

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Tuesday, September 2, 1969

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Notices of Motion; Introduction of Bills.

At this point I wish to direct the attention of the honourable members to the gallery on my left. There are 35 senior citizens from the Sherbrooke Day Centre under the direction of Mrs. Turner. The Centre is located in the constituency of the Honourable Member for St. Matthews.

On behalf of all the honourable members of the Legislative Assembly, I welcome you all here today.

The Honourable Leader of the Official Opposition.

ORAL QUESTION PERIOD

MR. WALTER WEIR (Leader of the Opposition)(Minnedosa): Mr. Speaker, I wonder before the Orders of the Day if the First Minister would tell us whether during his recent journey of bringing fraternal greetings in B. C. if he made an announcement about the participation of some non-Cabinet Ministers in the committees of the Cabinet?

HON. ED. SCHREYER (Premier and Minister of Industry and Commerce)(Rossmere): It doesn't come to mind, Mr. Speaker. Perhaps the honourable the Leader of the Opposition could specify in what particular sense he means that question.

MR. WEIR: Mr. Speaker, it's my understanding that the First Minister made an announcement in reply to a question that I believe it would be the Member for Crescentwood would have some function within the Planning and Priority Committee of Cabinet.

MR. SCHREYER: Well Mr. Speaker, in that specific regard I can give a specific reply. I believe I said that the honourable member in question could play a very useful role in assisting the committee on planning and priorities.

MR. WEIR: Mr. Speaker, a supplementary question. Are there going to be any other areas that the First Minister is going to use non-cabinet participation, either from his caucus or from outside his caucus in the role of this type of development policy?

MR. SCHREYER: Well, Mr. Speaker, I should certainly hope so. I would hope that every MLA in this House will be able to be of some assistance to cabinet and its committees, in whatever way.

MR. WEIR: Mr. Speaker, a supplementary question, then. Would access to the papers and recommendations as contained within those areas be available to all of the members of the House and the people outside of the House on that basis?

MR. SCHREYER: Well, Mr. Speaker, there is a long standing practice in connection with legislative assembly procedure - the oath that Ministers take when they come to office, and we shall operate in accordance with these traditions.

MR. WEIR: Mr. Speaker, this would tend to cut down then the effect of what the participation of the non-cabinet strength would be in terms of planning and priority, I presume.

MR. SCHREYER: Mr. Speaker, it may cut down on the directness with which such MLAs can participate, but nevertheless one hopes - I certainly hope that they will be able to participate in a way more meaningful than has been the case in the past.

MR. WEIR: Mr. Speaker, there'll be other opportunities to pursue this matter so I won't transgress on the number of supplementaries that I would have in that area, although I would love to.

May I, Mr. Speaker, ask a question or two of the Minister of Health. Have there been any indications of the number of opt-out doctors that will be - that their intention is to opt in at this stage of the game; also what is the current delay in terms of payment to doctors from the Medical Corporation, in terms of actual dollars if he can tell me. And the same thing in relation to patients in terms of the opted out doctor?

HON. SIDNEY GREEN (Minister of Health & Social Services)(Inkster): Mr. Speaker, my recollection is the first question was relating to the number of opt-in opt-out doctors, the actual figures I can't give you but my impression is and figures that were earlier given to me is that a steadily increasing number of doctors is opting into the plan. If the honourable member wishes the actual figures I'm prepared to get them for him.

With regard to the arrears in payment, my impression is that if indeed there is a delay,

(MR. GREEN cont'd) . . . . it's an across-the-board delay. It doesn't affect the opt out doctors differently than it affects the opt in doctors. I have been dealing directly with the medical insurance corporation to see what can be done to speed up the process to make it quicker than it is. I'm not sure that the present length of time is any different than used to take place under the MMS, but in any event we're looking into ways of speeding it up.

MR. WEIR: Mr. Speaker, a supplementary question. I presume it doesn't have any relationship or any bearing on the amount of Federal Government funds or through premium collections in terms of paying the bills?

MR. GREEN: No, Mr. Speaker, my understanding is that the length of time that it takes - whether I'll characterize this as a delay or not - but the length of time that it takes is an internal matter which we have power to deal with, and which as I've indicated I've discussed with the chairman of the corporation with a view to speeding it up.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Mr. Speaker, I appreciated the information that was filed the other day, the Churchill Diversion. I notice preliminary investigations of the resource implications and I wonder if the Minister of Mines and Natural Resources could inform us as to whether this is the whole paper or rather just a summary of the papers which were filed in this respect?

HON. LEONARD S. EVANS (Minister of Mines and Natural Resources)(Brandon East): Are you asking about the Task Force Report?

MR. BEARD: Yes.

MR. EVANS: It is my understanding that it is a comprehensive summary of a number of detailed papers that were prepared on the subject.

MR. BEARD: The thing that bothers me is that in summaries it's one man's opinion perhaps of what many people wrote about. Would it be possible to get the remainder of the papers that the summary is made up of?

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, before the Orders of the Day I would like to direct a question to the Minister of Agriculture. Since many farmers were not able to deliver up to the five bushel quota, many of them are wondering since they have to now apply by application to deliver that difference, whether they are going to be paid the last year's price, that is the basic price, or whether they are going to be paid on the new crop year's price?

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): It seems to me, Mr. Speaker, that all farmers understand, and I have the understanding, that the price paid will be in accordance with the new price policy established at the beginning of his crop year.

MR. EINARSON: A supplementary, Mr. Speaker, then. In view of the fact that the price of wheat has dropped about three times in the past few weeks, has the Minister any consideration of making up that difference within the province of Manitoba?

MR. USKIW: Mr. Speaker, my honourable friend knows that this is a subject matter that comes directly under the purview of the Federal Government and not the province of Manitoba.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I have a question I would direct to the Honourable the Minister of Health and Welfare Services. It's really supplementary to one asked by the Honourable Leader of the Official Opposition and relates to the medicare program. Could he tell the House how many doctors who in the City of Brandon chose to practice outside the plan at its inception have since opted into the plan?

MR. GREEN: Mr. Speaker, as the honourable member probably knows, at the outset all of the doctors in Brandon chose not to operate within the plan. My information is that since that time a number of doctors have opted in. I can't give you the exact number; in the interests of accuracy I'll take your question as notice and supply you with the information tomorrow.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): Mr. Speaker, a question directed to the Minister of Mines and Natural Resources and it deals with the definition of the word "comprehensive." Has the Minister had an opportunity of examining the comprehensive summary of the report that he gave us the other day with respect to the natural resources in the South Indian Lake area. Has he had a chance to check the comprehensive summary that I released to all members of the House and to the press, and to the public back in January, as to whether or not it wasn't basically the same material that he now released to us under the guise of making all hidden reports secret?

MR. EVANS: Mr. Speaker, unfortunately I wasn't in the House last winter and lots of things have happened since then. I haven't had the opportunity of reading all the statements that you released on it.

MR. ENNS: Well I would suggest to the Honourable Minister to ask for that comprehensive summary. I recognize the Minister's dilemma in the sense that the report issued to us was in fact of course as the Minister said a comprehensive summary, and I accepted as such. The point that I'm making of course is that I issued that comprehensive summary back in January.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A BARKMAN (La Verendrye): Mr. Speaker, I'd like to direct a question to the Minister of Mines and Natural Resources. Has the Minister any further report on the Hadashville area drainage project as to whether this government expects to go ahead with the former proposed study by the Federal and Provincial Government, or is it completely shelved?

MR. EVANS: Mr. Speaker, I'll take that question as notice.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I'm not quite clear on the answer that the Honourable Minister of Agriculture gave to the Member for Rock Lake in regard to the supplementary quotas that will be applied in the 1969-'70 crop year in relation to deliveries under five bushel to the acre in the '68-'69 crop year. Did he say that the prices that would be paid by the Canadian Wheat Board on the '68-'69 supplementary quotas in '69-'70 would be the '69-'70 prices? And if so, has he registered any protest to the Canadian Wheat Board and the Minister in Ottawa in this regard?

MR. USKIW: Mr. Speaker, I did say that that was the case and I have had discussions with the Canadian Wheat Board on the subject matter. I may point out that the Canadian Wheat Board advises that it does not affect a substantial number of people, although they do recognize that there are some discrepancies in the total picture.

MR. WATT: Mr. Speaker, I quite understand the Honourable Minister has had discussions with the Canadian Wheat Board and the authorities in Ottawa. I'm asking him has he registered any protest on behalf of the grain growers in Manitoba in regard to the price structure?

MR. USKIW: The protests were registered before it occurred, Mr. Speaker, as it became evident that that was the case.

MR. WATT: Who registered the protest, Mr. Speaker? If I may, under a supplementary question?

MR. USKIW: I had made calls to the Canadian Wheat Board expressing concern about the problem, and suggested to them that they extend the crop year at that time, which they refused to do.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs)(Selkirk): Mr. Speaker, on August 25th the Honourable Member for Ste. Rose, Mr. Molgat, asked myself a question to this effect: "Can the Minister indicate whether a cost-sharing agreement has been negotiated with the Federal Government to provide sewer and water to the residential areas of Churchill. The Minister will recall, will know that the Federal Government has a "no strings attached" grant for the commercial section. My question is for the residential area.

