this province?

**HON. H. PAWLEY:** Mr. Speaker, as the Minister of Agriculture had indicated, and there are a number of questions included within the general statement, it will stabilize the price of milk in respect to smaller convenience stores. It certainly stabilized the price of milk in respect to rural parts of the province and also insofar as the northern parts of Manitoba are concerned. Mr. Speaker, much of this does relate back to the changes which took place by way of legislation in 1980 under the administration that prevailed prior to the present New Democratic Party Government of this province.

I'm wondering if the honourable member would like to volunteer whether or not he has had some change

of heart or some change of thinking in respect to the wisdom of the legislation that was introduced by the then Lyon administration in the Province of Manitoba that eliminated the effectiveness of milk control pricing in the Province of Manitoba? I'd be interested in knowing from the honourable member whether or not there has been any change of heart on the part of honourable members across the way to the legislation that they pushed through this House, I must say, with significant opposition, as you can recall, Mr. Speaker, by members of the opposition, I think during the spring Session of 1980.

**MR. C. MANNES:** A final supplementary, Mr. Speaker. I'm sure you'd rule out of order any answer to the question, the challenge from the Premier, that I might like to afford to his question.

My final question, Mr. Speaker, on this matter. The Premier talks about helping those rural areas. Again, I remind him, this letter came from Sanford, Manitoba, I would ask him, in view of the fact that again this letter indicates that the invoice value for the same amount of milk on June 8th to this particular retailer increased 9.6 percent, can the Minister tell me what he and his government are going to do to protect the shift of not only milk sales away from this particular area but also other grocery items to the very large retailers?

**HON. H. PAWLEY:** Mr. Speaker, as I have indicated, the instances where, in fact, the recent regulations have been most affected had been in regard to smaller Winnipeg retail and convenience stores rather than large retail stores. I will be looking at the letter that the honourable member refers to, and we will certainly be bringing into this Chamber response in respect to the points that had been raised by the company from Sanford. It may very well be one of those exceptions, Mr. Speaker. I think we have to ensure we look at the overall situation as was done by the Minister of Agriculture in this Chamber last Thursday.

### Royal Visit

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

**MR. R. DOERN:** Mr. Speaker, I'd like to direct a question to the First Minister whom I believe is responsible for details of the Royal Visit. I'd like to ask him whether he can provide an indication, just in general terms, of the number of staff and the length of time that preparations have been made for the Royal Visit to Manitoba which includes Winnipeg, Thompson, Brandon and Dauphin?

**HON. H. PAWLEY:** Mr. Speaker, I would be most anxious to provide as much of that information as is possible, and probably the honourable member would like to attend my Estimates, which I believe would be coming up in the next day or two, in which we could have a thorough discussion at that time as to the preparations that have taken place in respect to the Royal Visit, commitments undertaken, etc., as well as arrangements that have been made, in the process of being made, the province's input in connection with the Papal Visit which is to take place, as the honourable members know, in September.

**MR. R. DOERN:** Mr. Speaker, I'd also like to ask the First Minister whether the government has received any communications from the Federal Government in regard to the possibility of suspending preparations for the Royal Visit, because of the possibility of a federal election?

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

**HON. H. PAWLEY:** Mr. Speaker, it is a little soon to anticipate correspondence from the Federal Government in this respect. We don't know. There could very well be a disruption, of course, of the Royal Tour. That depends upon the policy of Buckingham Palace as to whether or not the Queen and Prince would continue their visit to Canada even during the term of a federal election.

I feel, Mr. Speaker, that if the Federal Government does call an election during that period of time, that the Federal Government should assume some of the commitments that have been made by non-federal government authorities in that case, if they do decide to proceed with a federal election and that results in the cancellation of the Royal Visit at this late date.

**MR. R. DOERN:** Mr. Speaker, I would agree with the First Minister on that point and ask him whether any of the costs of the Royal Visit and the staff and time, etc. are an obligation of the Federal Government or whether in effect the cost of the trip in the province is fully borne by the Provincial Government?

**HON. H. PAWLEY:** Mr. Speaker, I don't wish to mislead the honourable member in respect to any details except that, in general, matters pertaining to inter-provincial travel, security arrangements, etc. are the responsibility of the Federal Government. Transportation and/or communication within the province is generally the responsibility of the Provincial Government and matters purely of a municipal nature - municipal event - are the responsibility of the particular municipality in which the event is under way. It might be more helpful to the honourable member, again so I not mislead him, that we have a more thorough discussion as to the breakdown during my Estimates.

### Aboriginal self-government

**MR. SPEAKER:** The Honourable Member for Swan River.

**MR. D. GOURLAY:** Thank you, Mr. Speaker.

I have a question to the Minister of Northern Affairs. I wonder if the Minister can advise if land claim allocations are being negotiated with Indian leaders from the Indian Birch Reservation near Birch River at the present time?

**MR. SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. J. STORIE:** Mr. Speaker, the member should be aware that the question of entitlement is not established by the Provincial Government. The question of entitlement is established by the Office of Native Claims

- ONC - a federal agency, and I have no knowledge whatsoever of a claim being put forward by the band near Birch River. He would be better advised to check with the Federal Department of Indian Affairs to ascertain whether there has been a claim made with respect to entitlement.

### **Attorney-General, Dept. of - Appointments**

**MR. SPEAKER:** Oral Questions.

The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, last Monday the Attorney-General indicated that he and the Premier and the Clerk of the Executive Council, appointed by the government, conducted the final interviews on the appointment of the Deputy Attorney-General recently announced by the Attorney-General. Mr. Speaker, could the Attorney-General indicate whether the selection committee, which he had established prior to those interviews, interviewed Mr. Elton and recommended him for consideration by the Attorney-General?

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

**HON. R. PENNER:** No, Mr. Speaker. The applications of Mr. Elton and one other person came in subsequent to the first level interviews and were considered at the second level interviews.

**MR. G. MERCIER:** Mr. Speaker, in view of the fact that the appointment of Mr. Elton as the Deputy Attorney-General has caused considerable concerns within the Civil Service - within the Attorney-General's department and outside in the legal profession, Mr. Speaker - I would ask the Attorney-General, once again, to ask what particular skills or attributes will Mr. Elton bring to the Department of the Attorney-General?

**HON. R. PENNER:** I would have hoped that the appointment of the very senior deputy in this government would not be made the subject of political backbiting in the way in which it is now coming across. An appointment has been made of a very distinguished civil servant who comes here in a completely non-political way and whose attributes among others are a strength with respect to policy and planning and with respect to inter-governmental relations.

**MR. G. MERCIER:** Mr. Speaker, I would ask the Attorney-General to indicate whether he is of the view of whether or not the skills and attributes are not available from the existing personnel within the Attorney-General's Department?

**MR. SPEAKER:** Order please. A question seeking the opinion of a Minister is improper. Perhaps the honourable member would wish to rephrase his question to seek information.

**MR. G. MERCIER:** Mr. Speaker, I would ask the Attorney-General whether or not those skills he refers to are not available from within the existing personnel within the department?

**HON. R. PENNER:** I answered that question last week, Mr. Speaker, and I'll answer it in exactly the same way

this week as I did last week. I can assure the Member for St. Norbert if he asks me next week the answer will again be the same. If he intends to ask it the week after, should we be here, I'll be pleased to give him a printed copy to save both of us and other members of the Legislature the time.

There was a national competition, an interview process, the involvement in addition to the persons whom he mentioned today of the head of the Civil Service, and in the result of looking at a balance of skills that were exhibited by all of the applicants, a number of decisions were made which resulted in the appointment not of one but of three people, and what I think is going to be about one of the best management teams in an Attorney-General's Department in the country.

### **Thunderstorm, June, 1984**

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

**MR. A. KOVNATS:** Thank you, Mr. Speaker.

I would direct my question to the Honourable Minister of Environment, Workplace Safety and Health. Has the Honourable Minister received any calls concerning the backup of sewers after the heavy rain last Saturday, people requesting information as to whether there will be financial compensation coming to them through the backup of sewers?

**MR. SPEAKER:** The Honourable Minister for the Environment.

**HON. G. LECUYER:** Thank you, Mr. Speaker.  
No, Mr. Speaker.

**MR. A. KOVNATS:** Is the Honourable Minister considering compensating those people who suffered losses because of sewer backup?

**HON. G. LECUYER:** I understand that according to past procedures, anyway, householders have insurance that covers that; and secondly, this to my way of understanding, anyway, is a municipal matter.

### **Mosquito control**

**MR. A. KOVNATS:** I would direct another question to the Honourable Minister of Environment, Workplace Safety and Health. In this morning's paper there was an ad under Clean Environment Commission, Mosquito Control Program. The program was advising that out at Birds Hill Park there would be spraying once each day, June 25 to 27, 1984, to protect patrons of the Wapiti Folk Festival.

A little later on it says, anybody likely to be affected by the . . .

**MR. SPEAKER:** Question.

**MR. A. KOVNATS:** Yes, I'm just getting to it, Mr. Speaker, but it says anyone likely to be affected by the order to make presentation to the Commission no later than June 28th. June 28th is one day after the

spraying occurs. Is this the policy of the Provincial Government?

**HON. G. LECUYER:** Mr. Speaker, I shall refer to that article as well. Obviously there must be some mistake.

**MR. A. KOVNATS:** A supplemental question to the Honourable Minister. The mistake that is being referred to, is this the mistake to be considered as a typographical error that the government always resorts to?

**MR. SPEAKER:** Order please. Would the honourable member ask questions for information and not to be frivolous or sarcastic?

The Honourable Member for Niakwa.

**MR. A. KOVNATS:** To the Honourable Minister. Is this a typographical error?

**HON. G. LECUYER:** Mr. Speaker, if the honourable member listened to my response a little bit before, he wouldn't have a question at this time, unless he is trying to be funny.

**MR. A. KOVNATS:** Not to be humorous, Mr. Speaker, because the use of insecticide, malathion, is the one that is being used. I don't think that can be considered humorous, frivolous in any way, Mr. Speaker. The question was meant in earnest and I would request a reply in the same manner in which the question was asked.

**HON. G. LECUYER:** Mr. Speaker, any time I am given a serious question, I shall provide a serious answer. Now, if the member across listened, he got the answer.

### Assessment policies

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

**MR. C. MANNES:** Mr. Speaker, I'd like to address my question to the Minister of Municipal Affairs. I'm wondering if the Minister can indicate what assessment policies are in effect in respect to assessing buildings, buildings used upon farms that are part of the Farm Vacation Program.

**MR. SPEAKER:** The Honourable Minister of Municipal Affairs.

**HON. A. ANSTETT:** Mr. Speaker, I'm not aware that the Farm Vacation Program changes the status of any buildings under the assessment program, but I'll take the question as notice and determine if there is any special policy. But I'm not aware of one to date.

**MR. C. MANNES:** Mr. Speaker, I thank the Minister for that answer, and I hope he will take some effort to look into what assessment practices are being used in regard to that particular program.

It has come to my attention that today a fair number of owners of small farms who are allowing their farms to be used under this program and who are receiving gross revenues in the \$1,500 to \$2,000 area per year

for all the trouble they go to in providing a home are having taxed their houses and buildings. I'm wondering, therefore, if the Minister will be able to report quite quickly to the House as to specifically what the assessment practices are and whether he intends to change them, if, in fact, this has happened.

**HON. A. ANSTETT:** Mr. Speaker, in view of the additional information the member has provided in support of his question, clearly, if the matter relates to sources of off-farm income, as opposed to farm income or the definition of farm income, then Section 30(1) and 30(2) apply and the member is aware of those sections. We discussed them in detail during my Estimates. If the member is alleging that there has been a change in policy, that change could only take place with the Minister's sanction. No such sanction has been given. If the member wants a speedy answer, that certainly is my commitment. I've always brought answers back to the House as quickly as possible. I'm not aware of any change in the policy. Certainly the whole question of assessment reform bears on the removal of all of those exemptions and I am pleased that members opposite have supported the government throughout in that direction of reform.

**MR. C. MANNES:** Mr. Speaker, in view of the fact that the government, through the Destination Manitoba Program, has encouraged in many cases owners of small farms who have been part of this Farm Vacation Program to build buildings so as to provide a better service, to bring together urban and rural Manitobans under this particular program, my question to the Minister or the Premier is, does the government now have a different view as to the usefulness of the Farm Vacation Program, or in fact, are they going to continue to heavily assess and tax in many cases, through this particular tax, farmers who provide their residences and their buildings to that program?

**HON. A. ANSTETT:** This government's support and commitment to the Farm Vacation Program as part of the responsibility of the Minister of Small Business and Tourism in this province remains very strong. There has been no reason to change that. Mr. Speaker, however, if the honourable member is advising me, through his question, that there has been a change in taxation policy, then there is some difficulty because the member asked exactly that question. I've committed to providing the member with the information that he asked for. Mr. Speaker, it seems unbecoming that he would then provide an answer to the House to a question that he has said he wants as information.

### Northern Union Insurance Company

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. R. BANMAN:** Thank you, Mr. Speaker. I direct my question to the Minister of Consumer Affairs, who is responsible for the Superintendent of Insurance, and would ask him if he could now confirm contrary to the answer he gave to me on June 5th that the Receiver for the Northern Union Insurance Company has, indeed,

filed a statement of claim against the Toronto-Dominion Bank for some \$4.2 million.

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

**HON. R. PENNER:** I'll have to take that as notice. The member is asking me to confirm something. I'll have to check first the answer he alleges I gave him to a question, presumably that was during Estimates, and secondly, to check that information with the Superintendent of Insurance. If I have made an error in communicating information, I'll be the first to correct it.

**MR. R. BANMAN:** Mr. Speaker, on June 5th, I asked the Minister the same question, at which time he said the action was only being contemplated and that it had not commenced, and I believe the Statement of Claim was filed on April 16th, which was about two months ago. Mr. Speaker, in light of the fact that the action has commenced, would the Minister now be able to inform the House whether or not the successful action on behalf of the Receiver will indeed make a substantial difference to people who now have claims in to the Receiver with regard to losses sustained when Northern Union was placed into receivership?

**HON. R. PENNER:** Mr. Speaker, the question really contains its own answer. Clearly, if we're successful, as against the Toronto-Dominion Bank, in recovering a pool of \$4.2 million for the policy holders, then subject to another matter which is to be litigated as between the receiver and B.C. Hydro, clearly, the policy holders will be very much better off.