I might say, Mr. Speaker, that plans for the next phase of development in respect to the townsite of Churchill are now under joint consideration and the matter of the costs of sewer and water facilities is under discussions. I might state, Mr. Speaker, that the province is of course looking to the Federal Government to assume these costs as they did for the commercial area of Churchill.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. GILDAS MOLGAT (Ste. Rose): A supplementary question. Do I understand correctly then the province is not prepared to participate in any costs involved with sewer or water for the residential section?

MR. PAWLEY: Mr. Speaker, that was not the content of my answer, it was to the extent that we do take the position that the Federal Government should assume these costs and at the present time these discussions are taking place.

MR. BEARD: Could the Minister indicate whether the province has money set aside from grants in lieu of taxes from the Federal Government in this respect?

MR. PAWLEY: Mr. Speaker, in the interests of accuracy I believe I should take that question as notice.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Thank you, Mr. Speaker. Before the Orders of the Day I'd like to ask a question I guess of the First Minister. Is it the intention of the government to dismiss any of the staff of the government Information Services?

MR. SCHREYER: Mr. Speaker, I can reply by asking simply whatever gave the honourable member that idea?

MR. McKENZIE: I heard it in this building, and I'm taking it as being fairly reliable.

MR. SCHREYER: The honourable member could find himself in the same difficulty as I by taking certain things as being reliable, and later questioned. No seriously, Mr. Speaker, there has been no intention along that line.

MR. McKENZIE: A supplementary question then, Mr. Speaker. Is it the intention of the government to expand the Government Services staff?

MR. SCHREYER: Mr. Speaker, similarly, there's no intention along that line.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, my question is for the Honourable the Attorney-General. I'm sure he's aware that about a week ago in Portage la Prairie Magistrate MacDonald gave a ruling that treaty Indians would not be held liable or charged for operating a vehicle without a license, or without a driver's licence as long as they were on a reserve. So my question is, is it his intention to have the Highway Traffic Act amended so that Indian people or anyone else, whether on or off a reserve, will be required to respect the laws of the province?

HON. AL MACKLING (Attorney-General)(St. James): I'll have to take that as notice. That particular decision of the Magistrate referred to has not been specifically brought to my attention before, and I'll look into the matter.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. LEONARD H. CLAYDON (Wolseley): Mr. Speaker, I have a question for the Minister of Mines and Natural Resources. I understand that the Minister of Transportation has requested a report from your department detailing information relative to the staking of mining claims in the north, and particularly in the area of South Indian Lake. If so, will a copy of that report be made available to this House?

MR. SCHREYER: Mr. Speaker, would the honourable member please repeat that question, it sounded very strange to me.

MR. CLAYDON: Mr. Speaker, I'll repeat the question. I understand that the Minister of Transportation has requested a report of the Department of Mines and Natural Resources relative to the staking of claims in the north, particularly in the South Indian Lake area. Will that report be made available to this House?

MR. SCHREYER: Mr. Speaker, obviously that question asks for information as to what is transpiring in the way of communication between two Ministers. It involves inter-departmental information, and I become very curious as to how the honourable member knows of this.

MR. McKENZIE: May I ask, Mr. Speaker, before the Orders of the Day, a question of the Minister of Finance? Is draft legislation now being prepared for a new Credit Union Act?

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. John's): Since the question is directed to me, I could indicate that I'm not aware of any such.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, my question is to the Minister of Education. It's in relation to a reported interview which he held with the Tribune regarding education policy. One of the major points in it was that the Minister indicated that he was going to have to look at the possibility of voluntary regional bargaining. It's reported in the Tribune and it's also editorialized again today in today's Tribune lauding this position of supporting voluntary regional bargaining. Is the Minister aware that there is now and has been a system of voluntary regional bargaining in the province?

HON. SAUL A. MILLER (Minister of Youth and Education)(Seven Oaks): I'm aware that where agreements between two bodies was voluntary and acceptable to both parties that this could be termed voluntary agreement. I'm also aware that the government, however, took somewhat a different attitude last spring and it was in opposition to this position that I made the remarks.

MR. CRAIK: Could the Honourable Minister be more specific?

MR. MILLER: I think you'd read it in Hansard, I think it's quite clear.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, before the Orders of the Day I would like to direct a question to the Honourable the Minister of Transportation. Would the Minister be good enough to advise me as to the terms of reference of Mr. Filuk's position on his staff.

HON. JOSEPH P. BOROWSKI (Minister of Transportation)(Thompson): Mr. Speaker, it had not been the policy of the previous administration to consult with the opposition and it is not the intention of this government to consult with them either.

MR. BILTON: Mr. Speaker, it is not a matter of consulting the opposition but the people I represent are very anxious to know and I feel I have every right to ask that particular question.

MR. SPEAKER: Orders of the Day.

MR. BILTON: May I have an answer to my question, Mr. Speaker?

MR. SCHREYER: Mr. Speaker, there is no obligation to. I would advise the honourable member if he's interested in the information to file a Return - Order for Return.

MR. BILTON: I'd be very happy to do that.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to address a question to the Minister of Transportation. Is this new government willing to disclose traffic counts wherever counts are made on highways?

MR. BOROWSKI: Would you repeat the question, Mr. Speaker, I didn't catch the tail end of it.

MR. FROESE: The question is whether this government is willing to disclose traffic counts wherever counts are being made on the public highways.

MR. BOROWSKI: The government has made a decision reversing the stand of the previous administration. Where on request from mayors, municipalities and other interested parties, we will release traffic counts.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Honourable First Minister. I understand when he was on his trip to B.C. he made a statement that the Medicare portion of the Medicare premiums will be reduced from \$117.00 to \$17.00. I wonder if he would confirm this to this House.

MR. SCHREYER: Mr. Speaker, I replied to an identical question last Thursday or Friday, at which time I said that the information I gave then was simply to indicate the "range" of the reduction, that I said specifically at the time that it was not a precise figure but merely the range and that the "actual" amount of reduction would be announced in this House.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, I'd like to direct a question to the Honourable the First Minister. Can he tell the House whether a special committee of the administration will be struck off to meet with Federal Energy Minister Lange this week on the problems of pollution and the federal recommendations in the area of pollution?

MR. EVANS: Mr. Speaker, if I may answer the question. The answer is yes. We have a Committee of Cabinet established to meet with the Honourable Minister from Ottawa.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I direct this question to either the First Minister or the Minister of Finance who's responsible for Manitoba Hydro. Is it the intention of the government to offer Mr. Cass-Beggs a senior administrative post with Manitoba Hydro?

MR. CHERNIACK: If, as and when the government forms an intention it will be announced.

MR. ENNS: A supplementary question, Mr. Speaker. I wonder if the same Minister can inform the House as to whether or not the present General Manager, Mr. Fallis, has given any indication of his intention to retire or resign.

MR. CHERNIACK: I think even the suggestion is unwelcome from the Minister. May I add that since he had made public statements in this regard I also have heard no such statement from any of the members of the Board of Directors of Manitoba Hydro.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q. C. (River Heights): Mr. Speaker, before the Orders of the Day I'd like to direct a question to the Honourable Minister of Health and Social Services. Now that we have entered the month of September I wonder whether he could bring us up-to-date

(MR. SPIVAK cont'd) . . . . and inform the House - obviously he'll have to take the question as notice - but inform the House of the arrears owing to the Manitoba Medical Insurance Plan up to and including the month of July.

MR. GREEN: Mr. Speaker, I think the member said he's giving me the question as notice and I'll take it as such.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I'd like to ask a question to the Minister of Municipal Affairs further to his statement regarding the Town of Churchill. Is it the intention of the government to grant self-government to the Town of Churchill?

MR. PAWLEY: Mr. Speaker, I'll have to take that question as notice.

MR. SPEAKER: The Honourable Member for St. Vital.

MR. JACK HARDY (St. Vital): Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Transportation. Has any recommendation been made to the Metropolitan Corporation to establish a priority for river crossings within the metropolitan area?

MR. BOROWSKI: Mr. Speaker, has any recommendation been made from our department or from Metro?

MR. HARDY: From the Provincial Government, Mr. Speaker.

MR. BOROWSKI: Not to my knowledge.

MR. SPEAKER: Orders of the Day. The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I'd like to ask a question to the Minister of Mines and Natural Resources. Has a decision been made yet in the matter of South Indian Lake and when might we expect an announcement.

MR. EVANS: Mr. Speaker, the answer to the first question is no and the answer to the second question -- it's the same question that was put by honourable members on the other side earlier, and my answer still is the same - as soon as is humanly possible.

MR. MOLGAT: . . . Mr. Speaker. Dr. Gilbert Monture was taken on staff to assist the Indian people at South Indian Lake by the previous government. Is he still in the government's employ and will he so remain?

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A supplementary question to that asked by the Member for Ste. Rose. Has the Cabinet or Government opposite indicated to the Chairman and the Board of Directors of Manitoba Hydro within what time span the decision on South Indian Lake will be made?

MR. CHERNIACK: The answer is no.

MR. SPEAKER: Orders of the Day. The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, before the Orders of the Day I would like to direct a question to the Honourable Minister of Mines and Natural Resources. Could he indicate to the House if he intends to proceed, and if he does when, the construction of the Patterson Dam in southwest Manitoba. Mr. Speaker, I should apologize to the Honourable Minister. I probably should have given him notice of this question but I would ask him to indicate when he intends to proceed on this structure.

MR. EVANS: I'll take the question as notice, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A supplementary question, Mr. Speaker. The indecision of the government opposite is very well known to us on the matter of Southern Indian Lake. My question is, has the Chairman and the Board of Manitoba Hydro indicated to the government when they would like to have this decision made.

MR. CHERNIACK: Mr. Speaker, I think the honourable member said that the decision of this government is well known to members opposite. Is that what he said?

MR. ENNS: Indecision.

MR. CHERNIACK: Oh, Mr. Speaker, there is no doubt that Manitoba Hydro as well as this government is most anxious to have the decision made as quickly as possible.

MR. SPEAKER: Orders of the Day.

#### ORDERS OF THE DAY - MOTIONS FOR PAPERS

MR. SPEAKER: Address for papers. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, on August 19th on page 9 of Hansard in answer to a question dealing with correspondence between the Government and the Manitoba Development Fund, a question was directed to the First Minister by myself. He replied, and I quote from Hansard: "Mr. Speaker, my initial reaction to that question would be to say I wouldn't see any reason

(MR. SPIVAK cont'd) . . . . why we wouldn't do that but I'm sure the Honourable Minister is aware of the practice, and it's a good practice, to file an Order for Return." Well this address for papers that is filed is in connection with that request.

Now on the same day on page 10 of Hansard the Honourable Member for Morris asked the First Minister the following question: "Mr. Speaker, before the Orders of the Day are called, I wonder if I may address a question to the First Minister. In view of his statement relating to the documents pertaining to Southern Indian Lake, I wonder if we can take from that that this government now are going to table all departmental and confidential documents." The Honourable First Minister answered, and I quote: "I think I can indicate to the Honourable Member from Morris that whatever documents have pertinence to a problem area under consideration we shall feel under an obligation to table them"

On page 20 of Hansard the First Minister in answer to the Honourable Member for Lakeside stated and I quote: "Well I think I can tell the Honourable Member for Lakeside that this government, unlike the former government, does not believe that secrecy is necessarily a virtue so that we shall very likely get" and this is all that's on Hansard and that's the end of the quotation. Now in his address in reply to the Speech from the Throne the First Minister on page 119 of Hansard stated as follows and I quote: "We shall in fact, Mr. Speaker, try much harder, much much harder. We shall try to get away from this great reliance on secrecy as a crutch for government to take the easy way out. A government must above all else hold itself accountable and how can it be accountable if it keeps hidden deliberately in the face of repeated requests by democratically elected members of the Assembly refusing to table reports, documented, written up at public expense, and that is why we are moving to table in this House the so-called hidden reports relative to Southern Indian Lake."

Now on page 185 of Hansard the Premier indicated, in refusing to accept the address for papers that's before you, the following, and I quote: "Mr. Speaker, the first motion for papers," which is the address that I am now referring to, "unlike the second one, is in our view not acceptable inasmuch as it asks for material that is interdepartmental in nature. It's not intradepartmental, and unlike the second one it's not acceptable. If the honourable member wishes to discuss the reason for his wanting this material he's of course free to move that it be transferred for debate." And this of course is what's done and this is why we're debating it at this time.

Now I've raised objection in this House to the position of the government on a number of matters. I recognize as well that it will take time to introduce some of the major reforms that have been advocated. However, I am disturbed by the lack of consistency in principle to the things that they have espoused - and there's no clearer example than the matter here before us. There are two policies to be adopted by government in the matters of withholding information from public scrutiny. One policy is for the government to exercise discretion in determining what information, if any, will be withheld. The second policy is to adhere to the principle of open government and not withhold any information from this House. When we were in government we elected to follow the former practices and exercise our discretion. This government on the other side is on record as advocating the latter policy, that is of open government and not withholding any information from the public. The refusal to produce the correspondence requested in this address is inconsistent with the principles of open government enunciated by the Premier.

And if I may, Mr. Speaker, I would like to refer you to page 315 of Hansard and read the reply of the Premier in connection with the question of whether other inter-departmental government reports will be filed when the Southern Indian Lake report was filed the other day: "Mr. Speaker, the question of inter-departmental reports or other documents and whether or not they will be tabled, I would like to answer as follows: that it is discretionary with the government of the day to decide whether or not they will table in this House an inter-departmental document. If they feel that it is in the public interest they will table it. If they feel that it is not they have a right to refuse to table it. In the specific regard to these documents that were just tabled it is our judgment that it is in the public interest that they be tabled." And I suggest to you, Mr. Speaker, that the First Minister in declaring this policy on August 29th at the time that the question was asked, has in fact refuted his prior declaration and prior statement of open government and of an open government policy. -- (Interjection) -- Now my concern -- I may be the only one that is making the statement but the facts -- you know the facts themselves are here. My concern in asking for this paper is twofold. Statements

(MR. SPIVAK cont'd) . . . . were made by the government-elect prior to taking office about the Manitoba Development Fund, its Chairman and its Board of Directors. I believe that an unnecessary suspicion has been cast upon them and I have reason to believe that the government has recognized the error of its ways and has acknowledged this to the Fund and to the Board of Directors.

The second matter deals with the powers of the Fund. The Premier in his reply to the Speech from the Throne said, and I quote: "That if it comes to a situation where government has to be put in more than 75 percent of the capital to get a venture going, if the proportion in a venture of private risk capital is less than 15 percent, I want to ask, what the hell's the point." Then further on the Premier mentioned: "Mr. Speaker, this is a kind of strange form of ownership where it's privately owned, where the public puts in 80 percent of the capital to initiate and the private risk input is 20 percent or less." I think that we on this side have a right to know whether any instructions have been given to the Fund restricting its freedom in loaning money. Certainly the government has a right to make such a decision and statements in this House by the First Minister certainly are indicative of government policy and I for one would like to know whether there has been correspondence between the Fund, its Board of Directors, the Chairman, the Premier or any other Minister on this matter. I say to you, Mr. First Minister, you've adopted the policy of open government, you now have an obligation on it to be consistent in principle with your declared policy and the request for the papers should be accepted rather than refused.

MR. SPEAKER: The Honourable the First Minister.

MR. SCHREYER: Mr. Speaker, the Honourable Member for River Heights speaks with a flourish and I haven't seen a valise used as a dispatch case with such good effect since I was a visitor in the gallery at Westminster. However, apart from the style of speech, to deal with the substance of the request of the honourable member, I want to say that we certainly are committed to proceeding toward more rather than less openness in government. That doesn't mean that we're going to allow ourselves to be harangued or pressured into a situation where we will be expected by the other side to provide all documents that circulate between the government and an agency of the Crown or between one department of government and another. We shall proceed gradually and just as quickly as it is prudent toward more openness in government; and the Honourable Member for River Heights might as well contain himself because we shall move at a speed that we consider prudent, not at a speed that he was going to try to dictate to us.

I say to the honourable member that judging from some of his remarks that it is as though I or any of my colleagues had cast aspersions on the competence of the Director of the Manitoba Development Fund, and I defy him to find any single statement to that effect. In fact I'm happy to say that the relationship, the working relationship, is a very good one.

As regards the specific Address for Papers before us, Mr. Speaker, I'm prepared to say that we shall accept it subject to the provisions of the Manitoba Development Fund Act and subject also to commitments as to confidentiality. There is inter-departmental material involved between government and an agency of the Crown and we shall release such as is possible while keeping within the provisions of the Act -- and we can't break the Act after all, the honourable member wouldn't expect us to -- and also such other material as in our judgment would not be prudent to table at this time.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, if no-one else wishes to speak I will close the debate.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): Mr. Speaker, on a point, I anticipated that my honourable friend may do that. I believe it is the ruling of this House that an Address for Papers is not a substantive motion giving the right of the mover for a reply - or close the debate. I believe that that was . . .

MR. SPEAKER: I believe the Honourable Minister is correct. Are you ready for the question?

MR. WEIR: Mr. Speaker, I think I might just say a word or two on it before the motion is put, and that is one of the other points that has been made by members opposite in terms of secrecy, is that when it was in a matter of great controversy and in the public interest. May I just suggest to members opposite that there probably hasn't been anything of any more controversy in this House in former days than a matter of secrecy in the operation of the Manitoba Development Fund, and I think that this is something that should be borne in mind by the



(MR. WEIR cont'd) . . . . . government before they refuse this motion.

MR. SCHREYER: On a point of order, Mr. Speaker, I did not refuse the motion. I accepted it subject to certain reservations.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I rise only to say that it's nice to see them qualify the way in which they accept these motions. It's nice again to see this government back down to that reactionary position which they so abhorred a few short months ago.

MR. SPEAKER: Are you ready for the question?

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

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

MR. SPEAKER: Address for Papers. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, the matter of the Manitoba Development Fund and Friendly Family Farms, Damascus Steel, has been before this House for some time. It has also been a matter that I understand has been before the courts on five occasions. I may be wrong in the five, but certainly it's been a number of occasions. This controversy has existed over a period of years, and if I may I'd like to make a contribution to the debate and once and for all try and get this out of the political arena.

There's no doubt that the many shareholders are not satisfied with the redress that has been given them in connection with both projects and they themselves have complained to each Party and to the members who are seated here and the members who were formerly seated in this House in the last session. Now, as a government we reviewed this matter and after reviewing it we were satisfied that there was no impropriety on the part of the Fund or its Board of Directors or its Manager or its officials, and we were quite prepared to accept the responsibility we did at that time, that it required no further enquiry other than the enquiry that we had undertaken.