In any event, the member seems to have been able to confirm for himself the date of the action. I'm happy to have him supply me the information. I'll take it from wherever I can get it, but I'll check it with my department in any event.

### Hydro power - sale of

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, I have a question for the Minister of Energy and Mines. In the power sale announced last week, the Minister said that there would be approximately 3.2 billion of revenue and 1.7 billion of profit. In the remaining 1.5 billion of cost to the province, is there a charge for interest?

**MR. SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Yes, Mr. Speaker, I believe the member, if he wants to go through all this, will have the opportunity at the Public Utilities Committee later this week.

**MR. B. RANSOM:** Mr. Speaker, just so that we can have some of this information in advance, I'm raising some of these questions now with the Minister and I would ask him if he could indicate then, in the case of the interest charge, whether that is a proportionate

amount, whether that interest bears a proportion to the 500 megawatts that bears to the total output of the dam. Is that a similar ratio?

**HON. W. PARASIUK:** Mr. Speaker, I think this is a matter that is best discussed before the Public Utilities Committee. Hydro has a normal way of amortizing their plans and that's over a 67 year period.

**MR. B. RANSOM:** Perhaps, Mr. Speaker, I didn't make that plain enough. My question was not about the amortization of the construction costs, but about the interest charge against the approximately \$3 billion that will be involved. I'm interested in knowing whether the interest cost included in the \$1.5 billion bears some relationship to the sale, the size of the sale, relative to the capacity of the dam?

**MR. SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Mr. Speaker, Hydro will be amortizing the plant over 67 years, the way it has amortized all of the plants. It has the power sale for 12 years, which will provide revenue of \$3.2 billion. Over that 12 years it will have costs that it has to absorb. Those costs are in the order of \$1.5 billion in relation to this particular sale. That yields a profit estimated in the order of \$1.7 billion, Mr. Speaker, and we are left with a Hydro dam that is fully owned by the people of Manitoba for its use into eternity.

**MR. B. RANSOM:** Mr. Speaker, another question then. In the first full year that the cost of the dam is being borne, assuming approximately \$3 billion costs, the annual interest charge could well be in excess of \$400 million at today's interest rates for one year. I would ask the Minister then, what proportion of that annual interest cost of over \$400 million would be charged against the sale of 500 megawatts that was announced last week?

**HON. W. PARASIUK:** Mr. Speaker, again, that's a question best dealt with in detail at the committee, but that would be a proportion because we will have something in the order of 1,275 megawatts being produced for the people of Manitoba for either internal consumption or sale. And that's quite a significant profit, Mr. Speaker, that we will be able to make over a period of time. That is quite different, Mr. Speaker, from other alternatives which would have produced no profit whatsoever over 25 years. No profit over 25 years; no gain to the people of Manitoba over 25 years. We now have the potential, Mr. Speaker, of gaining a profit for the people of Manitoba of \$1.7 billion and providing 17,000 jobs for the people of Manitoba.

### North of Portage development

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, a question to the Minister of Government Services. Could the Minister inform the House as to what mistake he made with

respect to the expropriation of the land north of Portage Avenue?

**MR. SPEAKER:** The Honourable Attorney-General on a point of order.

**HON. R. PENNER:** On a point of order, Mr. Speaker, there is a bill slated for debate on that. The matter with respect to which a question has been asked has been ordered for debate in the remaining weeks of this Session, and that matter can best be dealt with in the appropriate time when the bill is called for second reading.

**MR. G. MERCIER:** Mr. Speaker, I would ask the First Minister a question. Does the First Minister support retroactive legislation?

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

**HON. H. PAWLEY:** Mr. Speaker, if it is dealing with a matter which is essential and necessary and can be fully justified, then certainly that will be, in fact, the subject matter of the bill that the honourable member is making reference to when it's finally introduced for second reading.

**MR. G. MERCIER:** Mr. Speaker, does the First Minister feel that it is reasonably justified to retroactively pass legislation to validate an expropriation where the inquiry officer has recommended against it, where the province does not know what is going to go on the property, where there are no plans yet formulated, and when the effect of this is to remove successful small businesses from their operation?

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

**HON. A. ANSTETT:** Yes, Mr. Speaker, the honourable member has moved from a general question to a very specific question relative to Bill 28, which was distributed this afternoon, an Act to validate an expropriation under The Expropriation Act, standing in the name of the Attorney-General.

I submit, Mr. Speaker, that questions in debate on that matter should take place under second reading.

**MR. SPEAKER:** The time for Oral Questions has expired.

### NON-POLITICAL STATEMENTS

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

**HON. H. PAWLEY:** Mr. Speaker, if there are no other questions, I wanted to make a statement of a non-political nature.

**MR. SPEAKER:** Does the Honourable Minister have leave? (Agreed)

**HON. H. PAWLEY:** Mr. Speaker, I felt it would be appropriate to point out to honourable members that the Manitoba Society of Seniors is holding their very

special Olympics which carries on from today, June 18th, to June 21st at Sargent Park School and other sites throughout the city. I think that we would all want to wish the senior citizens of this province, who have come from many different parts of Manitoba to participate in this very special event, the very best of success and fun in demonstrating their talents and their skills as seniors during these very important days on their part.

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

**MR. G. FILMON:** Mr. Speaker, I would certainly like to join, on behalf of the opposition, with the Premier in extending best wishes to the Manitoba Society of Seniors for their program of Olympics that they are carrying out and to say that we know that seniors have been expanding their activities. Certainly a great deal of expansion took place when we were in government and programs instituted and the Society of Seniors does an excellent job on behalf of the senior citizens of Manitoba, and we certainly join with the Premier and his colleagues in commending them and wishing them well in this endeavour.

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

**MR. H. HARAPIAK:** Mr. Speaker, I'd like leave to make a non-political statement.

**MR. SPEAKER:** Does the honourable member have leave? (Agreed)

The Honourable Member for The Pas.

**MR. H. HARAPIAK:** Mr. Speaker, I'm sure all members will want to join me in congratulating Roger Schwegel who is the first Manitoban in yesterday's marathon. He was only 10 seconds behind the eventual winner. The year before he was the first Manitoban, fifth overall. This kind of effort should be commended. The Manitoba Marathon has done much to help raise funds for the Canadian Association of Mentally Retarded, with the co-operation of all Manitobans and all those in the race as well as those sponsoring. Even though there was excessive amounts of water on the marathon route, there were over 3,000 people who participated in the marathon.

Once again, congratulations to Mr. Schwegel and all those who participated in the marathon.

### COMMITTEE CHANGES

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

**MRS. D. DODICK:** We have a committee change, Mr. Speaker. On Public Utilities, the Member for Concordia substituting for the Member for Seven Oaks; and on Economic Development, the Member for The Pas for Wolseley; and the Member for Flin Flon for Transcona.

### ORDERS OF THE DAY

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

**HON. A. ANSTETT:** Mr. Speaker, would you please call second reading on Bills 10, 15, 21 and 27, that is, as they appear on the Order Paper, excepting Bill 14, and then, Sir, adjourned debates on second reading of all the bills standing on Pages 2 and 3 on the Order Paper.

## SECOND READING

### BILL NO. 10 - THE FAMILY MAINTENANCE ACT

**HON. R. PENNER** presented Bill No. 10, an Act to amend The Family Maintenance Act, for second reading.

**MOTION presented.**

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

**HON. R. PENNER:** Thank you, Mr. Speaker.

Although amendments to The Family Maintenance Act are extensive, they are in the main quite technical. Rather than take up the time of the House in a full oral explanation at this time, I'm tabling extensive explanatory notes prepared by the head of the Family Section in the Department of the Attorney-General and will now provide a brief oral explanation of the more significant changes so that the Member for St. Norbert and other members of the House who wish will have a fuller document in addition to the shorter explanatory notes.

Virtually all of the amendments deal with matters pertaining to the enforcement of maintenance orders, something about which I've had occasion to speak in this House before. These amendments are really related to the amalgamation of the County Court and the Court of Queen's Bench and the creation of the Family Division of the Court of Queen's Bench, which will be proclaimed as of July 1st, and four years of experience in the enforcement field since the last substantial changes were made.

It's proposed to put into place a screening process to deal with the many relatively minor matters which arise in enforcement cases. Of course, Mr. Speaker, there's an increasing volume of these cases and the more we could screen the better.

The screening proceedings will take place before a court officer appointed as a deputy registrar - this will be from existing staff, not new staff - and will be instituted by a designated officer by means of a summons, served upon the defaulter who will then be required to appear before the deputy registrar to give evidence with respect to his or her employment, income and similar relevant matters. The power of the deputy registrar to make orders as a result of this preliminary examination is very limited because it is a preliminary screening process. It's intended that any matter which is complicated or controversial will be dealt with by a master or a judge, both, of course, judicial officers. Only where there are no issues in serious dispute will the deputy registrar be able to make an order. For example, the deputy registrar may make an interim enforcement order, but only if there has been an application for variation of the order, cancellation of arrears filed, written verification that the person in

default is unemployed, and that the person - the defaulter - has proposed an acceptable interim payment plan. So in these kinds of circumstances the deputy registrar can make an order, but not otherwise.

It shall also be noted that where a person does not respond to a summons to appear before a deputy registrar, or fails to comply with an order of the deputy registrar, a warrant will be issued to bring the matter before a master or a judge.

The new enforcement procedures provided for in these amendments also permit the master of the Family Division in the Court of Queen's Bench to hear contested enforcement matters which have not been resolved through the screening process. The repeal and re-enactment of Part V of the present act dealing with the enforcement of maintenance orders, in addition to accommodating the new procedures of which I have been speaking, provide for a reorganization of that part in order to introduce a more logical order and to more fully reflect the actual process which has evolved over the past four years.

Provisions dealing with enforcement proceedings before a judge or master are new and will apply throughout the province and will also apply, let me say, whether or not the screening process has been used, because in some instances it may not be if we don't have the proper officials in place.

The present Family Maintenance Act does not clearly set out the procedures to be followed where a show cause hearing takes place. That, Sir, you will know is a hearing where someone who's in default is asked to show cause why they should not be penalized for being in default. In the past the provisions of The Family Maintenance Act have had to be read together with the provisions of The Provincial Judges Act to confer on that court, that is, the Provincial Judges Court, the power to hold show cause hearings and enforce maintenance orders.

We've always, Sir, in the department been uncomfortable with the fact that the procedures to be followed and the authority of the court to make enforcement orders have not been clearly set out in one piece of legislation. In addition, as it is intended that the master of the Court of Queen's Bench will hear the majority of the enforcement matters in the Winnipeg area - Winnipeg, St. Boniface, Selkirk, Beausejour - it is necessary to include provisions in the act which will clearly give her the power to hold this kind of hearing. It is therefore an appropriate time, that is, when the amalgamation, County Court, Court of Queen's Bench and the creation of the Family Division are taking place, to provide a solid legislative basis for enforcement hearings. The enforcement hearings contemplated in the amendments follow then the procedures which over time have been developed in the Provincial Judges' Court, but now we clearly set them into place and give them a statutory basis. As I've indicated, such hearings will take place before the master of the Court of Queen's Bench - Winnipeg, Selkirk. In the outlying areas of Manitoba, these hearings will continue to take place before a provincial judge. Under these procedures then, a person in default brought before a master or judge, usually after a screening process, either by a summons obtained by a designated officer or by means of an order made by the deputy registrar, the purpose of the hearing is to allow the person in default to show cause why the maintenance order should not be in force.

I draw to a conclusion, Sir, further amendments set out the types of orders which the master or judge may make where the master or judge has made an order for payment, either by means of a lump sum payment or by means of periodic payments, the master or judge will be permitted to attach a penalty clause to this order. The most useful of these penalty clauses, albeit a hard one, provide that upon a failure to make any payment as ordered, the person in default may be imprisoned for a period of not less than 30 days. That is very rarely resorted to and would only be resorted to in those instances where of course the person has the ability to pay but is wilfully defying an order of the court.

Finally, there is a new provision which clearly states that which is recognized at law and in the judgments of the courts, namely, that enforcement for failure to pay a maintenance order does not have the effect of discharging either the order or accumulated arrears in maintenance payments. I commend this bill to the House, Sir.

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, I move, seconded by the Honourable Member for Pembina, that debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 15 - THE CANADA-UNITED KINGDOM JUDGMENTS ENFORCEMENT ACT**

**HON. R. PENNER** presented Bill No. 15, The Canada-United Kingdom Judgments Enforcement Act for second reading.

**MOTION presented.**

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

**HON. R. PENNER:** Mr. Speaker, this is really a technical bill, but nevertheless one of considerable importance to Manitobans. It really relates to the civil process and the process of enforcing a judgment once it has been obtained. Prior to the end of this year, the U.K. is expected to accede to the European Communities 1968 Convention on jurisdiction and the enforcement of judgments in civil and commercial matters. Under that convention, that is, the European Communities Convention, judgments handed down by the courts in the subscribing countries of the European communities will become enforceable in other countries which are parties to the same convention.

This could mean, for example, that the assets of a Manitoban situated in the U.K. could be seized to enforce a judgment handed down in any of the countries of the European community which accede to the same convention. The difficulty with this is that many of the European communities claim jurisdiction over foreign nationals on a basis which is considered unsatisfactory by us, by us not only in Manitoba, but by Canadian jurisdictions generally. For example, they might claim

jurisdiction merely because some property of the defendant, no matter what the value may be, may be situated in the particular country. To follow the example through, and this, Sir, is only a hypothetical example, but it's one which makes the point. A plaintiff could secure a judgment against a Manitoban in Italy based on the defendant having a \$10 bank account in Rome and thereafter moved because of that to seize a \$50,000 asset successfully in the U.K. To avoid this situation, which we think inappropriate, Canada has negotiated a separate convention with the U.K. which would cover any provinces which adopt this Canada/U.K. Convention. If the Canada/U.K. Convention is brought into force before the U.K. accedes to the European Convention, then to that extent it supersedes the European Convention, at least insofar as it affects the enforcement of judgments against persons resident in a province which adopts that Convention.

Now, boiling that down, the net effect of this would be that judgments would not be enforced in the U.K. against Manitobans other than on the same substantial jurisdictional basis which we normally use within Manitoba itself. Although this would provide a somewhat easier enforcement of U.K. judgments against Manitobans, it would also provide an easier method for Manitobans enforcing judgments against U.K. residents, but altogether it would safeguard us against inappropriate actions in some of the E.C. countries which do not have anything like the same jurisdictional rules we have.