Mr. Speaker, I would like to see this matter taken out by this House. I would like to see this matter stopped being the political football that it is, and I make a suggestion to the First Minister to consider very seriously that the matter of Friendly Farms Limited and Damascus Steel be handed over as the first and second case to be handled by the Ombudsman once the Ombudsman Bill has been passed and once the Ombudsman has been appointed. I would suggest that this will give the opportunity for those who have felt that they have been aggrieved by what has happened, the real opportunity for a hearing, a hearing that will be held in private, a hearing that will be held not before a committee, not before an advisory board and not before this House, and an opportunity for a full investigation. I would look forward to this attempt to try and settle this matter once and for all, to have the Ombudsman who will in his own impartial way examine the facts and see whether there is in fact any grievance or claim to be allowed to those who have sought redress and to take this out of the political atmosphere in which it has been dealt with.

I suggest, Mr. Speaker, to the First Minister, to the members on the other side, this be given serious consideration and once and for all to get it out of the political arena that I suggest that it has been in for the past two years without too much success and without in any way satisfying the particular needs and wants of the shareholders and people who have been involved as a result of the incidence occurred in connection with these projects.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the suggestion of the Honourable Member for River Heights is halfway meritorious, - I think there is some merit to his idea, but I would like to point out to him that right in the Throne Speech there is reference to the establishment of an Economic Development Advisory and Review Board. The honourable member will recall that one of the important recommendations of the TED report was that there be established an Economic Development Advisory Board and I see part of the function of this Board, once established, as including the task of making a review of all those transactions between the Fund and companies that are subject to persistent rumouring and dissatisfaction on the part of those who were once involved, or still involved. So therefore that the notion that the honourable member has that perhaps the transactions involving the Fund and Damascus Steel and FFF is something that could very well come under the purview of the Ombudsman for his investigation would - I think it's somewhat better still, considerably better perhaps, to not give this responsibility to the Ombudsman but to give it to an Economic Development Advisory and Review

(MR. SCHREYER cont'd) . . . Board which will be made up of the people involved and experienced in economic development, in business management, *etcetera*, and that being so I can therefore tell my honourable friend that this notion is being accepted in principle and gone far beyond - given to a more appropriate body.

I conclude, Mr. Speaker, by asking the honourable member, that since he is proposing that the subject matter of dispute involving Damascus Steel, FFF and the Fund should be referred to some outside body, is he then prepared to withdraw his motion, since there wouldn't seem to be any point to it?

MR. SPIVAK: Mr. Speaker, I assume a question is asked of me, and I would like to ask a question -- (Interjection) -- I'd like to ask a question of the First Minister. No, my Address for Papers stands.

MR. MOLGAT: This will not be considered as closing this debate, will it?

MR. SPIVAK: Mr. Speaker, my Address for Papers would stand, and I wonder if I could ask the Honourable First Minister if he could explain the function of the Ombudsman to this House.

MR. SCHREYER: At this point, Mr. Speaker, I asked the Honourable Member a question, he has replied and I take the floor again simply to add this, that we're prepared to accept this Return as well, subject to the provisions of the Manitoba Development Fund Act and also such other reservations as have to do with commitments to honour confidentiality.

MR. SPIVAK: Point of order, Mr. Speaker. The Manitoba Development Fund is not mentioned in this Address for Papers at all.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: . . . a little unfair about this. I wonder if the First Minister indicating that he was prepared to place this before a committee, if Friendly Farms and Damascus Steel were still not satisfied with the results of the committee, could they then apply to the Ombudsman for another review?

MR. SCHREYER: Well, Mr. Speaker, my understanding would be that in the event that an office of Ombudsman is established in Manitoba, that any citizen, any citizen who feels that in his, or their dealings with the Crown that they have suffered a grievance, they can certainly approach the Ombudsman seeking redress, and that would apply.

MR. SPEAKER: The Honourable Member for Ste. Rose.

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

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

MR. SPEAKER: Address for Papers. The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable Member for La Verendrye, -- Mr. Speaker, I intend to propose a change or wording in one of the questions here as a result of a conversation with the Minister, so I will read the question as it appears on the Order Paper and then I will mention the specific wording change.

THAT an Humble Address be voted to His Honour the Lieutenant-Governor praying for:

1. Government of Manitoba, and any Crown agencies or corporations and allied companies, Churchill Forest Products, and any of its subsidiaries, since January 1, 1969.
2. A copy of the original agreement between the Government of Manitoba and any Crown agencies or corporations, and Churchill Forest Industries and any of its subsidiaries or allied companies.
3. A copy of any new agreement or amendments to the agreement referred to above, which have been made since the signing of the original document.

Mr. Speaker, the change is in the first point - which by the way is improperly worded in my specific motion, you'll have to take it from the Order Paper. I would like to add there, "and allied companies", in the last line, before, "since January 1, 1969!", the following words: "relative to the agreements between the government and these companies". So the first question then would read: "Copies of all correspondence between the Government of Manitoba, Churchill Forest Industries and any of its subsidiaries and any Crown agencies or corporations, and allied companies relative to the agreements between the government and these companies since January 1, 1969."

MR. SPEAKER presented the motion.

MR. SCHREYER: Did you want to speak?

MR. MOLGAT: I may speak now or after the Minister, it doesn't make any difference.

(MR. MOLGAT cont'd) . . . . . The Minister of Mines and Natural Resources came to see me regarding this Order for Return and suggested in the case of the first question the volume of correspondence was very large involving many insignificant matters and that if what I was really interested in was the question of the agreements, any changes in the agreements, that that would be one thing, but if it was say all the correspondence, that would be difficult. Well I'm really concerned about the agreements, that's the part that I want, and hence the reason for the proposed change in the wording. Now the wording as it appears in the Order Paper is incorrect of course in itself - Government of Churchill -- the lines are changed around. But the question then insofar as No. 1, is any correspondence relative to the agreements between the Government and the one corporation or their agents or all corporations involved. This is the part that I'm interested in, not any correspondence regarding other matters.

Insofar as No. 2, Mr. Speaker, the Minister also indicated that he had been given to understand that this matter had been tabled once before and I think that that is the case. However, on checking with the Clerk of the House I find that there isn't any specific - or the assistant clerk - that there isn't any specific Order to which I can refer in the recent Journals which I have looked at, to when exactly that tape was tabled, and if the Minister can show me and say well, go to Order No. so and so in session, whatever the session was, then that's quite satisfactory to me; I'm quite prepared to do that. The problem is that I simply have not been able to put my fingers on that agreement at this moment through the Journals, and if it's not there specifically as such then I would prefer that it be tabled at this time by the government in that form.

The general substance then of the Order for Return or the Address for Papers, Mr. Speaker, is to see exactly where we stand with this corporation. The First Minister has indicated that he has made some changes. I want to know exactly what those changes are. I have always taken the position that possibly we had to make the size of concessions that we did to these people in order to get the industry, and what I wanted was the complete facts. I recognize the difficulties in developing Northern Manitoba; I recognize that to get someone interested you have to have a reasonable agreement. On the other hand, when we're dealing with an area one-fifth of the size of Manitoba, which is in effect what this company was granted in the first place, one-fifth of our province, then I as a legislator want to know that the public is protected and that we have in fact a proper and solid deal. This is the basis of any questioning that I have made in the past, wanting to know who was involved, whether or not they would carry through their full commitment and that if we were not going to get the full commitment of a pulp mill and the other investments which had been indicated, but as far as I could find out, never solidly committed, then I wasn't sure it was a good deal for Manitoba. I now want from this Government who has expressed the same concerns, the assurance that any changes that are being made are in fact solid and in the interests of the public.

MR. SCHREYER: Mr. Speaker, I believe I can give the Honourable Member for Ste. Rose that assurance. I am sure he'll also understand that in accepting this motion as we do, that it is accepted subject to the provisions of the Manitoba Development Fund Act which is involved in part in his request; but I believe I can reassure my friend that all of the substance of the information he seeks can be supplied.

There's one other caveat I would like to register and that is simply that although I don't believe that there is currently any negotiation on the matter in question, that if there is current negotiation, we would not be able to provide that part of the correspondence that bears on current negotiation; but I really don't believe that that is a likelihood, that there is current negotiation, so we accept the Return with that caveat.

MR. MOLGAT: Mr. Speaker, I wonder if I can ask a question of the First Minister then. If there is current negotiation, could that be indicated that it is on and then we will know that that part of the correspondence is not available at this time, and we would be prepared to submit an Order for Return at the next session when the matter is clear.

MR. SCHREYER: Yes, Mr. Speaker, I believe that that arrangement is the practical one.

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

MR. SPEAKER: Address for Papers. The Honourable Member for River Heights,

MR. SPIVAK: Mr. Speaker, I move, seconded by the Honourable Member from Lakeside,

THAT an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Manitoba Government, the Commission for Targets on Economic Development to 1980, the Chairman of the Commission, Commission members and Chairman of the Advisory Committees since July 15th, 1969.

MR. SPEAKER presented the motion.

MR. SPIVAK: Mr. Speaker, I wonder if this matter could stand until Private Members' Day on Friday.

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

Address for Papers. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I beg to move, seconded by the Member for River Heights THAT an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Manitoba Government and the International Nickel Co. of Canada Ltd. (Manitoba Division), Sherritt Gordon Mines Limited and the Hudson Bay Mining and Smelting Co. Limited or any agents on their behalf since July 15th, 1969.

MR. SPEAKER presented the motion.

MR. ENNS: Mr. Speaker, with your indulgence I beg to move to have this matter stand until next Friday.

MR. SPEAKER: Stand? (Agreed.) The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I beg to move, seconded by the Honourable Member for River Heights

THAT an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Manitoba Government and the Manitoba Hydro, the Chairman of the Manitoba Hydro and the Board of Directors of the Manitoba Hydro since July 15th, 1969.

MR. SPEAKER presented the motion.

MR. ENNS: Mr. Speaker, I wish to address myself to this matter briefly. I'm receiving conflicting advice, do I have to move this to Friday if I wish to speak on it?

MR. SPEAKER: No, that's fine.

MR. ENNS: Well I don't wish to speak at any great length other than it seems particularly apropos in view of the chastisement given to me by the Honourable the Minister of Finance for asking certain pertinent questions with respect - or impertinent questions as he would choose to have them - with respect to the management at Manitoba Hydro and perhaps what appeared to him my questioning of the present government's confidence in them. It's for this purpose or at least among the purposes, that I ask for this Address for Papers.

Secondly, of course, more importantly is the whole issue at stake and involving the Hydro Electric development in the north. We've had, and I wish to make it very clear, Mr. Speaker, and to the members opposite, that there will be many occasions and more specific occasions at which I intend to speak most vigorously about the very important matter of hydro development in this province, and the manner and way which it is being suggested, or the manner and the way that we may be developing our resources in the future. But specifically here the question that I want to raise and the answers that I'm seeking through the correspondence is that (a) has in fact the board, the Chairman of the Board of Directors of the Manitoba Hydro indicated to this government since July 15th of a major change in their thinking or direction, something that we were not privy to when we were government? This I think is important for us for any reasonable discussion in future debates on the whole question.

Secondly, has the government instructed Manitoba Hydro in a particular way that would now make acceptable to them certain other courses that they found unacceptable at the time that we were faced with the question?

I also state most seriously that as was suggested by my leader in his Throne Speech, which again was rather, of course, contentiously regarded - and I say this at this moment with not imputing any motives to Mr. Cass-Beggs, but I suggest very seriously to consider the position, the senior administration position of Manitoba Hydro in the course of action that you follow. Essentially what you have done, of course, you have asked a general manager of another sister corporation in the same area - a former, a former I correct you - I would rather that you not even ask me because there's reason to believe that he was dismissed for incompetence, but there is a question, there is a question - and I'm not arguing about worrying about Mr. Cass-Beggs, I'm worrying about the confidence that governments have in their Crown corporations and in their senior personnel. I have a particular reason to worry about that because I was sitting opposite when the then Member of Lakeside - and I'm referring to the former Dean of the House, Mr. Campbell, took it upon himself in a very precise way to lecture myself and other members of the then government about the manner and way in which we were handling the Hydro issue, and the subsequent loss of confidence or the loss of confidence that

(MR. ENNS cont'd) . . . . we were imputing to that great organization.

Now since you have come into office one of your very first acts has been to call upon a person - not of any greater or more vaulted position - I would think you would agree with me that the General Manager of our Manitoba Hydro System certainly has much the same qualifications. I think if you checked the fact he probably has greater responsibility, operates a greater system, has more experience in matters of Hydro - of the use of water for hydro generation than the sister corporation in Saskatchewan has. This to me is placing the senior administration of Manitoba Hydro in a very very serious, in a very questioning way. When it would appear from the answers that you've given - in a moment - from the answers that you've given to us today that all you've done is say well we have recommendations from our board, and from our general manager but will you come over here, we don't quite believe them, we think there has to be other ways, will you come over here and tell us what to do. This is, in essence, the implication, the picture that you've left I'm sure with the public, with the electors, with those who are very emotionally charged up in this whole issue and wanted, of course, to see a changed direction, a new course. But I suggest to you very seriously that you could have perhaps gone further afield or chosen a consortium of persons to do precisely what you had asked Mr. Cass-Beggs to do. But I'm being critical of the actual choice of Mr. Cass-Beggs - not because of Mr. Cass-Beggs a person, but because of the just about identical relationship that he once held as a General Manager of a power corporation in our sister province and the position that it puts our general manager of our own corporation in today.

There are a great many number of things on this particular order of address that I would like to go into but in essence I leave it with that. I know the First Minister has a question to ask. We are, of course, specifically interested to note the kind of correspondence that passed between the governments and this great Crown corporation.

MR. SPEAKER: The Honourable the First Minister.

MR. SCHREYER: Mr. Speaker, I rise not to speak, but simply to ask a question of the honourable member. I ask him why he persists in making repeated reference to our retaining of Mr. Cass-Beggs for counsel and advise when I explained in the past that we wanted someone of senior expertise - as we believe our own people, Manitoba Hydro, have senior expertise, but someone who was free of the passion over the controversy of last spring. That's why we felt it was desirable to bring someone in from outside as it were. Does he not acknowledge that this is a prudent way to proceed when you try to get outside counsel - someone who is free of the passion of a controversy?

MR. ENNS: Well, Mr. Speaker, there is, of course, the obvious answer. It was referred to by my leader in his opening speech in the debate of the Speech of the Throne. I'll not pursue that course. Also, Mr. Speaker, I'm sure you'll recognize, as will others recognize, that at this particular stage, not knowing the extent to which the advice given by this honourable gentleman will be followed by this government, or what it in fact will be, it's obviously a foolish point, a foolish waste of time of this House to conjecture on that and debate on that. It may be one for debate once we know what the decision will be. But the Address then stands simply as it is; I would hope that the government sees fit to accept it.

MR. CHERNIACK: Mr. Speaker, the Honourable Member for Lakeside isn't really sure whether he approves of Mr. Cass-Beggs being employed or not because he wants to keep the avenue open depending on what sort of advice Mr. Cass-Beggs is going to give.

Since there has already been a repetition today of the suggestion of incompetence of Mr. Cass-Beggs, I would like to assure honourable members that in due course we will be filing with the House curriculum vitae of the gentleman, which I think will put some of these statements to shame. I might indicate that Mr. Cass-Beggs is a member of the Science Council of Canada, known as a person with whom one consults on matters such as we have used him. He was a professor of electrical engineering. He is an engineer. Mr. Fallis would be the first to inform the Honourable Member for Lakeside that he himself is not an engineer. Nevertheless, there is no question of Mr. Fallis' knowledge and experience.

I think that the mere suggestion by the honourable member that we have in any way spoken against Hydro as such, or its member as such, is not correct. I think during the last Session when we debated this at length, we on our side made the point that Hydro had been instructed to bring in a scheme which would produce the cheapest form of power. And we believe that it did. We also believed that it was the responsibility of the government of the time to take into consideration all the other factors involved in the decision, and that the decision was that of

(MR. CHERNIACK cont'd) . . . . that government. And that the government should not hide behind the report of Manitoba Hydro and say that is the best choice that we must make. The government had the responsibility to make its decision on different terms of reference than did Manitoba Hydro. Therefore, I would think that there was no reason for any personnel of Hydro, or the Board of Directors of Hydro to feel that they were attacked, until probably the Honourable Member for Lakeside publicly stated that they all ought to resign. And that he stated - I don't have the newspaper clippings before me - but I'm sure he won't deny that he did make that statement - called on them to resign.

MR. ENNS: Another piece of impudence.

MR. CHERNIACK: It is suggested as impudence. Of course it was within his right but it was petulance anyway, because he said if we're going to reverse anything then obviously he would expect Hydro to be so incensed by any decision that they would resign; but the fact is that we made it clear at the last Session, and I make it clear now, that there has been not any suggestion that the Hydro people did any more than they were required to do and that is to recommend a scheme which could produce power at the cheapest rate.

Whether it interests the Member for Lakeside or not, we owe it to Mr. Cass-Beggs to state that Mr. Fallis has informed us that if he were asked offhand to name any person who is qualified to act as a consultant to review objectively the problems that are faced by the Southern Indian Lake decision, and the decision that this government will have to make, that he would have difficulty in finding a name of a person who would be better qualified than Mr. Cass-Beggs.

MR. ENNS: Would the Honourable Minister permit one question?

MR. CHERNIACK: I agree to a question, Mr. Speaker. I'm still speaking but I agree to a question.

MR. ENNS: Just the one question. Following through what your First Minister said, the seeking of someone somebody that has been removed from the area of argument. In listing the qualifications of Mr. Cass-Beggs, the Minister is aware that his chairman on one of the committees that he serves - the Canada Economics Council, I believe, referred to the committee chaired by Dr. Solandt. Dr. Solandt has taken an active interest on one specific side in this concern that we have before us.

MR. CHERNIACK: Well now, Mr. Speaker, we're now talking about the integrity of a professional consultant, and I would not dignify the statement just made by the Honourable Member for Lakeside with a reply which I think might somehow, in my mind, arouse the kind of reaction that would not be conducive to fair debate.

Mr. Cass-Beggs is a consultant who, I believe, is not going to be a person to mouth words of other people. Mr. Fallis respects him highly. Mr. Fallis, and I assume his staff - I haven't spoken to them, or to the Board of Directors - but I quote Mr. Fallis as saying that he believes that Mr. Cass-Beggs is a highly competent person in this field. I'm glad I had the opportunity to say this after the kind of insinuations that have been made by the honourable member as to incompetence.

Now the honourable member is concerned about whether Hydro has made any new departures to which that government was not privy when they were in government, or whether indeed this government has given any instructions to Hydro. That will develop, I would say at this stage. The answer, to my knowledge to both questions is no, but I don't intend to enter into that debate now. We will be making a decision and it will be made known.