In short, what is proposed here is a pre-emptive strike, which if taken in time, that is, before the end of this year and hence it's introduction into the Legislature at this time, would safeguard Manitoba residents against inappropriate judgments secured in E.C. countries acceding to the 1968 Convention. As I say, this is being introduced because the U.K. is expected to accede to that E.C. Convention before the end of the year.

Accordingly, it is recommended to the House that the bill be enacted at this Session so that Manitoba and Manitobans can have the advantage of Manitoba becoming a party to the Canada/U.K. Convention before the U.K. enters into the E.C. Convention.

I recommend this bill to the House.

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Mr. Speaker, one question. Could the Attorney-General indicate which individual or group recommended this bill to the Attorney-General?

**HON. R. PENNER:** Yes, Chief Legislative Counsel Mr. Rae Tallin.

**MR. G. MERCIER:** I move, seconded by the Member for Lakeside, that the debate be adjourned.

**MOTION presented and carried.**

### **BILL NO. 21 - THE LAW SOCIETY ACT**

**HON. R. PENNER** presented Bill No. 21, An Act to amend The Law Society Act, for second reading.

**MOTION presented.**

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

**HON. R. PENNER:** Thank you, Mr. Speaker.

Most of the proposed amendments to The Law Society Act are technical or curative in nature. Amendments of a more substantive nature deal with the following matters: a provision that one of the two faculty benchers sitting on the governing body of the Law Society shall always be the dean of the faculty. Present provisions call for two faculty benches, but neither of these positions is a designated position, and one would then become a designated position, appropriately to the dean.

Secondly, the granting of a power to the society during the course of an investigation to be able to retain and review the contents of a solicitor's files without necessarily seeking and obtaining a client's consent for such purposes. The amendments, nevertheless, carefully safeguard matters which would ordinarily be subject to solicitor-client privilege.

An amendment to allow a lawyer found guilty of professional misconduct or incompetence by the judicious committee of the society to appeal such a finding within 30 days.

Amendments allowing students at law articulated with the Crown to appear at maintenance enforcement proceedings in the Family Division of the Court of Queen's Bench. Students, Sir, are presently able to do this in the Family Division of the Provincial Court but with jurisdiction in such matters, moving to the Q.B. at the end of this month, this amendment becomes necessary.

An amendment to allow students employed but not articulated by lawyers in private practice, and those participating in the Faculty of Law Legal Aid Clinic the same rights of appearance in court as students who are under articles or participating in an accredited clinical training program at the Faculty of Law.

For example, subject of course to the rules of court, this amendment would permit a student at the Legal Aid Clinic, just as it now allows a student who has articulated or who is in an accredited clinical training program, to appear in certain interlocutory and relatively minor matters either in the Provincial Court or in the Court of Queen's Bench.

Again, an amendment enables a member to pay out trust funds to the society, that is, to the Law Society, where the whereabouts of the client cannot be ascertained. This of course takes place after 10 years. The necessity of carrying trust balances for many years or making court applications is obviated, that is, after 10 years of holding a trust balance and being unable to locate the client, the practitioner pays it over to the Law Society rather than having to maintain it in an individual solicitor's account.

Let me say in conclusion, Sir, that all of these amendments are brought forward on the recommendation of the Law Society. Nevertheless, I have perused them very carefully and I am pleased to bring them forward as a government bill.

**MR. G. MERCIER:** Mr. Speaker, a question to the Attorney-General. It has been traditional, as I understand it, that amendments to a self-governing professional act have always been brought into the

House as private members' bills and not as government bills, as the government has just indicated.

I wonder if he could explain why he has brought this forward as a government bill rather than, as has usually been done in the past, as a private members' bill.

**HON. R. PENNER:** Simply, Mr. Speaker, given the short time left in this Session to ensure that it can be appropriately ordered as a matter of government business and brought forward to completion before the end of the Session, that's the only reason.

**MR. G. MERCIER:** Mr. Speaker, I move, seconded by the Member for Pembina, that debate be adjourned.

**MOTION presented and carried.**

**MR. SPEAKER:** Bill No. 27 - the Honourable Minister of Finance.

**HON. R. PENNER:** I wonder, Mr. Speaker, if it would be in order to just give us a minute. The Minister of Finance is here with the bill and if the members of the opposition would give leave to just hold the proceedings for a moment. — (Interjection) — Well, he's counting the money.

**A MEMBER:** It's all in pennies.

**MR. SPEAKER:** Order please.

**HON. R. PENNER:** However, if the House would consider it appropriate, I can move the bill and give the explanation.

**MR. SPEAKER:** Order please. The House will recess for a moment or two, awaiting the arrival of the Honourable Minister.

### **BILL NO. 27 - THE FINANCIAL ADMINISTRATION ACT**

**HON. V. SCHROEDER** presented Bill No. 27, An Act to amend The Financial Act, for second reading.

**MOTION presented.**

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. V. SCHROEDER:** The amendments contained in this bill will permit the government to invest in a corporation or corporations which will be controlled by government but will be able to finance at more favourable rates than would normally be available to a provincial government.

This would be by way of issuing preferred shares offered to the public at rates lower than rates available in the public bond market. The shares would be non-voting and would be redeemable by both the investor and by the government acting through its corporation after a five-year period.

**MR. SPEAKER:** The Honourable Member for Turtle Mountain.

**MR. B. RANSOM:** Mr. Speaker, I move, seconded by the Member for Lakeside, that debate be adjourned.

**MOTION presented and carried.**

**ADJOURNED DEBATES ON SECOND  
READING**

**BILL NO. 5  
THE HIGHWAY TRAFFIC ACT**

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Highways, Bill No. 5, the Honourable Member for Pembina has 15 minutes remaining.

**MR. D. ORCHARD:** Thank you, Mr. Speaker. When I was addressing this bill, I posed a number of questions to the first major section that was being amended, that being the mobility aids and mobility vehicles sections. The Minister is unaware of another section that was in his own legislation, and I'm sure when he closes debate he'll justify an amendment that he has just brought in which will require all vehicles to install, essentially, turn signals, where the previous legislation exempted vehicles that were manufactured prior to 1958.

The problem with the Minister's amendment, or proposed amendment, is that now any vehicle prior to 1958, which was not manufactured as I understand it with turn signals as part of the standard equipment, will now have to be retrofitted. That certainly causes a great deal of problem for those Manitobans who are attempting to maintain the antique value of vehicles. There is no question that Manitoba will be unique in that Model A's, Model T's, '49 Chevs, all of those kinds of vehicles prior to 1958 will reduce and lose their antique value because this Minister has insisted that they are going to be equipped and must be equipped with turn signals. Surely this is a rather thoughtless action on the part of the Minister. He can't justify it and, as a matter of fact, he didn't even address it when he introduced the bill, Sir.

As another small angle to that particular amendment that he is proposing, he is requiring that flashing lights, I believe it is, or signals of some type, be installed on all trailers. Now that includes farm trailers, Mr. Speaker, and that means the farmer, who, because he doesn't want to tie up his grain truck, and in spraying time has a water tank on a trailer which he pulls behind his tractor, would seem to me that the Minister's new amendment will require that trailer to be equipped with electronic flashers. I hardly think the Minister has thought this issue through and I hardly think he can come up with justification for this amendment, but nevertheless, Sir, it is there, brought in by this Minister, and I might say without mention in his introductory remarks that he was changing the antique value of many vehicles in this province and imposing further requirements and restrictions on people owning trailers, a number of whom are in the farm community.

To deal with the second aspect that the Minister identified in his legislation as being a change is the removal of the ability to appeal decisions made by the Licence Suspension Appeal Board to do with impaired driving, Sir. Under the present system, the system that is in place now and has been in place for a number of years, if a Manitoban felt that the Licence Suspension Appeal Board had dealt with him unfairly in the suspension of his driving privileges because of an

impaired driving conviction, that Manitoban did have the right to appeal to the County Court and have his case heard once again. It was a true court of appeal for Manitobans.

That avenue of appeal is now being removed by this Minister, and Manitobans now have to look forward to a politically-appointed Licence Suspension Appeal Board being the final decision-making body in cases of licence suspension because of impaired driving. Now, that can have some interesting implications, Mr. Speaker, because a number of Manitobans depend on their drivers' licences for their livelihood. So in some small way, there is no question that this amendment will contribute to Manitobans having difficulty maintaining meaningful employment. I don't think that's anything that any government wants to do.

The reasons, and I used as an example when I spoke to this bill at my last opportunity, Mr. Speaker, that while I was Minister of Highways and while my colleague was, we were approached by members of the organized labour in Manitoba who wished to have us introduce a dual licensing system, a driver's licence which would be a pleasure licence and a driver's licence which would be a working licence. The reason for that, Sir, was that if on a weekend, when an individual was not driving his car or vehicle as a method of employment and he received an impaired driving charge, that only his pleasure licence would be affected and that he could continue on Monday morning driving for a living, whether it be a truck driver, a delivery van driver, or a travelling salesman who needs his licence, that he could continue with his second licence, namely, the working licence.

Now, we saw problems with that, as I think anyone could, and we did not comply with that request. But recognizing the seriousness of having one's livelihood removed because he did not have the privilege to drive in the province, we did not make any changes to the appeal mechanism from the Licence Suspension Appeal Board to the County Court. If an individual whose request for reinstatement of driving privileges was denied by the Licence Suspension Appeal Board, that individual could go to County Court, make his case and it was successful. I believe the Minister said 87 percent of the appeals to County Court were successful. Now there is no appeal to the County Court. Now this government is leaving their politically-appointed board as being the final people to decide on the fate of Manitobans who may well depend on that driver's licence for their livelihood for support of their family.

I just want to suggest, Mr. Speaker, given the actions of board members in McKenzie Seeds, politically appointed by this government; given the actions of board members at Brandon University appointed by this government; do we have confidence and do Manitobans have confidence in the ability of the political appointees of this government because we are giving them greatly, vastly, much more authority under this amendment in the Licence Suspension Appeal Board? Is it the proper way to address what the government perceives as a problem? I say perceives, Sir, because on questioning from my colleague, the MLA for St. Norbert, to the Attorney-General to justify this kind of measure, no justification was given, only the statistic that 87 percent are reinstated by County Court.

So, Mr. Speaker, I think the Minister has to explain in closing debate and explain at committee how effective

this system is going to be. He's going to have to explain to us how Manitobans all of a sudden should have the ultimate confidence in their political-appointed Licence Suspension Appeal Board after the kind of example their political appointees have given us at McKenzie Seeds, Brandon U. and other areas. I think it's a question this Minister cannot answer and cannot justify to Manitobans. I do not think Manitobans, as concerned as they are about alcohol and driving and impaired drivers being on the road, I think as concerned as Manitobans are about that issue, they will be equally concerned about this government's political appointees holding final sway over their livelihoods and their lifestyles. I don't think that most Manitobans would agree that this government enjoys the competence to be able to appoint people who will make that final decision in the best interests of all Manitobans.

So, Mr. Speaker, we look forward to the Minister of Highways justifying this second amendment. We look forward to him telling us how it's going to work, how it's going to avoid partisan decisions as a political appointed board can and has done by this government. Again, I use the example of Brandon University, Sir. I don't think the Minister can justify it. I don't think he can tell us that a partisan error cannot be fully open to accusation by Manitobans who go before the Licence Suspension Appeal Board, appointed by this government, and are denied what they consider is a very worthwhile case to have their driving privileges reinstated.

Mr. Speaker, we have some concerns about aspects of this bill and I only hope that the Minister is able to justify the reasons and give them to us in very clear language, none of the baffle-gab we get from time to time from Ministers opposite, and tell us just why he believes this is the best approach to solving the impaired driver problem in Manitoba.

Mr. Speaker, I'll close with those few remarks, and the Minister does have, indeed, some explanations to make to this House and to the people of Manitoba.

Thank you.

**MR. SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Thank you, Mr. Speaker.

I wish to make a few remarks with respect to the two main aspects of this bill that the Minister referred to when he introduced it for second reading. He referred to the use of motorized wheel chairs and mobility aids, and the recommendations which he said were unanimous from a committee involving a number of agencies involving the physically handicapped. Mr. Speaker, I know that the Member for Pembina has placed on the record justifiable and serious concerns with respect to the safety aspect. I do want to go on the record also as indicating general support for the direction in which the Minister is moving.

I had occasion, Mr. Speaker, in the fall of 1981, after being seriously injured at a Progressive Conservative picnic, having suffered a torn Achilles tendon, to use one of the mobility aids during the election that fall that the Minister is attempting to legislate upon. Mr. Speaker, I can say to the Minister that this form of mobility aids referred to in the bill is one that will assist

the physically handicapped in being able to obtain more mobility and the ability to travel, perhaps on a fairly limited basis, but it does add a great deal to the mobility for a physically handicapped person and certainly that is a general direction that I am very much prepared to support.

I know that the Minister will take into concern, and I'm sure so far has taken into concern many of the safety aspects that the Member for Pembina has referred to and no doubt will expand upon at committee stage.

The main area, Mr. Speaker, that I wished to comment on was the deletion of the appeals from the Licence Suspension Appeal Board to the County Court. I raised this particular issue when the Attorney-General announced the government's policies with respect to the campaign against impaired driving and that's one general policy, Mr. Speaker, that I've indicated we support on this side, and I'm sure all political parties in this country, in North America, support. I did ask however at that time, and that Minister indicated that of the number of appeals granted by the County Court, the Minister has indicated that some 85 percent of the appellants to the County Court resulted in reversals or changes in the Licence Suspension Appeal Board's decisions. But the important statistic, Mr. Speaker, is how many of those 87 percent who successfully appealed to the County Court were the decisions of the County Court not followed? In how many of those cases did the appellants, having successfully appealed, not follow the conditions of the order that was granted by the County Court? That is the important statistic as far as I am concerned, because we are dealing with - it's interesting to note - the general requirements for successfully appealing a decision in this case. The appellant must show exceptional hardship and must show that the granting of an appeal will not be contrary to the public interest, and in the main, Mr. Speaker, in fact solely we are dealing with situations where people require their automobiles for the purposes of work. Without a licence, they don't have a job. It's as simple as that.