What intrigues me most, Mr. Speaker, in this motion is the date July 15, 1969. That date has a great deal of significance to both the Honourable Member for Lakeside and for me. He lost a job and I gained a job. And it has other significance for me, because had the honourable member in his motion said that he wanted a copy of all correspondence since June 15 or May 15 or indeed July 14 I would have had to get up in front of my chair now and tell him I can't give him that, because indeed, Mr. Speaker, I am not in possession of any correspondence that would appear in the files of the Minister of the Department of Finance, because in fact there are no files and there were no files on July 15 in the office of the Minister. I don't know the condition in which his office was left, that of the former Minister of Mines and Resources, I don't know whether there was any file left or information in his department, but I can tell him there was absolutely none in the office of the Minister of Finance on July 15, so that it may well be that the dating of this motion is quite appropriate. It may well be that that member may be thinking ahead in the expectation and hope that eventually he or another member of his party will take the position of Minister reporting for Hydro and would like to have exactly that

(MR. CHERNIACK cont'd.) . . . . which was denied to me, a copy of all correspondence that goes back and forth between the Minister of Finance, might then constitute the type of files that they would have should I take the same practice as my predecessor did in removing all the files from the office. And if it's that kind of a scattergun approach then I reject it. I don't quarrel with the decision of my predecessor that all the files that were in his own office were his personal files. He knows better than I. But I do know that there are no such files that I have prior to July 15, nor does the Department of Finance as such have any such files, because the Minister who preceded me as the Minister reporting for Hydro was the Minister reporting for Hydro not in the capacity of Minister of Finance, and therefore although much of the correspondence that went on between the Minister of Finance and other people has duplication within the Department of Finance, I am not sure that there are copies of all correspondence that went on between the Minister reporting for Hydro and Hydro.

I don't consider that a difficulty for me because I assume that as problems arise I can address myself to Hydro and have them inform me of these. I can't instigate any investigation of my own because I don't have the subject matter - I'm not knowledgeable as to the subject matter about which I should make inquiries. But I'm sure that that will work itself out. I also hope that when I leave that office to be followed by another member of the government side that he will have that kind of information which seems to me to be clearly departmental in nature and not that which would be personal in terms of recommendations or comments or discussion as to policy or anything like that. I would say that that is confidential. And therefore I must come to the motion before us and indicate that this scattergun approach on the part of the honourable member is one which I think is wrong; that if he had something specific about which he wished information I could then consider it, but that I cannot just accept his request for a duplication of the files that I have - and not only I but other members of this government - for all correspondence that went back and forth between the government and its own Crown agency. I consider that in this broad description that there must be a great deal that is confidential, that is interdepartmental and which is none of his business. Nevertheless, there must be files, correspondence dealing with some specific matter which he may be interested in and I would certainly consider an Address for Papers filed in that regard.

So that in view of the attitude of the honourable member and his shotgun approach; in view of the fact that he seems to wish to duplicate the files of the government, I must indicate to him that I am not prepared to support the motion.

MR. SPIVAK: I wonder if the honourable member would permit a question. I wonder if the honourable member would inform the House whether Mr. Cass-Beggs will be appearing before the Standing Committee on Public Utilities to give evidence.

MR. CHERNIACK: That is a matter that will be decided in due course.

MR. JOHNSTON (Portage la Prairie): Mr. Speaker, could I be permitted a question? Is it not a fact that Public Utilities can call anyone they wish before the Committee and not just the Cabinet Ministers?

MR. CHERNIACK: I believe that there - well why should I quote the law to my honourable member. I'm not being hired as a lawyer in this. He can look it up as easily as I.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I listened with keen interest to what the Minister of Finance was saying about the question of the information being available and I'm rather surprised at the statement that he made. Do I understand correctly that the correspondence between a Government Minister and the department that was reporting to him is not available now in government files? Is this what I am to gather from the statement made? The Minister spoke about the department or the office of the Minister of Finance. Are there other offices then or are there other Ministers who have this information available? Now I quite understand that Ministers can have private correspondence. This is certainly something to which they're entitled. But there is also the public business and I think that if the Minister is saying that previous ministers have simply removed holus bolus all the files that were pertaining to public business then the question of openness of government which I hear from my honourable friends on the right comes very much to the front. This is not a question of openness of government, it is a question of how are we running our government. When an administration goes out do all the files disappear into private basements? Is there a huge bonfire that occurs at change of administration or can we expect that at least the documents pertaining to public affairs . . .

MR. CHERNIACK: The honourable member asked me specific questions. I'd like to have an opportunity to answer them before he makes his speech.

MR. MOLGAT: Fine. Let's proceed - answer.

MR. CHERNIACK: Well the honourable member asked whether there is more than an office of the Minister or isn't the department the office of the Minister. I think that's the direction in which his question was aimed. The Department of Finance occupies a substantial portion of this building and in the Norquay Building and I kept speaking about the Minister's office as being my office and my secretary's office. Those two offices did not have any files of any type. The other offices of the Department of Finance of course have all sorts of records. But I cannot assure the honourable member that they have copies of all the records that were indeed kept prior thereto in the office of the Minister of Finance and his secretary. I have been informed -- (Interjection) -- I'm answering a question, now I'm getting another one I think.

MR. ENNS: I would like to assure the Honourable Minister that certainly I, as a former Minister, can assure that Minister that there are departmental copies of all correspondence relative to the public interest in these files.

MR. CHERNIACK: Well now we are getting information from the honourable member which I didn't have. Well let me just give an example. -- (Interjection) -- I'm answering the Honourable Member for Ste. Rose and I might give him an example that when the Manager of the Telephone System requested me to review a certain brief which he had left with the government or with the Minister reporting for Telephones on a prior occasion, I inquired about whether I could get a copy of that from my secretary, because of course it wasn't in the office, and I was informed by her that all the files had been sent to the archivist and any file could only be released with the consent of my predecessor. It was no problem because -- well it was a problem for the Telephone System of course, but they were able to supply me with a duplicate of the brief which had been left. I was informed -- again answering the honourable member -- that my predecessor felt that all the files in his office were his personal files; that those matters which he believed involved government had duplicates in the department that were there and available to him -- and I accept that -- not that he told me that but that I'm told that that was the position he took. Except that I am informed by my deputy that Telephone and Hydro not reporting to the Department of Finance but rather reporting to a Minister would not be certain to have copies of all correspondence between the Minister and Hydro and Telephone. One would assume of course that Hydro and Telephone have copies because on a two-way correspondence they should. I don't know if I have answered him fully but I have answered him as best I can. If not I'd be quite prepared to elaborate on any aspect that I haven't made clear.

MR. MOLGAT: Mr. Chairman, the Minister in fact makes the matter very clear but it becomes to me even more unbelievable, if I shouldn't use the term "shocking". Now we are dealing here, in the case of the particular utility that's before us, with the one that probably demands this House to pass the greatest amount of funds of any department of government. Why only last week this House approved some \$200 million of borrowing for this particular utility.

MR. CHERNIACK: . . . in all fairness, when it comes to capital borrowing then the Department of Finance as such is involved and I'm sure that the department has full information on those aspects of Hydro which do affect the Department of Finance. I haven't seen them but I feel sure that they're there.

MR. MOLGAT: Nevertheless, that may be available but why is the information not readily available, if these two utilities, having been set up as utilities but still responsible to the House and the Minister replies to the House here for those two utilities, questions frequently have been asked of the Ministers in the past and there's been a good deal of correspondence, surely that information should be available to an incoming Minister. My criticism here is not directed to the present Minister but obviously to the previous administration, because if the practice has been to simply take away all the files then I don't think it's a proper way of conducting public business. Now my honourable friend tells me that he does not have the files. Then could I inquire whether any other Minister has that information. Is it in the hands of the government at all or has it now gone off into private hands? What is the situation?

MR. CHERNIACK: I can only answer, Mr. Speaker, in relation to Telephone and Hydro.



(MR. CHERNIACK cont'd.) . . . . I don't know that any other Minister would likely have it but again I would assume that Telephone and Hydro would have copies of whatever correspondence went back and forth between them. If indeed the Minister had correspondence with someone else outside of government or its Crown agencies, I don't have it. It may be personal to him or not. I just don't have it.

MR. SPIVAK: Mr. Speaker, I wonder if the Honourable Minister would reply to a question? I wonder if he can inform the House whether he does not know necessarily that this information is not available to the government. He's suggested he doesn't know but on the other hand he's not sure that it isn't available. It may very well be available; he may not have been able to obtain it.

MR. CHERNIACK: Mr. Speaker, I thought I made it clear that I was informed by my secretary, who was the secretary of the previous Minister, that she believed that the material was all sent down to the Provincial Archivist and that she believed that it could be obtained with the consent of my predecessor and she then made inquiries and came back and said that is the case. The Provincial Archivist informed her that the instructions were that if I wanted any particular file that it would be available if the consent of my predecessor were obtained. Now that's all I know. Otherwise I had no right apparently to ask for it. And frankly I did not ask for the permission of my predecessor. The Telephone System volunteered to provide a duplicate.

MR. SPIVAK: Mr. Speaker, my question is that you cannot answer definitively that the information that you request or require is not necessarily within the files of the government.

MR. CHERNIACK: Well I don't know what files to look for. If I did I'd be able to answer the question. But I would say I believe those files are in this building. I don't know where the Archivist makes his office but I assume they're there, but unless we pass a law of some kind telling him that he must produce them I don't know, I just don't know.

MR. SPIVAK: Mr. Speaker, I move, seconded by the Honourable Member for Lakeside . . . -- (Interjection) --

MR. MOLGAT: I believe I have the floor, Mr. Speaker, on the matter. I can quite see the concern of my honourable friend who probably doesn't want this discussion to continue and his anxiousness to ask questions and to adjourn it but, Mr. Speaker, I think that this is a very serious matter. It may be that we can then get some of the information by going back to the two utilities, but what about any other people who may have had correspondence with the Minister responsible regarding those two utilities and where it happens to be public business. We've been involved in a controversy over South Indian Lake for example. Now it is quite conceivable that there's been some important correspondence by no one from Hydro but other citizens, someone at the university, some experts elsewhere who have some comments to make regarding this matter, who've addressed letters to the Minister in his capacity as Minister of the Crown, and we are now told that that information is not available to a new incoming Minister. Now this seems to me to be preposterous. There's a very grave question here about propriety in government. How are we conducting our affairs in this province? Mr. Speaker, the Minister says that he cannot reply to this Order. I think that the Order ought to be reworded, but he says he doesn't have any files.

MR. CHERNIACK: Oh no, no. Let me correct that, Mr. Speaker. The Order reads from July 15, so that . . .

MR. MOLGAT: I think we ought to make the Order going back for a period of three or four years. I would move, Mr. Speaker, that the . . .

MR. SCHREYER: Mr. Speaker, may I ask a question? Does the Honourable Member for Ste. Rose realize in what an embarrassing position he could put this government by filing an Order for Return asking for correspondence that ante-dates July 15th, and we don't have those files presumably in certain cases, that he puts us in a position as a government going on bended knee to a previous Minister and asking him would he please agree to sign for the release of files from the archives.

MR. MOLGAT: Mr. Speaker, I don't think the embarrassment will be on this government, but I think I know where the embarrassment would lay and where it would properly lay. I'm not apologizing for this government or for anyone else, but we in this House have responsibility, the Cabinet Ministers have theirs, and surely if my honourable friends on this side are asking for correspondence from the 15th of July on, they would be equally delighted to have information prior to the 15th of July submitted to us.

(MR. MOLGAT cont'd.) . . . .

So, Mr. Speaker, I beg to move, seconded by the Honourable Member for La Verendrye that the Order be amended by changing the figures "1969" in the last line thereof to read "1966".

MR. SPEAKER presented the motion "THAT the motion be amended by deleting the figures 1969 and substituting therefor 1966".

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

MR. CRAIK: Mr. Speaker, I don't have any comments to make on the dates exactly that are referred to here because I don't really think it makes much difference in going back into history anyway, but it seems that every time in this House at the guts of every argument we go back to who said what when. This seems to be what we're doing again. If that's the wish and the government's willing to accept it, I am sure that's fine. But there's something that's more important I think that has been brought up by the Minister of Finance here in his sort of explanation of why the government hired one particular consultant, Mr. Cass-Beggs, because of his proven technical skills and technical ability, his involvement in the power field and the fact he is associated with the Science Council and so on, and I don't think there's any question that he's a man of considerable talent and of good repute in the technical community. I don't question that for a minute; I don't question also that he is basically a political appointment in that the government knows exactly where he stands politically, so perhaps they feel a little more self-confident in getting an opinion from someone like that, but I think what is

MR. CHERNIACK: Would the honourable member permit a question?

MR. CRAIK: If he could wait till after, I'd be happy to answer any questions. But I think what is important and critical in what the Minister of Finance has said, that he has been chosen on technical grounds, and it seems to me that what is not in question in South Indian Lake are the technical points, because we have millions of dollars worth of technical advice on South Indian Lake and now we're compounding it. As a matter of fact, if you're asking Mr. Cass-Beggs to cast a technical eye at this, you're asking an awful lot of one man to do this, but if in fact you're asking him to look at some of the sociological and humanistic problems involved that's a different matter entirely, because what is at issue in South Indian Lake are not the economics and the technical factors; they're fairly clear. I don't think that they're in serious question. There's no question about it that a particular type of diversion, a high level diversion appears to offer the best economies in light of the facts that we now have available. Unless somebody is an expert in tourism and can come along and tell us that we're going to have a different set of economies ten years from now, then I don't really see how you can change the economic picture. But if the government can in fact bring in consultants in resource planning - not an engineer as Mr. Cass-Beggs is, and again I'll say a technical person of renown - unless you can bring in somebody who is in all objectivity a good resource person you will not have added anything to what we now know, and I'm sure that this was not the question that you harped on as an opposition when you were over here.

I recall the present Minister of Health and Social Services made a very good address one day in this House and said that when you have two options or one, you take two, but he didn't arrive at that because of a matter of economics and at that point - and again I'm threshing old straw here and I won't do it at too great a length - but to give you in essence what the problem is, it's not a problem of economics and surely you're not asking Mr. Cass-Beggs to do the slide rule work because there's already been millions of dollars worth of slide rule work done, and the engineers have told you that despite the fact that the present Manager of Hydro is not an engineer, which the Minister of Finance has pointed out here today, I would think that he's really made an inverse case. We don't need a technical and an economic analysis of South Indian Lake; we have it. You've always said it, but if -- (Interjection) -- well this is the other thing, you're not going to get the alternative in three weeks, you're not going to get it in three months, you won't get it in four years because you do know enough. You would be better advised to call in a battery of people, experts, and to find out how the professional opinions differ, particularly in the field of biology. If you find differences at all, you'll find the biggest difference is in that area with regard to fishing.

But here we have - and again I'm not questioning Mr. Cass-Beggs' technical ability, I happen to have a good deal of brief for his technical capacity on his past performance, I'm not questioning that at all - but I think you're chasing up the wrong trail, unless you're simply trying to buy yourselves a little time. But the answer in this is not going to be given to you

(MR. CRAIK cont'd.) . . . . by somebody with a slide rule in his hands, and there's no ifs, ands or buts about that. It's never been in question. The answers are specifically those that have to be based on resources, humanistic values and a stab in the dark, a crystal ball gaze as to where you're going to be ten years from now in terms of the economics that any consultant of reliable and good repute today can give you, an engineer or an economist, there's only one answer that he can come to.

So I would question, because the Minister of Finance has brought this up, that Mr. Cass-Beggs has been hired to cast an eye on the technical aspects of this thing, that he's done Mr. Cass-Beggs a great disfavor in asking him and Mr. Cass-Beggs has made a great mistake in accepting it, because he's not going to cover the work of several million dollars worth of consulting that has been done over the years in arriving at the conclusion that the previous government has accepted.

MR. CHERNIACK: Mr. Speaker, firstly a point of order. I do not believe that I spelled out the purpose for which Mr. Cass-Beggs was appointed. You have the terms of reference before you and I did not state any. That's my point of order. Would the honourable member permit two questions? Firstly, does he agree with the statement made by two members of his Party that Mr. Cass-Beggs was fired for incompetence or was incompetent. That's the first question.

MR. CRAIK: Well, his former employers said that, but I have never accepted any particular reason why he left his former position in Saskatchewan. His reason was a disagreement in policy and it could be considered as incompetence as far as his former employer was concerned.

MR. CHERNIACK: My question was, does he accept this statement of two members of his Party that he is incompetent?

MR. CRAIK: Well, I certainly would never say that he was fired for incompetence. I know that his former employer may well have made this statement, but certainly you're not going to attribute it to me.

MR. CHERNIACK: A second question, Mr. Speaker. I appreciate the statement of the honourable member. The second question, since I had something to do with the selection of Mr. Cass-Beggs and I state unequivocally that I do not know his political belief, would the honourable member, who seems to know it, care to state it openly?

MR. CRAIK: Well, there's never been any question. If you would like me to do some research and provide you with facts and figures, perhaps we can document something for you, but I don't think there's been any question about his political affiliation and it had a great deal to do with his former situation in Saskatchewan. But quite apart from that, when you said that you were looking for someone else to do this and that he came up head and shoulders, I think you ought well maybe have looked at a former Manitoban who headed up a bigger, twice as large, twice as big, twice as big power corporation, who is head of the National Energy Board and is dealing in resources.

MR. CHERNIACK: He was unavailable. Mr. Speaker, the honourable member did not answer the question. Does he not want to answer the question as to the political association of Mr. Cass-Beggs?

MR. CRAIK: Well, he was certainly a supporter and actively of the former CCF Party when he was in Saskatchewan.

MR. MOLGAT: I'd like to ask a question of the previous speaker if I may, if I can still be within the rules. Did I understand the last speaker to say that all of the technical information regarding South Indian Lake is available?

MR. CRAIK: I said, Mr. Speaker, that there were millions of dollars worth of technical information compiled on South Indian Lake in arriving at the decision that was made, and if you're trying to ask me whether I had it sitting in my desk, then I can tell you I haven't, but I'm putting my faith in the fact that people who use discretion and are vested with the responsibility of making these decisions used wisely the millions of dollars worth of technical advice that were supplied to them in arriving at that decision.

MR. MOLGAT: I was referring though specifically to the technical information from the standpoint of the Department of Mines and Natural Resources and the resource implications when my honourable friend was the Minister. Is it not correct that the department and that the Task Force report, and all indications are that the information is not available from a resource standpoint?