So there's no question that there has to be as much deterrent as possible to people driving while impaired, but for our purposes in this Legislature, I think we have to know in how many of 87 percent of successful appeals were people involved subsequently in violation of the County Court's order.

I think it's not sufficient, Mr. Speaker, to say that we are the only jurisdiction in the country to allow appeals in these types of cases from a Licence Suspension Appeal Board to a court. I frankly, Mr. Speaker, generally am opposed to many of the pieces of legislation that now come before the House where the jurisdiction of the courts is severely restricted and appeals are not allowed except on a very limited basis. I think it is wise, particularly when we are dealing in so many of these cases with politically-appointed boards, that appeals to the courts should be allowed to ensure that justice will be served in these cases.

So I would ask the Minister, as the Member for Pembina has, in concluding debate on this bill, after all those members who wish to speak have spoken, that he indicate those statistics to us, or if he can't that he at least undertake to have them available at Law Amendments Committee when this bill is discussed there.

Thank you, Mr. Speaker.

**MR. SPEAKER:** Are you ready for the question? The Honourable Minister of Highways will be closing debate. The Honourable Minister.

**HON. J. PLOHMAN:** Thank you, Mr. Speaker.

I want to thank the honourable members for their contributions to this bill, and I want to address some of the questions that were raised by the Member for Pembina and then deal with the Licence Suspension Appeal Board changes and some of the matters that were raised there.

Firstly, on the previous occasion that the Member for Pembina had to address the bill, he raised a number of questions dealing with the matter of motorized mobility aids and mobility vehicles and I wanted to clarify some of those points at this time. First of all, he asked whether anyone would be able to drive and register one of these motorized mobility aids. Clearly the intention is, and we would have ways of ensuring that, that only people who were in need of using that type of transportation would be those that would be utilizing them on the streets and roads of Manitoba. We are currently proposing a system for parking which involves an identification sticker that is cleared through the League for the Physically Handicapped, or the Canadian Paraplegic Association, or a physician, indicating that person is indeed handicapped - to this particular vehicle registered - who would also propose that the same kind of approach could be taken here, that if he demonstrated by certificate from the League for the Physically Handicapped or the Paraplegic Association that he or she was indeed in need of that particular vehicle, that that would be a criteria to determine, or else by a physician.

So again, it would be restricted to people who are disabled, and I can understand the concerns that were raised by the Honourable Member for Pembina when he said that perhaps maybe others would want to use these vehicles.

The second question was as far as the licensing requirements. We've clearly indicated that Class 1 to 5 licence - or Class 7 would apply for individuals. Currently they can get a licence for a regular car with some changes that are made to it to allow them, enable them, to drive that vehicle and then they take the test. The licence that they get is restricted to that particular modified vehicle that they have been successful in taking their test, they still get the same licence, but it is restricted to a particular vehicle that has been modified for their use. That would apply. Here, the Rehab Hospital for example, could determine the controls required on the vehicle and then they would qualify for the licence using those controls on that particular vehicle. It would restrict the use of these vehicles then to those who could qualify for a driver's licence and that's the way the League for the Physically Handicapped and Paraplegic Association would like to see it - limited of course, to those who could qualify for that particular classification of licence under certain circumstances with certain kinds of controls that would enable them to operate it. Those are the provisions that we would have in place for the licensing requirements.

The lighting requirements would be the same as those for mopeds and I had indicated that to the honourable

member. They are dealt with in Section 33 of the Act and I just wanted to see if I could find some of the specifics. They are the same as those that are in place for a moped at this time and that would not change. The honourable member can rest assured that there would be certain requirements.

The mopeds require the following lighting; that they shall carry one or two headlamps and one lamp at the back of the motorcycle, they shall have a red lamp on the back to indicate when the moped is stopped, they shall have red reflectors on the back, white lamps on the front and no signal lights are required. That's the provisions for mopeds at this time. We would look at whether it would be necessary to address the matter of signal lights on those, particularly for people who are operating them and really are unable to use their arms if they even have arms, operating those special vehicles. It may be necessary to have some signalling device on there. We're looking at that that could be provided in regulation, but all of the other lighting that is required would apply the same to motorized vehicles, motorized mobility agents that applies to mopeds.

In terms of restrictions on the use of these vehicles on certain roads - the honourable member raised that concern as well. He is probably aware that there are certain restrictions on the use of mopeds and that is that they are not allowed on PTH's on which the maximum speed is greater than 80 KPH, and it would also apply to these, so his example of taking off to some of the beaches down some of the major PTH's would not apply.

Those are some of the major questions that were asked by the Honourable Member for Pembina and I think that they are addressed in the legislation in that it applies in the same to the use of mobility vehicles as it applies to mopeds.

To get to the section that the Member for Pembina pointed out - Section 33.(1)(c) - I want to point out to the - oh sorry, Mr. Speaker, I'm not supposed to refer to sections, but I will say that there are certain parts of the bill dealing with turn signals that will not be proceeded with at committee, they were never part of the drafting instructions and that is why - (Interjection) - well, I want to thank the honourable members for bringing that to my attention and to the attention of the House. That particular part referring to turn signals will not be proceeded with; will be struck in committee. - (Interjection) - There's only one way to find out what the reaction would be from the opposition. I guess we found out.

In dealing with the Licence Suspension Appeal Board, Mr. Deputy Speaker, I want to point out to the honourable members that there are serious problems with drinking and driving. I think that the honourable members opposite appreciate that and they have no problems with the government taking some major initiatives to reduce the incidence of drinking and driving on our highways. So, I don't think we differ on that. There's plenty of evidence to indicate that it is a growing social problem. There were 5,000 drivers, for example, convicted last year of driving while impaired or being over .08.

There were, as well, many applications, approximately 3,375 before the Appeal Board, for licences suspended. About 3,300 involved alcohol in some way and most of those, the vast majority of those, the Licence

Suspension Appeal Board granted some sort of remission or restricted licence. As a matter of fact over two-thirds, approximately two-thirds or 75 percent I should say of those, they granted a restricted licence. In almost all cases, with very few exceptions, on first offences there were restricted licences that were granted. However, with repeat offenders, two, three, four times, five times and so on, that's where the Licence Suspension Appeal Board has become much stricter in its approach to the matter of licence suspension. So, we want to look at those issues in terms of the overall initiatives that we're taking.

The Member for St. Norbert asked how many of these people are involved in repeat offences. I think that is a valid question. I think there has to be some innovative ways looked at to deal with this problem in the future, because I agree, and I think all members on this side as do all members on that side of the House, feel that the matter of a livelihood and of having the ability to earn a living restricted by licence is something we have to look at very carefully, because it is a very difficult problem for many people who end up with their licences suspended. It is true that when they have had their - and I point out that in these very difficult cases where they have been repeat offenders in most cases and have taken an appeal to the County Court and have been successful in that case - a number of those have had reinvolvement in violations subsequent to that successful appeal. That is the part that concerns us as well. I can tell you that from the sample information that we've taken, that approximately 25-30 percent of those have had reinvolvement in traffic offences. That's rather a large number when you consider that most people are never caught under the circumstance of drinking and driving. When you have approximately 25 - 30 percent of those who have had appeals in the courts, having been reinvolvement, I think that is rather a significant statement.

**MR. DEPUTY SPEAKER, P. EYLER:** The Member for St. Norbert on a point of order.

**MR. G. MERCIER:** I wonder if the Minister would be prepared to take a question at this point with respect to the statistics. With respect to the 25 or 30 percent he's referred to, could he indicate whether that reinvolvement has taken place during the time period of the successful order that they've obtained from the County Court? Have 25-30 percent violated their appeal orders?

**HON. J. PLOHMAN:** From my information that is the fact. They would have been suspended for a five-year period initially and then of course would have gone for their appeal and had their restriction either lifted further than the Licence Suspension Appeal Board gave them with fewer restrictions or would have been granted a licence where they were not granted one at all previously. This reinvolvement is within a few months of their - I'm dealing with 1983 for example where there wouldn't have been a great deal of time - there were 29.7 percent who had reinvolvement of those people who had appeals in April of 1983 who appealed to the County Court. I think that is a significant factor.

I think we have to look at this matter from a number of ways. Certainly I believe the Licence Suspension

Appeal Board should be looking very carefully at people who are involved in drinking while they are going to and from work. I think in those cases, they should be treating their situation a little differently than they treat people who have been perhaps violating their restricted licence by drinking and driving in the evening or off-work hours. That is a serious problem, but that does not necessarily mean that we should be dealing with it in terms of their licence to get them to and from work. That's where I think the board has to show some leniency or at least some understanding of these particular situations. There are a lot of gray areas that make it very difficult for them to do that, where people say they are on call 24 hours a day, that kind of thing. It makes it very difficult for them to grant a work licence which would, in effect, give them a licence to operate 24 hours a day or maybe a lot longer hours than they really need for their job. So I think we have to work with the Licence Suspension Appeal Board.

I want to point out another thing with regard to the Appeal Board, an aspect that I want to see in place by next year. My understanding is that three years ago, there was only one person on a panel dealing with licence suspensions, who was hearing the case. We now operate with two people which makes it much fairer than having just one person going out and hearing a case and making an independent decision. We have two people on the panel. I would like to see three people on a panel hearing any one particular case. It costs a few more dollars, but I think it is a fair way of dealing with licence suspensions. I think the three people dealing as a panel could look at all aspects and probably come to fairer decisions than they would if there is only one person on that panel. So that's a way that I think we could make the Licence Suspension Appeal Board more responsive to the particular needs, especially since we removed the second appeal.

We want to look at all of these possibilities. It's very important and I think we have the same concerns that you do. I don't know whether the opposition is suggesting that the board is going to make its decisions on the basis of the political affiliation of individuals. I think that's what they're saying and I think that is totally unacceptable. There is no way that the board is going to make its decisions.

Now when you have one individual doing it, as they did under the previous government, there is much more opportunity for that kind of thing to happen. When you have two or three, it makes it much fairer. We certainly want to look at those possibilities.

I can tell you then, when I looked at the other provinces, I indicated there was one other case only, in New Brunswick, where they had two appeal procedures. Some had appeals directly to the courts, others had to a board, but in only one other case did they have two appeals. I think what we have to do is make the Licence Suspension Appeal Board responsive and take into consideration, as I said earlier, that it should be firm, yet compassionate. I think that can be done with some procedural changes, especially as it involves work licences.

So, Mr. Deputy Speaker, with those remarks, I would like to conclude my remarks today and look forward to more information that may be available in the committee.

**MR. C. MANNESS:** Mr. Deputy Speaker, I'm wondering if the Minister, before he concludes his remarks, would

entertain just one question, specifically to the remarks he has made?

I would ask the Minister whether it's to be considered under his new legislation whether in fact the Licence Suspension Appeal Board would have the right to transfer if they're granted an opportunity to somebody who lost his licence to drive within a certain area, whether that would be transferable from one area of the province to another. I'm lead to believe now that under today's legislation, that if somebody goes to County Court and receives permission, with all the costs involved, of course, of appearing before court, and receives permission to drive within that area, if that individual moves from one part of the province to another, in effect, that individual has to go back through the same costly process.

Now, can the Minister tell me whether, first of all, I'm correct, and if I am correct, whether or not this process will change?

**HON. J. PLOHMAN:** I can't say definitively whether when he goes to the court and gets a restricted licence for a certain area, that he has to go back to the court if he changes jobs or is transferred to another area of the province. However, if that is the case under this system, I would see that the board, on this information being brought to their attention, could make that decision to transfer that same restricted licence to another area. I would see that being done rather routinely as opposed to something that is rather an exception.

**MR. C. MANNES:** One final question, during the Committee Stage, can the Minister give us a definitive proposal either way regarding my particular questions?

**HON. J. PLOHMAN:** Yes, I could outline how that would work in more detail if he wanted. My understanding of the process is what I've outlined. However, if it's any different, I would certainly bring that forward.

**QUESTION put, MOTION carried.**

## **BILL NO. 6 - THE DANGEROUS GOODS HANDLING AND TRANSPORTATION ACT**

**MR. DEPUTY SPEAKER:** Bill No. 6, on the proposed motion of the Honourable Minister of the Environment, standing in the name of the Member for Niakwa.

**MR. A. KOVNATS:** Thank you, Mr. Speaker.

I would like to just speak on The Dangerous Goods Handling and Transportation Act; Loi sur la manutention et le transport des marchandises dangereuses.

We are recognizing the need for a greater care, a greater concern about how dangerous goods are handled, transported, stored, used and disposed. We welcome in general this act, Mr. Speaker, with some reservation.

At second reading, we debate the principles of the bill, and I can tell you, we are in favour of a safer, more responsible way of dealing with the ever-increasing number of chemicals, dangerous and non-dangerous that could be injurious to our environment. The public,

the people of the Province of Manitoba, who must exist in this environment, must be protected against contamination caused by the mishandling and uncontrolled handling of dangerous goods. There will be some danger from human error, but the danger from lack of regulation I'm sure will be lessened.

It is my understanding that much of the effectiveness of this or any other provincial bill depends on the Federal Government's co-operation and the legislation in the handling and transportation of dangerous goods. This act doesn't apply to some elements that are exempted by the regulation or under the sole direction for control of the Minister of National Defence of Canada. There are some eliminations there. Therefore, you can see that there has to be a co-operative attitude with the Federal Government, particularly the Department of National Defence and all the dangerous goods that may be shipped through our province, this is the National Defence, via rail, highways, water or even by air.

To effectively control the problem, the Federal Government and the Provincial Government must have a working co-operation. At committee stage, I would like to find out how far the negotiations have gone with the Federal Government, and I would hope the Honourable Minister would be able to advise all the committee at that time.

I am concerned that the bill does not unnecessarily interfere with the agricultural industry where the use of many chemicals are required. I know some of my colleagues are most aware of the daily use of these chemicals on the farm and would want to examine the bill and discuss this in greater detail, because the farm members particularly are those that are more concerned with the farming industry will have something to contribute on this a little later on.

I express a great concern that the bill must not tie the hands of the municipal authorities to the extent that they cannot properly respond to critical situations. I think the Minister has got some comments on that and I think that will come out in committee, but I just bring it to his attention in case he isn't prepared for that type of a comment.

I think just in casual conversation the Minister did say that there was going to be something that will allow the municipalities not to have their hands tied. Well, at least I hope that he will be prepared to allow that, because there are critical situations that have to be reacted to immediately concerning canker worms, mosquitoes, grasshoppers and the 90-day rule I'm sure will have to be left aside and not been taken into consideration. I think special consideration has to be given to those municipalities at that time.

In any regulatory piece of legislation, I always worry about how much power or authority is given to the director or the inspectors, etc., in carrying out the purposes of this bill. The snooper clause, Mr. Speaker, the powers of environmental officers and the inspector, and I'm not going to discuss the different clauses, but I'm just going to make reference to them: Clause 18, and the special powers of the environmental officers and inspectors in Clause 29 - that's the special powers. I hope the Minister has anticipated the consequences of the "special powers" that he is suggesting that these officers have.

With these comments, Mr. Speaker, I invite any of the other members to speak on the bill including some

of the government members if they so desire as they also have the right to do so as I've heard so many times during question period.

I look forward to the clause-by-clause consideration at committee where no doubt we shall also be hearing from the public with their comments on the bill.

Thank you, Mr. Speaker.

**MR. C. MANNES:** Mr. Deputy-Speaker, I move, seconded by the Member for Roblin-Russell, that debate be adjourned.

**MOTION presented and carried.**

**MR. DEPUTY SPEAKER:** On the proposed motion of the Honourable Attorney-General, Bill No. 8, An Act to amend The Securities Act, standing in the name of the Member for Pembina.

**MR. D. ORCHARD:** Stand.

**MR. DEPUTY SPEAKER:** Stand.

**MR. DEPUTY SPEAKER:** On the proposed motion of the Honourable Minister of the Environment, Bill No. 11, An Act to amend The Clean Environment Act, standing in the name of the Member for Niakawa.

**MR. A. KOVNATS:** Stand, Mr. Speaker.

**MR. DEPUTY SPEAKER:** Stand.

On the proposed motion of the Honourable Minister of Education, Bill No. 12, An Act to amend The Public Schools Act, standing in the name of the Member for Morris.

**MR. C. MANNES:** Stand, Mr. Speaker.

**MR. DEPUTY SPEAKER:** Stand.

On the proposed motion of the Honourable Minister of Community Services, Bill No. 16, An Act to amend The Child Welfare Act, standing in the name of the Member for Rhineland.

**MR. A. BROWN:** Stand.

**MR. DEPUTY SPEAKER:** Stand.

On the proposed motion of the Honourable Minister of Labour, Bill No. 22, An Act to amend The Labour Relations Act and Various other Acts of the Legislature, standing in the name of the Member for La Verendrye.

**MR. R. BANMAN:** Stand.

**MR. DEPUTY SPEAKER:** Stand.

The Honourable Government House Leader.

**HON. A. ANSTETT:** Thank you, Mr. Speaker.

It would be my intention to move the supply motion, but before I do so just to clarify our agenda for Committee of Supply, Mr. Speaker, we had suggested that after the department's under the responsibility of the Minister of Finance, we would be following Executive Council in the House; following that Jobs Fund, Canada-Manitoba Enabling Vote, Interest Rate Relief and

Emergency Measures and Flood Control. That will still be the order, Sir, but to accommodate the fact that most members will want to attend the Estimates of Executive Council and Jobs Fund, it would be our intention to try to finish Energy and Mines before we deal with those last five items, so that we can deal with those altogether so that all Ministers with responsibilities can be here.

It may take a short time, Sir, for the Energy and Mines Estimates to be completed. They may not finish this afternoon, they may finish mid-term this evening. At that point it would be our intention to then wind up the activities of that committee and commence the last five items in the House, where they were originally assigned, so that all members can participate.

So, Mr. Speaker, with that understanding that the committees may or may not sit simultaneously, but will attempt to deal with the items in accordance with the schedule that has already been outlined, we would go into supply.

I believe, there may, Sir, also be leave to dispense with Private Members' Hour today to accommodate consideration of these remaining supply items. If I have leave, Sir, I would add that to the motion for supply.

**MR. SPEAKER, Hon. J. Walding:** Does the Honourable Minister have leave? (Agreed)

**HON. A. ANSTETT:** Thank you, Mr. Speaker.

I would then move, seconded by the Minister of Finance, 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 and such committee to sit through Private Members' Hour.

**MOTION presented and carried** and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for River East in the Chair for the Jobs Fund and the Honourable Member for Burrows in the Chair for the Department of Energy and Mines.

**MR. SPEAKER:** The Honourable Member for River East.

**MR. CHAIRMAN, P. Eyer:** The Honourable Government House Leader.

**HON. A. ANSTETT:** Thank you, Mr. Chairman, just to confirm for honourable members, the committee in the Chamber will stay in suspense until such time as the Estimates of Energy and Mines have been completed in the committee room.

There will be no Estimates in the House section of the committee until at the earliest 8:00 p.m. this evening.

## SUPPLY - ENERGY AND MINES

**MR. CHAIRMAN, C. Santos:** Committee please come to order. We skip 2.(b)(1) and we want to finish 2.(g) now. It is Manitoba Energy Authority.

**MR. H. ENNS:** Mr. Chairman, the Minister who was good enough at our last meeting to allow us to move

ahead of several items in this resolution to place some questions with respect to the Manitoba Energy Authority to the Minister. I would ask his indulgence to allow that matter to stand and to revert back to the regular order. There are a few additional questions that I and my colleagues may wish to ask.

**MR. CHAIRMAN:** Is this the wish of the committee? Okay, then I shall call the Honourable Minister.

**HON. W. PARASIUK:** Sure, I have no problem with that. We did do that on Friday to accommodate the opposition which was again somewhat unusual. We were prepared to do that. I will be accommodating today. I might indicate however, that we have indicated that the Manitoba Energy Authority and Manitoba Hydro will be available for Public Utilities Committee on Thursday.

**MR. H. ENNS:** Mr. Chairman, I certainly don't wish to delay the consideration of the Estimates. I'd simply just say at this point in time of the Estimates there's not too much elbow room left with respect to opposition members to cover all bases and I understand that Mr. Ransom is currently undertaking some discussions in order to expedite another matter in the House. I'm simply suggesting . . .

**HON. W. PARASIUK:** That's fair enough. Sure.

**MR. H. ENNS:** . . . that we proceed. We skipped over two or three items with respect to the energy programs - the Canada-Manitoba Energy Agreement - if we come to that item we will proceed and pass it as it is.

**MR. CHAIRMAN:** The Minister of Municipal Affairs.

**HON. A. ANSTETT:** To the same point, Mr. Chairman, I think the request is reasonable considering all of the business before members. It may well be that we come back to this item upon the return of other members who have other obligations and can still deal with it today.

**HON. W. PARASIUK:** I wasn't aware of that.

**HON. A. ANSTETT:** I don't think Mr. Enns is suggesting it won't be dealt with today. In fact, I think now that Mr. Enns is counting members opposite he knows that we're going to have to deal with these things today by sheer weight of numbers.

**MR. CHAIRMAN:** Okay. Let me now call 2.(b)(1) Provincial Energy Programs: Salaries; 2.(b)(2) Other Expenditures - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, when last we were approaching this item we didn't get into the details of the program. Throughout the last several months or better part of the year, the Minister has made numerous announcements, demonstrations in front of the Legislative Building with a host of new vehicles and a host of new people to implement some of the programs, whether they're called CHEC or otherwise, and I suppose they may come under the item Salary (e). But

let me begin by asking what precisely are the other expenditures listed in the Provincial Energy Programs, I'm assuming from the figures given that staff allocation remains much the same?

**HON. W. PARASIUK:** There are \$50,000 worth of grants. There is \$5,000 allocated for energy conservation assistance; \$5,000 for renewable and alternate energy assistance; 35.5 travel, office expense, etc. There is a wee bit of work we are doing as start-up work with respect to hydrogen.

**MR. H. ENNS:** Mr. Chairman, did I understand the Minister correctly when he said, there is a wee bit of work?

**HON. W. PARASIUK:** We're starting work on hydrogen. What happened is that in 1978, I believe, a contract, some work that had been done initiated by the Schreyer Administration came to an end in 1978 and people have been looking at hydrogen. We would hope to start a contract with the Hydrogen Industry Council, and we have a membership in that national council. We are gaining information and we would hope that we would be able to do some work towards a potential pilot project in Manitoba, but we have to do some homework with the industry. Some work has been done in Ontario; some work has been done in Quebec. We're in a situation right now whereby we could end up with extremely well-priced power relative to other jurisdictions 12-15 years from now. The production of hydrogen, through the electrolysis of water, requires good, low-priced energy. We think that hydrogen may in fact be a tremendous future development possibility for the province.

We have taken out a membership in the Hydrogen Industry Council, and we are examining the parameters of a study to be undertaken in Manitoba in hydrogen development. We have had some early discussions with the Federal Government in this respect, and we would hope that we might have something more to report in this very promising area in the future. It will take a little bit of time to put this together, however.

**MR. H. ENNS:** Mr. Chairman, through you to the Minister. Would I not be correct in assuming that the principal grants related to energy saving projects carried out by the department would be located in the following? Item (c) Canada-Manitoba Energy Agreements and/or in the Cut Home Energy Cost Item (e) . . .

**HON. W. PARASIUK:** Yes, and Jobs Fund.

**MR. H. ENNS:** . . . the ones that we are - and the Jobs Fund - the ones that we are familiar with. The ones that . . .

**HON. W. PARASIUK:** There's a whole slew that come out.

**MR. H. ENNS:** . . . that are going on throughout the province.

I would then ask him what specifically are the kind of grants that the Minister referred to under the item

under consideration? He referred to some \$50,000 worth of grants under Provincial Energy Programs, Item 2.

**HON. W. PARASIUK:** Yes, this would be the Biomass Institute, the Solar Energy Institute. We provide some money for some work on a day called Sun Day, it's called. We provide some assistance to the science fairs.

**MR. H. ENNS:** Thank you, Mr. Chairman. Pass.

**MR. CHAIRMAN:** 2.(b)(1)—pass; 2.(b)(2)—pass.

2.(c)(1) Canada-Manitoba Energy Agreement: Salaries; 2.(c)(2) Other Expenditures - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, as is the case in many shared provincial-federal programs, is there a federal sharing of salaries involved in this resolution?

**HON. W. PARASIUK:** Yes, up to \$300,000 is cost-shared.

**MR. H. ENNS:** I believe, Mr. Chairman, that in response to questions put to him by Mr. Filmon when last this committee met, the Minister indicated that it was perhaps in this area that additional information communication officers and the like are housed in this area of the Minister's Estimates. Could the Minister indicate to us how many people of this kind are involved in these salaries?

**HON. W. PARASIUK:** There are five staff that are cost-shared federally-provincially who are involved in the information communication of this particular large program, one secretary and four information people.

**MR. H. ENNS:** Are these staff people under contract, or are they part of the Civil Service staff, either federal or provincial?

**HON. W. PARASIUK:** They are a combination of term and permanent staff. I might add, the allocation hasn't really changed since we've assumed office.

**MR. H. ENNS:** Mr. Chairman, would the Minister be good enough to give us a breakdown and an explanation, I suppose? Last year, the year ending March 31st, we had in Other Expenditures an item of \$2,739,000 relative to a million dollar figure in '84-85. I appreciate the note at the bottom of the page which speaks of another \$1.9 million is included in Expenditures related to capital assets.

Where and what is the \$1,064,000 being applied, Mr. Chairman?

**HON. W. PARASIUK:** Yes, the types of programming we have here is, I think, a very good one called Enerschool, it's a school retrofit program. In Manitoba there are over 600 schools with a total annual energy bill in excess of \$20 million. As a conservation estimate, a 20 percent reduction in energy consumption can be achieved with the pay back period of one-and-a-half to two years and the potential savings are in the order of \$4 million a year.

What we're doing is undertaking a program whereby 18 minor retrofits will take place in schools throughout six regions in Manitoba. In addition, there will be a major retrofit of one school in the North and one in Winnipeg. The schools were chosen through a competition held throughout the province during the period March-June, 1983.

That's one program that's in there. Another program is the Rural and Urban Arena Retrofit Program. In a typical Manitoba community or city, the recreation centre, arena or curling rink are the focal points of community activity. In recent years these facilities have become a financial burden due to the increasing costs of energy. We're hoping that we would be able to reduce people's energy costs. A number of the arenas were originally constructed for natural ice, and air infiltration was not a problem, but today, with artificial ice it is a problem. This program is 50 percent funded by the Federal Government and it entails the retrofitting of six rural arenas and four urban recreation centres to demonstrate the various conservation measures for these facilities.

The six selected arenas - one in each region of the province, are undergoing retrofit measures which include renovations of lighting system, recovery of waste heat, ceiling and insulating of the building envelope, proper operating procedures and the installation of improved of energy use control mechanisms. There are four ones taking place in four Manitoba cities and they deal with both arenas and pools in four cities in the province.

We have a small scale demonstration program. This is designed to offer funding and technical assistance to Manitobans for innovative small scale projects that demonstrate and encourage widespread use of energy conserving or renewable energy technologies, and it's aimed at creating public awareness of the reliability and the cost effectiveness of new energy ideas. The program also emphasizes job creation and the use of local materials. Proposals were invited from individuals, small businesses - those employing less than 20 employees - municipalities and non-profit organizations and institutions in the Province of Manitoba. The deadline for proposed submissions was March 31st and the scheduled deadline for completion of projects is June 30, 1984, and government assistance varies between 55 to 75 percent of project costs, set at a maximum of \$10,000 per projects. Labour and material supplied by the applicant were considered as a portion of their contribution and project proposals were reviewed by technical staff at the Manitoba Research Councils Industrial Technology Centre. Of a total of 291 proposals submitted, 93 were approved. By November, 1983, 19 of the approved applicants dropped out of the program for various reasons. There is a number of projects that are undertaken, and they break down by region and they break down according to technology.

Another program is the Energy Demo Program; it's called the Home Energy Saving Demonstration. The majority of Manitoba's 300,000-plus dwellings are not very energy efficient. Escalating energy costs have imposed a severe economic burden on many residents. The upgrading of these existing units is a necessity as they will house the bulk of Manitoba's residents in the future.

Then, under the program, up to 120 homeowners throughout the province will receive assistance to carry

out retrofits designed to reduce their energy consumption by at least 40 percent; energy demos assisting homeowners with retrofits of between \$2,000 and \$10,000, by contributing half of the costs of the retrofits and by providing consulting and technical advice. A two-year program of monitoring the retrofit homes will be undertaken as a major element of the project to help determine the effect in the various retrofit measures. A major element of the project is to improve and encourage public awareness of home energy retrofitting. This is being accomplished through a series of energy demo open houses where the public can see retrofits in progress and obtain information on improving the energy efficiency of their own homes.

I had the opportunity of visiting one that took place in my community, and I was amazed at the community response. Indeed, I can recall that was the first day - this was last year - that we were having hearings on FLS and I think there were at that time probably about 60 people in this particular room. There was a rainstorm that night and I went out to this energy open house in my community and there were at 60 people who showed up for that as a result of one little ad in the community newspaper indicating that people were welcome to come out. There is that awareness out there and it's important with respect to energy conservation to change attitudes and in a sense have people start working at this because, as I said in my introductory comments, the sum of these types of projects to me are, when you start looking at the numbers, 300,000 homes or the number of schools or arenas involved, the sum of them are important as any of the larger projects and I think the longer-term impact for Manitoba's economy and for the quality of life is great.

Now in the other project, there is one that maybe the member has some acquaintanceship with and that's the Town Energy Audit Match. The purpose of this program is to demonstrate the Energy Conservation Program to small and medium-sized towns in Manitoba through a multi-sectoral energy conservation project focused on two towns, Stonewall and Pinawa. A whole set of activities are taking place there. In a sense, both communities are competing with each other to determine which one actually can bring about the greatest energy conservation in that town. So rather than just getting one or another sector involved, the whole town is being encouraged to get involved. We've been receiving, I think, a fairly good response, but again, maybe the member has some awareness of that program in his own area.

There are some others that are being looked at with respect to some new approaches that could be taken with respect to either facilities, housing, one of these that was announced was the Manitoba Rolling Mills announcement, but there are some others that may develop. We're having discussions with people in the industry and with home builders.

I think the other expenditures here should be looked at in relation to \$1.9 million in expenditures related to capital assets which is the last item in my Estimates. That's the capital portion of these types of activities. There are staff costs, there are consulting costs and then there are capital costs. These would break down between those two categories.

**MR. H. ENNS:** I appreciate the specifics probably vary, but in general, as in the housing refit programs, how

do the grants by and large break down? If it's a \$5,000 or \$10,000 refit, what does the homeowner have to provide and how does the breakdown of provincial-federal contributions to that refit program in the main break down?

**HON. W. PARASIUK:** They tend to break down one-third by the individual, and two-thirds cost-shared 50/50 by the Federal Government and the Provincial Government.

**MR. H. ENNS:** Earlier the Minister referred to the work that's being done with respect to some 18, I believe, schools. He says they were chosen through a competition. What kind of a competition? When he refers to a competition, that is, proposals coming from individual school boards that . . . ?

**HON. W. PARASIUK:** We asked all schools to put forward proposals which would reduce their energy consumption and in a sense have the biggest bang for the energy buck. These were reviewed by a technical committee and then demonstration projects were awarded to 18 of the schools of all the schools that applied.

**MR. H. ENNS:** With respect to the arenas or curling clubs or whatever you want to call them in the country, how are they chosen? We have a fairly limited number - six I believe in rural Manitoba, four in the city - is that again a question of being able to meet with a co-operative board that decides to go into this program and put up their one-third?

**HON. W. PARASIUK:** We received applications from a number of arenas and they were broken down per region in a sense to ensure that there would be a demonstration project taking place in each region of Manitoba.

**MR. H. ENNS:** Can the Minister indicate which arenas are being . . . this program?

**HON. W. PARASIUK:** Yes, I can, if you'd like. The Carman Arena, the Lorette Sport Centre, the Neepawa Arena, the Roblin Arena, the arena in The Pas, and the Stonewall Arena. That was rural.

In the city, in the urban centres, you have the Brandon Sportsplex, the Flin Flon Aqua Centre, the Pan Am Pool, and the Thompson Recreation Centre.

**MR. CHAIRMAN:** 2.(c)(1)—pass; 2.(c)(2)—pass.  
2.(d)(1) Canada-Manitoba National Energy Audit Program: Salaries; 2.(d)(2) Other Expenditures - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, I assume that this item is probably a necessary adjunct or part of a federal agreement that calls for certain auditing and monitoring of the Canada-Manitoba Energy Agreement. Is that . . . ?

**HON. W. PARASIUK:** That's right, and this program is winding down and that's why you can see the different dollar amounts, and we're hoping and we're negotiating

to try and continue this type of program with the Federal Government because we think this is an ongoing activity that people should be involved in.

We do provide audits with something called the energy audit bus that goes through Manitoba and conducts energy audits for businesses or homes or non-profit organizations. Not homes, sorry, businesses and non-profit organizations. We've got quite a backlog and we're trying to provide as many audits as we can on a cost-shared basis.

**MR. CHAIRMAN:** 2.(d)(1)—pass; 2.(d)(2)—pass.

2.(e)(1) Cut Home Energy Cost: Salaries; 2.(e)(2) Other Expenditures - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, I would assume that substantial increase from \$71,000 to a little over half-a-million, \$571,000, involves a number of staff, a number of vehicles. Is this the item where we had the demonstration from the Legislature not so long ago which signalled or introduced the 20-odd vehicles that are involved in this program? Could the Minister give us some details on this?

**HON. W. PARASIUK:** This is the CHEC Home Loan Program which is administered by Manitoba Hydro and in the past, I think starting about 1977, these costs were picked up in the capital authority. After discussions with the Auditor I believe, or just on our own, we've decided these are more properly administrative costs that should be picked up as administration within the department. That covers the administration and overhead costs of Hydro, and that's picked up on the \$571,000 items.

The item that the member is talking about, in terms of the Home Check-Up Program, was a new program launched through the Jobs Fund. I expect that later today or tomorrow I'll certainly be in the discussion on Jobs Fund to answer those particular questions that he will raise.

**MR. H. ENNS:** Well, then perhaps the Minister could indicate to us what is covered under the \$571,000 of Other Expenditures in the Cut Home Energy Cost Program?

**HON. W. PARASIUK:** We have two staff years here. We have inspection costs through MHRC. We have the administration costs of the utilities who are handling the loans and this is Manitoba Hydro and Winnipeg Hydro. We have some overhead costs from the department built into that as well.

**MR. H. ENNS:** None of this expenditure then actually contributes to, what I would call, the actual delivery of the program in terms of capital assets?

**HON. W. PARASIUK:** That's through the capital authority. Mr. Chairman, that's through the capital authority.

**MR. CHAIRMAN:** 2.(e)(1)—pass; 2.(e)(2)—pass.

2.(f) Manitoba Energy Council.

**HON. W. PARASIUK:** I introduced this in my opening statement and they're doing some work, and I would hope that they would be reporting to me by the fall.

**MR. H. ENNS:** Mr. Chairman, governments from time to time set up different advisory groups and councils of the kind that we are dealing with at this time. Probably at no time in the history of this province have we been working with so many potential large energy questions. It would be interesting to note to what extent has the Minister or this government involved the advice or the opportunity for the Manitoba Energy Council, which I understand is largely a citizens' group, to be party to some of the very basic and fundamental decisions that this Minister and this government is embarking on with respect to energy.

**HON. W. PARASIUK:** I've had a couple of meetings with the Energy Council; the staff have had meetings with the Energy Council. They are reviewing the type of work we are doing within the department; they are taking a look at our longer-term needs. There are people on the council who are a mix of business and academic, and in a sense consumer people and their orientation has been more on the energy-conservation side, but they have been looking at some of the sort of larger questions, but they've been looking at those areas over which the province might have some influence and control in terms of trying to get a bigger bank for the energy conservation dollar that's been spent. If you want, I can give you the names of the people on the board and so on.

**MR. H. ENNS:** I suppose, Mr. Chairman, what I was really asking the Minister about is that we, at the initiation or the development of advisory councils of this nature, we tend to pay considerable lip-service to the fact that it's important that outside of government groups be given an opportunity to have some input with respect to major energy decisions. I'm really referring to the kind of major energy decisions and discussions that this Minister and this department has been having, very specifically, with Northern States Power, with the WAPA group, with the Mandan, and I would assume we remind ourselves that particularly with respect to hydro-electric energy and hydro-electric power that that resource is of course the heritage of all Manitobans.

Is the Minister telling me that the Energy Council has really not been sought out to pass some comment or view, even in a very general way, the strategy, the direction that the government is going with respect to the major energy initiatives that this Minister obviously has embarked upon?

**HON. W. PARASIUK:** As I said, we had general discussions regarding the general strategy and we did indicate that we were pursuing major energy sales and at the same time trying to promote energy conservation domestically. The response I got from the Energy Council was a positive response on that, and we did not go into the specifics of any of the particular negotiations that are under way.

That is no different from what took place before. This Energy Council was established by the previous administration in 1980 and I'm not sure when it was appointed, but I know that none of the members or the council were involved in any of the negotiations that the previous administration was undertaking in terms of specifics.

**MR. CHAIRMAN:** 2.(f)—pass.

2.(g) Manitoba Energy Authority - the Member from Turtle Mountain.

**MR. B. RANSOM:** Thank you, Mr. Chairman.

Some of these questions may have been asked before. I was in the other set of Estimates on Thursday when this was first dealt with and if the Minister has already answered the questions, he can just indicate that and I can check the record.

I would like to know just very quickly what the relationship is between hydro and the energy authority in the actual negotiation? Is there any approval involved by Hydro or is it Hydro supplying information to the Energy Authority and the Energy Authority proceeding from the point?

**HON. W. PARASIUK:** There's a member of Hydro who's on the Energy Authority. It's in Hansard. I indicated last week that John Arnason, who's the president, and Saul Cherniack, who's the Chairman of Manitoba Hydro - staff are provided; they have been very involved as members of the negotiating teams and Manitoba Hydro approved the letter of understanding and approved the final sale agreement.

**MR. B. RANSOM:** Is the information that's provided to the Energy Authority basically the same where it overlaps with the general information that has been provided to the committee as we have talked about projections on load growth and that sort of thing?

I ask that because the committee is always running somewhat behind and I'm just wondering whether those projections that had been presented to the committee in the past have basically remained in place or whether there have been significant alterations?

**HON. W. PARASIUK:** They are basically Manitoba Hydro projections. That's the reason why, when this is going to be looked at by the Public Utilities Committee, the Manitoba Energy Authority which has hydro people on it and Manitoba Hydro will be there and we can go through and have everyone there for the detailed analysis.

**MR. B. RANSOM:** The Energy Authority actually negotiates the agreement. Who will make the decision about the construction date for Limestone? Does the Energy Authority say to Hydro, "All right now we have concluded an agreement for 500 megawatts of power required on a certain day in 1993, now it's up to you to ensure that the power is ready to go at that point?" Is that strictly a Hydro decision?

**HON. W. PARASIUK:** What it is, is I have asked, as Minister of Hydro, I have asked Hydro to accelerate their studies, because we do have an agreement. I've asked them to conduct studies to determine the most economic time for the start-up of Limestone. As I indicated earlier, I expect those studies to be completed through the summer and I would expect the decision with respect to the start-up of Limestone would be made in the fall and that would be, I would expect, made by the government, but I would expect that we would get a recommendation from Hydro.

**MR. B. RANSOM:** Is it possible then that Hydro will provide a recommendation to the government that will say a certain date is the most economical, but that the government might make some other decision as to the date of when it would start?

**HON. W. PARASIUK:** Again, that's quite hypothetical, Mr. Chairman. We'll deal with their decision when that decision is reached. I think it's the proper way to go. I might remind the member that he should take a look at a press release issued by the government in October of 1981, whereby an announcement was made about the immediate start-up of Limestone before any agreement was finally signed or before Hydro had a chance really to do all their homework. I think they were going to do their homework, but we certainly are asking Hydro to do their homework, to do the detailed work and make a decision and report back to us.

**MR. B. RANSOM:** Mr. Chairman, I wouldn't want the Minister to misunderstand what I'm saying, or what I'm asking. I simply want to know how he intends to proceed? I'm not making any judgment on whether that's good, bad or indifferent. I want to know how he intends to go because the latest indication that the committee had from Hydro was that Limestone would be required for the system around 1992 or 1993 and that start-up would be roughly five years, the commencement of construction would be roughly five years prior to that and it would seem rather fortunate; good management, whatever he wished, that the sale to Northern States Power happens to be required, that power happens to be required at exactly the same time as Limestone would be coming on stream with construction starting approximately five years before. It would seem like it has the prospect at least for working in the interests of Manitobans, but the Minister has indicated the government will actually make the decision. So obviously, we'll have to try and determine in the committee from Hydro people just what sort of recommendations they'll be making and whether their projections still hold.

**HON. W. PARASIUK:** Again, I don't want to anticipate the committee meetings. I'm quite expecting that's a valid area for discussion in the committee hearings.

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

**MR. G. FILMON:** Mr. Chairman, just since this was a topic that we did raise on Friday and I believe the questioning of the Member for Turtle Mountain, is in order to give us some background, so we can have a full and complete discussion at Hydro committee. So I wanted to confirm a couple of facts that have been laid on the table.

Can the Minister confirm that with the current projected system growth and demand, Limestone would ordinarily not be required until, is it 1993?

**HON. W. PARASIUK:** Again, I think that the figures of 1992 or 1993 have been used, and I think it would be best to have us wait for the committee and have Hydro exactly specify the exact date.

**MR. G. FILMON:** Further, Mr. Chairman, could the Minister indicate what projected rate of load growth

is utilized from now until 1992 or 1993 in order to arrive at that?

**HON. W. PARASIUK:** First, Hydro have indicated that the Northern States Power sale does advance the start-up date of Limestone. They will report to the committee on that specifically. They are also looking at the economic aspect of when it is most economic to start up Limestone as well. There are things that they will get into, like the committee distinguishing between the engineering concept it must add and the economic concept of when it's most economic to start something. They will provide that information at the committee hearing and they will also provide the specifics of their load growth projections, and they have made load growth projections, they're not a constant. So Hydro will in fact provide that at the committee meetings.

**MR. G. FILMON:** Mr. Chairman, the Minister is indicating that there is a difference between the technical assessment of when the addition of the next plant of the Nelson River would be required and when would be the optimum economical time for construction and there is a difference between those two. Yes? The Minister is nodding his head.

**HON. W. PARASIUK:** Yes, I indicated, one is a business decision one takes and the other is from a strict engineering point. When is it required to meet the load growth projection without looking at the economic aspects of it?

**MR. G. FILMON:** Being an engineer, as well as a businessman, Mr. Chairman, can I ask who is making the business decision?

**HON. W. PARASIUK:** Mr. Chairman, I said that Hydro is looking at the economic aspects and they will complete their studies and they will report to the government by the summer. The final decision will be made by the government.

**MR. G. FILMON:** No further questions on that, Mr. Chairman.

**MR. CHAIRMAN:** 2.(g)—pass.

Resolution 64: Resolved that there be granted to Her Majesty a sum not exceeding \$3,584,000 for Energy and Mines, Energy, for the fiscal year ending the 31st day of March, 1985—pass.

3.(a)(1) Mineral Resources, Mineral Resources Management: Salaries; 3.(a)(2) Other Expenditures - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, we dealt with the Manitoba Mineral Resources Ltd. Report last week which covers the more direct involvement of the government in the mineral industry. I suppose in this area here, the most significant activity on the part of the department has been surrounding the problems and trying to resolve the problems at Leaf Rapids, Lynn Lake; but again, I assume that those monies are not located in these Estimates, but in another program?

**HON. W. PARASIUK:** There has been money expended under the NEED Program on a 50/50 basis. The NEED

portion came through the Jobs Fund. The provincial share of the NEED portion, and the loan that is being provided to Sherritt Gordon is coming through the Jobs Fund as well, and that is a \$10 million loan. Sherritt Gordon was putting up \$17 million for deep mine development of the Ruttan Lake Mine. When that development is completed, the Estimates are that Ruttan will be one of the lowest cost producers in North America and right now there is a rationalization taking place within the copper industry, as the President of Manitoba Mineral Resources indicated, and there are a number of, in a sense, higher cost producers that are being shaken out of the industry. We were interested in ensuring that in a sense Ruttan moves to that low-cost category, because if that does occur and this mine deepening is a necessary condition for that to happen, then that should assure the future of Ruttan for some time to come and also assure the community's future of Leaf Rapids. That's quite important because of the particular problems that Lynn Lake is experiencing because of the, in a sense, extinction of the Fox Lake Mine by the end of 1985.

**MR. H. ENNS:** Mr. Chairman, as I understand it, there are grants, either under the NEED Program, loans, and of course the monies are coming from both federal and provincial sources.

Can the Minister tell me what is the total public support or obligation to Sherritt Gordon endeavouring to get to that better position that the Minister alludes to?

**HON. W. PARASIUK:** The NEED Program, and I would check to confirm my figures, but I believe it's something in the order of about \$2.7 million cost-shared 50-50, federally-provincially, and that's for the Agassiz Mine development which is near the community of Lynn Lake. Sorry, it's 2.4 and that's grant as is the NEED Program.

The NEED Program, if you can recall, is a federal-provincial program and that is grants. There are grants going to people throughout Manitoba with respect to employment generation or preservation. That's at Agassiz Mine which is right near the community of Lynn Lake.

The mine deepening project is receiving a \$10 million loan from the province and the Federal Government had been approached to provide something in the order of \$8 million to 9 million UIC money for mine deepening if the mine closed down. They were also approached to provide a loan in case the mine didn't close down, so you had a weird situation whereby the Federal Government was prepared to provide grant money if the mine closed down and all the people were put out of work, but they weren't prepared because they didn't have a program to provide loan money to ensure that the operations continued and the mine deepening took place.

The mining company considered that for some time and decided not to close down the mine, but rather to continue the operations of the mine, to continue with the deepening project and still they are having discussions with other potential private sector investors, because they have indicated that they have put up the mine for sale, but they are having discussions with private companies and depending upon where copper

prices go and depending upon how well they achieve their targets of making this mine a low-cost producer mine, they may decide to keep it.

**MR. H. ENNS:** But, at the present time there is no federal involvement at Lynn Lake then?

**HON. W. PARASIUK:** That's correct.

**MR. CHAIRMAN:** 3.(a)(1) - the Member for Lakeside.

**MR. H. ENNS:** Mr. Chairman, on behalf of Manitoba taxpayers we all hope that they get to that better ore-bearing strata and be in a position to repay the loan.

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

**MR. G. FILMON:** Mr. Chairman, I wonder if I could ask the Minister on another topic to do with mineral exploration; it's my understanding that at Bissett where Brinco has the holdings of the gold mine that was shut down in the early part of 1983, I guess it was, I understand that they have entered into an agreement whereby an outfit known as Lathland would acquire a 50 percent interest for the expenditure of \$7.5 million or something of that nature, on some drilling at the lower levels of the existing mine. That drilling was to have taken place over a period of four years and would potentially have resulted, depending on results, in the reopening of the mine in a relatively earlier time frame. They had asked the government to participate, as they have agreed to at Leaf Rapids, to the tune of \$1.5 million.

I understand that the government has declined participation or assistance in this drilling and development project and I wonder if the Minister could indicate what considerations were given, and what are the reasons for the government's decision for non-participation in this venture versus participation in the Leaf Rapids situation?

**HON. W. PARASIUK:** When I met with the Lathwell Resources, it's Lathwell Resources that have purchased or negotiated an option agreement with Brinco, who had in turn negotiated an agreement with someone else who held it prior to that, whereby they would earn a 50 percent working interest for expenditures of some \$7.5 million on exploration and development over a 4 or 5 year period, they had contacted the province asking for a grant and we had said that we don't provide grants apart from programs like the NEED Program, which was an employment program, and we asked them to contact MMR. I believe they had discussions and negotiations with MMR. MMR may or may not have made a decision on their business judgment as to whether they should be involved in a joint venture or not. They have asked for a meeting with me and I've indicated that I would be meeting with them in the future to see what their plans are, because we had raised some points with them regarding the expectations that their predecessors had with respect to that ore. I have some difficulty trying to provide more information than that, because it then starts dealing with what a provincial assessment of an ore body or ore quality is and I think it's difficult getting into that

because there are a whole set of companies that are being traded on the stock market involved there and I think that is best not dealt with in this respect other than saying that on the basis of geological advice, on the basis of a business decision by MMR, the decision was made not to proceed on an equity basis. That doesn't mean that there isn't ore there and it's not of a certain quality. There are some differences of opinions as to the best way of achieving that and what expectations might realistically be.

**MR. G. FILMON:** So the government has made a decision through Manitoba Mineral Resources not to proceed on an equity basis in investment?

**HON. W. PARASIUK:** I'm sorry, I didn't say that the government didn't make a decision. MMR does make decisions on a business basis as to whether they will be involved or not, and if you want to say that the government made that decision on that basis, it's fine.

**MR. G. FILMON:** The only reason I say that is that I'm given to understand that the Lathwell Resources didn't approach MMR. They in fact approached the government and I believe, through the Minister of Northern Affairs, to participate in the drilling project with them on the basis of understanding that it would not only provide jobs, but it would perhaps result in the mine being reopened at an earlier date if there was government participation.

Now if the Minister is telling me that he or the government turned it over to MMR and then it was their decision, I assume that's really the same thing, that it's the government having decided not to participate, based on recommendation from MMR.

**HON. W. PARASKUK:** Lathwell saw us - actually saw me, the Minister of Energy and Mines. They asked for a grant. I referred them to MMR. They also contacted the Minister of Northern Affairs and I guess asked him for a grant and he said they don't have a grant program.

That doesn't preclude their still continuing discussions with MMR. That certainly doesn't preclude their having further meetings with me, which they asked for, and which I have said I will meet with them.

**MR. G. FILMON:** So the government, through MMR, have made a decision not to participate on an equity basis with Lathwell Resources.

**HON. W. PARASIUK:** Yes, MMR have made the decision not to participate and the government has not changed that decision. I would have to check on whether in fact there are still discussions taking place.

**MR. G. FILMON:** Is the government then still looking at the prospect of justifying a grant or a financial involvement based on the jobs that might be created?

**HON. W. PARASIUK:** I'll have to have a meeting with the principals of Lathwell and see what type of proposal they might be talking about. When I met with them, they were talking about a grant and we then asked them to see MMR. This is probably a follow-up discussion and I certainly can't pre-empt that discussion at this stage.

**MR. G. FILMON:** I'm wondering if the initial approach by Lathwell was for a grant and they were referred to MMR for the prospect of an equity position by MMR, when that equity venture was turned down, why was the grant consideration then not carried through by the government if that was the original request on the part of Lathwell?

**HON. W. PARASIUK:** As Mr. Wright indicated, often it's not equity participation that is turned down; it's the deal that's turned down and I think it's important to provide that type of room for MMR to negotiate a deal that they think is fair for the shareholder, the taxpayers of Manitoba, and if one assumes that if, in fact, one can't negotiate a deal with MMR on a business-like basis, that then the easy recourse is to turn to the government for a grant, then it makes it very difficult, I believe, for MMR to negotiate in as business-like a manner as I think they should.

**MR. G. FILMON:** I don't disagree with that, but my understanding was that Lathwell never did approach MMR for equity participation. Rather, they approached the government for a grant and it was the government who turned it into an application to MMR for equity participation.

**HON. W. PARASIUK:** Lathwell said that they were interested in moving in this direction and they asked if we had grant money. We said, we don't have a grant program as such. We do have a program under MMR, that they should look at that program. They were newcomers to Manitoba and we said that they possibly misconstrued what the situation was in Manitoba.

The only grant program we have is something through the NEED Program which is a general employment program and that's the basis on which we referred them to MMR.

**MR. G. FILMON:** Mr. Chairman, is it possible that they would be eligible for a grant through the NEED Program, in justification of the jobs that would be created?

**HON. W. PARASIUK:** That's something that we would have to look at, on the basis of our meeting with them and having further discussions with them. They weren't looking at it in NEED terms at that time and I would certainly have to check to see whether there's anything left in the NEED Program because it is funded federally and provincially; it's a cost-shared program.

**MR. G. FILMON:** So the advice then to the Lathwell people would be to pursue this with the Minister at the present time and if there was justification, based on job creation basis, then that door is still open.

**HON. W. PARASIUK:** I wouldn't make a commitment one way or the other. I certainly have said that I would have meetings with them.

One should also understand that in the case of the situation in Ruttan Lake you have an ongoing mine that has potential from the diamond drilling for some pretty significant cost reductions if they achieve their objections. Even in a market where the price projections might be low, in the case of the Bissett mine, the San

Antonio mine, you have a mine that is very, very sensitive to anticipated gold prices; and that was one of the reasons why Brinco lost money rather than made money with respect to their develop at San Antonio, and a lot of people have been predicting that gold prices will go up significantly, but if you say that gold prices will not go up significantly and, in a sense, take a small "c" conservative case scenario as to pricing, then it changes the estimates that people might have with respect to the viability of the mine.

**MR. G. FILMON:** So the Minister is saying that he's willing to meet with and enter into discussions with the Lathwell people again, but that the door is closed.

**HON. W. PARASIUK:** I'm not sure, if one says the door is closed or open before one has a discussion. I'm saying I'm having a discussion with them and I'll see what they have to discuss.

**MR. CHAIRMAN:** The question should not presuppose the answer.

The Leader of the Opposition.

**MR. G. FILMON:** Thank you, Mr. Chairman. With the greatest of respect, I asked the question the other way the first time, saying, was the door open and the Minister said the door wasn't open but he'd have discussions. I said, well, does that mean that the door is closed then? But he's still having discussions. All I want to do is find out whether it's one way or the other. It doesn't matter to me which way the Minister answers it as long as he answers it.

**HON. W. PARASIUK:** We don't have a grant program. If the opposition is saying that the province should establish a grant program so that we could then have discussions with companies with a view of providing grants for them for mine development, we could consider that as an option.

We don't have a grant program; we have a program through MMR. We certainly have had other means. We have taken a look on a case-by-case situation, at applications and proposals, and I said I would be prepared to sit down and have a discussion with Lathwell Resources as to what their plans are and what their problems might be and what their future options might be.

**MR. G. FILMON:** Mr. Chairman, I'm not in government and I'm not advocating policies for the Minister in this regard. I am following up on contacts from people within the community at Bissett who want to know what is the government's policy in this regard, because they read about government participation in various mining ventures throughout Manitoba, federal-provincial funding that's available for mining exploration and development throughout Manitoba and they wonder whether or not it's applicable to their circumstances because they're anxious to have employment occur within their community.

Most of the people who worked in the Brinco mine at Bissett have exhausted their unemployment insurance benefits and they're simply trying desperately to find out what the government's policy is and whether

or not there is any hope for them through government assistance in any respect; and I'm just attempting to clarify what the situation is. I'm not trying to suggest policies to the Minister or to argue policies with him, I'm merely trying to find out what the policy of the government is with respect to these circumstances.

**MR. CHAIRMAN:** Thank you.  
The Member for Lakeside.  
The Minister wants to add something.

**HON. W. PARASIUK:** When I, in fact, meet with Lathwell, it would be my intention to determine the best possible way in which government programs might be applied to produce a situation where expectations can be realistically pursued because I think that it is important to try and ensure that as much employment as possible is generated in that area. We certainly would try and determine whether in fact there are applicable government programs or not. On that basis, Sir, I certainly expect to meet with them.

**MR. H. ENNS:** Mr. Chairman, on Item 3.(a)(1) Salaries, we note a reduction. I don't know whether the department is getting smaller or whether there's been a shift to other departments taking place. While I'm asking the question, perhaps the Minister could indicate to us who is the Director of Mineral Resources at this time? He may well wish to introduce some other members of his staff, some of them who are known to us and others who aren't.

**HON. W. PARASIUK:** The Assistant Deputy Minister is Dr. Haugh, who is not here today; Dr. Singh is here and he's from the Mineral Resources side. We have Clare Mosler from the Petroleum Resources side. We have Mr. McDonald from the Energy side.

**A MEMBER:** Who are you?

**HON. W. PARASIUK:** I happen to front for this group.

**MR. CHAIRMAN:** 3.(a)(1)—pass; 3.(a)(2)—pass; there's a question here, sorry.

**HON. W. PARASIUK:** If I might, we have a Henryk Mordarski who's on our Finance and Administration section, but he's not on the Mineral section.

**MR. CHAIRMAN:** Thank you. There's a question from the Member for Swan River.

**MR. D. GOURLAY:** Thanks, Mr. Chairman.  
I'd like to ask the Minister with respect to Limestone mining in the province, in view of the fact that we could see some major Hydro development in the foreseeable future, I'm wondering what is the situation with cement production in the Province of Manitoba at this time to be able to accommodate that type of construction?

**HON. W. PARASIUK:** My understanding is that we have a lot of untapped capacity and that we would have sufficient capacity to meet a demand for cement if indeed when the Hydro project commences.

**MR. D. GOURLAY:** Yes, to go further on that. I'm just wondering, the large limestone deposits in the Mafeking

area, would you see that as a possible development in Manitoba in the foreseeable future?

**HON. W. PARASIUK:** Yes, we're hopeful that there might be some development there, but I couldn't comment specifically in that would depend on private sector decisions. But we have had discussions with Genstar that has leases in the area, and we've had discussions with Steel Brothers which has a lease and has been granted a couple of other exploration permits.

**MR. D. GOURLAY:** Yes, in order to mine the limestone deposits in the Mafeking area, would you see that as being processed locally or would it be shipped to other locations in the province for processing into cement?

**HON. W. PARASIUK:** As you know, some work is being done right now to look at some of the energy aspects of that. To the extent that it would be practical, we'd like to see it happening locally and that is a matter for further study and analysis and some discussion with the private companies.

If it would be possible, certainly, I personally, would like to see as much of it done locally as possible.

In some instances, people already have facilities and they've been historically shipping out some of the material there for processing. It's difficult to come to them and say, well, stop doing that because they've got their own system as to how they operate in Western Canada. Certainly for people coming on the scene without those types of facilities, we would like to try and encourage to the fullest extent possible local production and processing.

**MR. CHAIRMAN:** 3.(a)(1)—pass; 3.(a)(2)—pass. 3.(b)(1) Petroleum: Salaries; 3.(b)(2) Other Expenditures - the Member for Arthur.

**MR. J. DOWNEY:** Mr. Chairman, there are a few questions I'd like to ask the Minister, particularly as it relates to the pipeline. Would this be the appropriate place to do so under this particular item?

**HON. W. PARASIUK:** Yes.

**MR. J. DOWNEY:** As well, I would like the Minister to indicate the drilling prospects for the southwest this year and as well if he has any intentions of making any changes to the royalties in which the province is charging the oil companies as it appears the changes in Saskatchewan have encouraged the industry in a major way to go back to Saskatchewan or to do a lot of their drilling activity in that area. Has the Minister any proposals to change the royalties, charges in Manitoba for new oil or for any of the activities that are taking place?

**HON. W. PARASIUK:** No, I don't. We've got a program in place till the end of 1986. The industry has indicated that they are satisfied with that. They are proceeding on a fairly significant program this year as I've announced previously in the House. I would expect that we may have a level of activity approaching that of last year, so we've had a continuation of activity.

For awhile there there was nothing happening in Saskatchewan and Alberta. There's something

happening in Saskatchewan, but I think our record in relative terms or proportional terms has been excellent in Manitoba. I've had discussions with people in the oil industry and I'm confident that we can still have a very good program without modifying the tax regime. I think it's important for them to have some predictability with respect to their tax regime and they've had that. We signed it for a four-year period and I'm quite hopeful that we'll have a very good program continuing.

**MR. J. DOWNEY:** In other words, Mr. Chairman, the Minister is planning on carrying on with the royalty taxation and the policy . . .

**HON. W. PARASIUK:** I have not changed those policies. I indicated that in the past, unless of course by the tone of the member's comments previously - he thought they weren't good enough and we should change them - I feel that what the companies require is some predictability and if you change the tax regime every year or every second year that makes it difficult for them to plan because often they conduct their planning over a time frame that is longer than one year.

I think that all told, the industry has been very satisfied with the policies as have been developed by the previous government and were pursued by ourselves. I indicated some policy statements to the industry as well when we took office and I've been pleased that we've had a tremendous upswing in activity in the years 1982-83 and continuing into '84.

I do indicate that we have to be competitive with respect to the other areas and I believe we are without requiring any further changes.

**MR. J. DOWNEY:** Mr. Chairman, I would agree if the Minister can attract the business without making changes, that is the way in which to proceed. However, there have been I think some significant changes in Saskatchewan that have encouraged some of the activity that would have taken place in Manitoba back into Saskatchewan. If the rate is proceeding at the desired level as far as the industry and the Minister are concerned, then by all means I would suggest that if it's working not to change it.

Specifically, Mr. Chairman, dealing with the proposed pipeline, first of all, I would like to indicate to the committee and to the public that I personally am involved because the proposed route to the pipeline will cross over some of my farm lands so I want to fully disclose — (Interjection) — so the questions I'm putting will be of interest to land owners, as well to the community at large because there are some areas of concern that I have.

Firstly, the No. 1 question I have is: why has the government decided to take a 25 percent participation in the oil pipeline?

**HON. W. PARASIUK:** For a couple of reasons: one, it provides a good window to the government in that area of activity; and it provides a way, I think, of ensuring that there are fair prices charged within a market system without having to in a sense look at mechanisms like putting the pipeline under the Public Utilities Board which is not the situation in Saskatchewan or Alberta and we have decided that the pipeline would be under

the market system. Yet, at the same time, since this is breaking some new ground in Manitoba, that we should have a window on it and the window could be provided through the Manitoba Oil and Gas Corporation. I think it will be a good investment for the people of Manitoba and I would expect that it would earn a significant return on that investment over the future, Mr. Chairman.

**MR. J. DOWNEY:** What evidence does the Minister have that it's a good investment and that there'll be revenues sufficient to returns on the investment? What is the volume that they have to put through to make a profit on the pipeline? Has all this work been done? Have they done preliminary cost benefit studies on it? Can they indicate the economies of using a pipeline with the volumes of oil that they have at this particular time?

**HON. W. PARASIUK:** The analysis that has been done indicates that a pipeline would in fact be profitable, that it also would ease the strain that exists on the highway and road system in that part of Manitoba, so that it'll be a saving to the people of Manitoba in a general way with respect to road and highway maintenance. It'll also be competitive with road transport, be less than road transport and also provide a return to those people who put up the money to build the pipelines. So, I think, on all counts, it's a very good thing for Manitoba.

**MR. J. DOWNEY:** Mr. Chairman, I would ask the Minister to provide the kind of studies that they have done as far as the numbers of barrels and the cost of transporting that oil by pipeline versus what the cost of trucking is doing.

The information I have is that the cost of trucking the oil is still somewhat less than what the pipeline would be, and I agree. I think I have put many submissions forward to the government about the problems that the trucks have created, particularly the danger factor with heavy oil trucks north of Waskada on the highway that is not paved or covered with an oil surface as well as that that goes from No. 2 Hwy. to the Cromer connection that there has been a serious problem created by dust and the factors of big trucks on the road and it is a major concern.

However, the road systems, as I would indicate at this particular time, are in somewhat a deplorable situation and it's the province's responsibility, I think, to move immediately and repair them and to upgrade them and to fix them regardless whether or not there is a pipeline that goes in because we still have a substantial amount of heavy traffic dealing with the oil industry, whether it be the carrying of the drilling equipment, the service equipment, the salt water trucking and that type of thing that's still associated with the oil industry. There is still going to be a substantial amount of road work and heavy traffic. So it doesn't alleviate the taxpayer of building roads and I don't want the Minister for one minute to think, by building or investing in the pipeline, that he's going to get off the hook from investing in the road system.

In fact, I would have hoped, Mr. Chairman, when we talk about roads, that plans would have been looked

at, particularly with his encouraging news about the potash mine following on our plans - not only our plans, but the activity that had been looked at in the potash area. If we look at what has happened in Saskatchewan, a large percentage of the potash has been trucked to the United States, that a major road could have been constructed to carry the potash to the United States market and as well to accommodate some of the oil traffic on No. 83 Highway. I think it would have made common sense to build that kind of a heavy-duty road to accommodate both the potash south and the oil north. But, however, probably the potash is quite a few years away and we have a lot of time to consider that. But I do think the road program is an important factor.

The other concern that has been brought to my attention and I think has to be assessed very carefully and I'm still keeping in mind the fact that I'm sure we're all aware that oil is moved through a pipeline, and in the end result, it would be an advantage to the province to have it moving that way, of course, we have to make sure the volumes are there - there are a number of people, I think some 40 to 50 permanent jobs that are now in the business of trucking that oil, permanent jobs that will be replaced by the 80 short-term construction jobs.

I would hope there is some consideration given to the truck drivers for jobs within the system that they aren't going to be laid off from their trucking jobs and be totally left out in the cold because it is a major concern of a lot of those people who have permanent jobs with GN Transportation who are now a major part of that system. They are extremely concerned that the pipeline will, in fact, put them out of work. A lot of them are part-time farmers, people who have looked to the oil business to alleviate some of their financial problems.

I question the Minister as to why there hasn't been more planning, more public meetings and expression of the government's intention prior to the selection of the route. I know in looking at it from my prospective and from a lot of the people in that area there is a question asked as to why the pipeline wouldn't proceed from Waskada to the westerly direction over to the Tilston and the Pierson oil fields to pick the oil up from those fields that appear to have extremely good potential and then on up to Cromer. You know, rather than going straight as an arrow from Waskada to Cromer that it would have made more sense to go from Waskada to the Pierson-Tilston oil fields and accumulating all the oil as it proceeded and I ask the Minister as to why that route wasn't chosen?

**HON. W. PARASIUK:** Because the private sector, in its wisdom, looked at what was economic and put those proposals forward. If the member is saying that the government should intervene and change an economic decision into a possible non-economic decision I'm saying that is not our function. They'd looked at the economics of it and they decided this was the most practical and the most economic route and I think they have to have the discussions with the local landowners to make sure that they don't disturb the local land unnecessarily. I think that's a very valid concern and I'm concerned that it be done properly.

**MR. J. DOWNEY:** Well, Mr. Chairman, the Minister can't very well be a participant by 25 percent and then blame

it on the private sector as to the route that they are going. He is a participant in the planning of the pipeline, I would think. He's the one that let the permits and he's, on one hand, saying he's protecting the investments of the taxpayers, and the reason for their investment is that it's going to be profitable. Now he's saying he didn't have any decision in the thing. The question is, would they not get more volume of oil by going by the Pierson and Tilston fields to help pay for the investment? That's the question, really.

The Minister's answer to that apparently is no.

**HON. W. PARASIUK:** They have looked at that and these were private proposals that came forward in the first instance. Their assessment was that it wasn't economic to do that. We are participants, but the operators will still be Inter-City Gas, a Manitoba company.

**MR. J. DOWNEY:** Mr. Chairman, I question the Minister, I ask him precisely as to why there weren't some information meetings held prior to the announcement, the political announcement that was made by the Minister. I know there has been one general meeting held just recently explaining the proposed route and the land acquisition procedure. But early on, there were a lot of announcements made by the Minister and very little local information or input asked by the public. Would it not be a normal process to have had a hearing sometime prior to the final decision as to where the permit would be allowing them to put their system?

**HON. W. PARASIUK:** After the applications were received - and I made a public announcement in April of 1983 indicating that we will be inviting applications from parties interested in building and operating accrued oil pipeline to transport crude oil from the Waskada area to Cromer - applications were received on October 28. A board notice to public advising of applications and inviting parties to submit and/or present concerns at a December 8th public meeting. On December 8th and 9th, board meetings were held with individual applicants. There were no people who indicated that they wished to make submissions and I think municipalities were contacted. There was advertising in the newspapers locally, and on February 28th, I made the announcement that Inter-City Gas, Manitoba Pipelines Limited was awarded a construction permit.

**MR. J. DOWNEY:** Mr. Chairman, I would have thought - I'm not so concerned about the people who were applying to build the pipeline - what I was interested in is to have a public meeting shortly after the decision was made to go ahead with it, to have it in the area in which the people were going to be affected.

It's unfortunate that the first meeting that I'm aware of just took place about two to three weeks ago with the land man, and I find it strange that there wasn't more information provided and a system of talking to the public, generally, provided in the community, say, whether it be Reston where the pipeline goes by, or Waskada, so that the people affected would have a little better understanding of what the government was proposing and what they were up to and some input

from that community. That's the question and the Minister proceeded not to do it. I know in the act he doesn't have to. It's his prerogative whether he has hearings or whether he proceeds directly to issue the permits.

**HON. W. PARASIUK:** We had a public hearing in Winnipeg; we invited people to attend. If the member is saying that we should have had the public hearings in Virden or in that area, that's a fair enough comment, but the public certainly was invited, the municipalities were informed, they were contacted on a lot of things that happened, I think.

I have met with the municipalities in the area prior to that and they said they would want to be kept informed of developments. I think we've done that and a whole set of things relating to oil development in that area and I think my relationship with the municipalities is quite good in that area, but I intend to be meeting with them over the course of the next year and I will certainly take this up with them as well.

**MR. J. DOWNEY:** Mr. Chairman, another couple of concerns I have that have been brought to my attention and, as I say, I am reluctant to get too deeply involved because of my position as a landowner and the compensation for the property and the disruption of the land, the crops and that type of thing. I would hope that because there are a lot of farmers affected, and I know the comment that has come to me in general, I think the feeling is that it's not going to make anyone

a lot of money, it's going to be somewhat disruptive. They lose, I think it's three acres on a half section of land; it brings up new dirt; the crop production in that area for two or three years could in fact be affected and I would hope that every effort is put forward by the pipeline company and the government to treat landowners in a fair and reasonable manner.

**HON. W. PARASIUK:** Agreed.

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

**HON. A. ANSTETT:** Yes, Mr. Chairman, before you call it 5:30, I wonder if I might, for the benefit of members and staff, indicate that in view of the fact that we have not yet completed Energy and Mines here in the committee, and it is the intention not to sit in double committees this evening, it might be just as convenient to expedite business by having this consideration continue in the House this evening. So we would reconvene in the House at 8:00 p.m. so that we can then, upon completion of these Estimates which I understand might be anticipated this evening, proceed immediately into Executive Council, Jobs Fund, etc.

**MR. CHAIRMAN:** Is that agreeable to the committee? (Agreed)

We are interrupting the proceedings of this committee, and we shall meet in the Chamber, scheduled at 8:00 p.m.