MR. CRAIK: Well, we can argue this one again as we did in committee stage, but let me suggest that there are no questions in my mind that you cannot answer. There are certainly questions that haven't been answered, but there are certainly questions that cannot be answered and will not be answered in the foreseeable future that will be of any benefit to you in arriving at a decision on South Indian Lake.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I've been attempting to rise only to indicate to you that as the mover of the Address for Papers I'm more than pleased to accept the amendment attached thereto by the Member for Ste. Rose.

MR. SPEAKER: The Honourable the First Minister.

MR. SCHREYER: The comments made by honourable members opposite relative to the motion before us require some response from me I think. I was really puzzled and perplexed trying to understand just why it was that members of the previous administration should be disturbed that we retained the services of Mr. Cass-Beggs in order to obtain advice and counsel from a technical expert in the field of Hydro and thermal power engineering. The suggestion that because he had at one time - and perhaps still does - a particular political ideology, the suggestion that that somehow impinges on his competence as a technical advisor is to me so ludicrous that my mind boggles at it. Not since the days of Joseph Stalin, when a biologist was purged because he had the wrong ideology, have we seen such a perverse mixing of ideology and science.

The fact of the matter is that Mr. Cass-Beggs when he left the employ of Saskatchewan Power was retained by the National Research Council and Science Secretariat of Canada. What does Hydro engineering have to do with ideology? Here is a desperate attempt by members opposite to smear, use innuendo, and the member for River Heights is quick to use the word "McCarthyite". I wonder what word comes to his mind when he hears his colleagues speak the way they do accusing a senior civil servant of our country of being incompetent. No comment at all from the Honourable Member from River Heights or his colleagues.

Let's be practical. What has happened here in connection with South Indian Lake is that a controversy was fanned up last spring that aroused passion and we made the decision that only if we could obtain confident technical advice to supplement our own competent technical advice from Manitoba Hydro, could we be sure, could we feel sure that we could take the right decision. I said during the campaign, and subsequently, that it was important psychologically as well as other reasons to obtain the services of an engineer expert in his field who was free of the passion of the controversy of the last session and Southern Indian Lake to come in and make a study of all of the technical reports and data that were in existence, and this is what we've done. And we don't apologize for that, not for the slightest.

In any case, it's very important to bear in mind what my colleague the Minister of Finance informed you of just a few minutes ago when he said that the General Manager of Manitoba Hydro, Mr. Fallis, was asked as to what his views were of the technical competence of Mr. Cass-Beggs and the Minister of Finance gave you what Mr. Fallis' answer was - and I was there to hear it - that among the experts in the field of power engineering in our country that Mr. Cass-Beggs is regarded by our own Hydro General Manager as being competent and one of those that he would think of if asked to recommend names. The fact that we've retained Mr. Cass-Beggs does not mean necessarily that we will not be seeking the advice of other consultants on other aspects of Hydro development of Manitoba for the future. Obviously not. There are certain firms - consultant firms - that have been engaged by Manitoba Hydro in the past and this will be done again in the near future.

But honourable members opposite, particularly those who were not directly involved with the previous administration, must remember one very important point: that the present difficulty that Manitoba is having trying to resolve this issue about South Indian Lake is due in very great part to the fact that the previous administration was laying too much responsibility at the doorstep of Manitoba Hydro; that the people of Manitoba Hydro were, under their responsibilities that they are charged with under the Hydro Act they are to make certain technical studies and certain calculations and advise the government as to how power can be supplied at the lowest possible cost, and this is what Manitoba Hydro did and that is why the recommendation made by them that the high level diversion at South Indian Lake would be the development that would supply power at the lowest possible cost - not taking into consideration all other resource factors. That responsibility to consider other resource utilization and

(MR. SCHREYER cont'd.) . . . . value is the responsibility that lies at the doorstep, not of Manitoba Hydro, but of the administration - and the previous administration failed so miserably in that connection. And then some previous minister has the impudence, the sheer impudence, to suggest that if Manitoba Hydro officials cannot live with any different policy that they are obliged to resign. What sheer nonsense! They make recommendations relative to developing power at the lowest possible cost. There are other resource factors, other factors to be weighed; they must be weighed by the government and by the government alone.

There's one other point that bears expression as well: that because in terms of administrative procedure everything went wrong in respect to Manitoba Hydro being allowed to proceed with the high level diversion at South Indian Lake, hearings weren't called when they were supposed to, they weren't called in time. The whole timetabling has been pushed back. Then the government, the previous administration, brings the bill to the previous Session of this House and asks honourable members of the Legislature to make a decision, to make a decision in effect an executive decision, while denying to them certain information and reports that the Cabinet itself was privy to. What an untenable situation! And then they have the audacity to get up here now and criticize us for making public two reports that were available to them but which they wouldn't make available to their colleagues in the Legislature, but which they were insisting members of the Legislature made an executive decision by passing on a bill.

I, like Mr. Cass-Beggs, am free from the passion of the controversy of last spring - I wasn't a member of this Assembly; and I hope I can look objectively as between the different options - high level diversion, Lake Winnipeg control works, Lake Winnipeg control works and a combination of low level diversion, or both with the combination of thermo power capacity installed by 1973-74. There are a number of options. Each one carries a different price tag. Manitoba Hydro, to my knowledge, did not go - and here I want to come to grips in a very specific way with the argument of the Honourable Member for Riel when he says what was the point of retaining Mr. Cass-Beggs because all of the technical data information had been compiled by Manitoba Hydro already. That is not quite correct, Mr. Speaker, Sir. That is not quite correct at all, because Manitoba Hydro's procedure was to make a quick reconnaissance of the different options. They concluded that the high level diversion was, in terms of power cost alone, the cheapest. It wasn't their responsibility to consider the other factors, as I've said, so they settled on the South Indian Lake Diversion option. Not hearing contrary from the government, they proceeded with detailed cost estimates but they did not proceed with detailed cost estimates on the other options, and even to this day we don't have detailed cost estimates on alternatives to the high level diversion at Southern Indian Lake. And so help me, we have to get more precise information on these alternatives and time is running desperately short, and we're in this position because of the administrative incompetence of the previous administration and they have nothing more to say about it.

MR. CRAIK: On a point of privilege, Mr. Speaker, the Honourable First Minister suggested early in his remarks that I may have suggested that Mr. Cass-Beggs' political affiliation may in some respect cast a shadow on his technical ability. I want it on record that I did not say that.

MR. SCHREYER: Well I can put to my honourable friend at least two of his colleagues who did put that on the record, did make reference to his political preference and somehow implied from that that this detracted from his professional competence.

. . . . . continued on next page

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I have a very short contribution to make to the debate. I find some of what has taken place rather amusing. I find the First Minister's remark rather amusing because it would seem to me that in this item before the House, which is one of emotion, in which both sides of the House are pursuing it with such vigour, there's a tendency to believe that the policy of the government will now be that wherever matters come before the Cabinet and are discussed, that all members will be made privy to them so that they in fact are going to be able to have a full understanding of the debate and full understanding of the process in which a decision has been made. And of course nothing is farther from the truth, and we've already had an indication today, without going back into detail, of the fact that this government on the other side intends to follow the basic procedure of using its discretion, and will in fact make decisions based on information and reports that will be supplied to them, and the members on this side will not be privy to it nor will they be allowed to in fact deal with it or have it in front of them.

Now I asked the Honourable Finance Minister whether Mr. Cass-Beggs will be allowed to come before the Standing Committee on Public Utilities, and I must say I do not know what Mr. Cass-Beggs will find. Obviously the government has on the other side some preliminary report which would give an indication of what his thinking is and, based on that and other considerations, the judgment is going to be arrived at by the government. Now I do not know this and nor does anyone on this side know what that is, but I think regardless of what decision is made - and I can anticipate the decision because I really don't know what his findings have been - but regardless of that, I think that it's incumbent upon the government because in fact they have delayed from the position of the previous administration in proceeding forth with the flooding of South Indian Lake, and Mr. Cass-Beggs be called before the standing Committee of this House and Public Utilities for an opportunity to be examined and cross-examined, not in terms of his capability - that's not the issue involved - but as to what his findings are and what his terms of reference really were, because obviously they have to be enlarged to the very few points that we have here - there's a greater understanding that must have come as he developed on this - and in trying to give us an opportunity of how he views this situation because it's obvious that the government is going to rely very heavily on his findings.

The other thing I find amusing is there's an attempt to try and suggest that the previous administration was really responsible for the bind that the present government finds itself on South Indian Lake. Now the truth of the matter is that this government - the previous administration - based on the representations of Hydro, having faith in Hydro's ability and Hydro's judgment, arrived at the decision. It was their decision but based on the information that Hydro supplied it with. Now there was nothing wrong in that, and I find it amusing to suggest that in effect we should have gone further than rely on the views and opinions of Hydro. Now we could have, of course, changed the decision based on our own considerations in matters outside of Hydro's competence and ability, but certainly within those areas of competence within Hydro we would have to believe - and I think everyone has stood up and said how very sure they are of Hydro's ability - we would have to believe that their suggestions, that their advice, that their belief in the direction of what should take place, should in fact be followed. And what we did as an administration in which we are now being accused of waffling on, what we did as an administration is follow their advice.

Now it's a question of degree as to how much additional information was required to be able to make the judgment, that other factors of human, and natural resources did not weigh heavily to outweigh, or at least come into play to outweigh Hydro's position, and that's a question of judgment. And I see nothing in Cass-Beggs' terms of reference that would suggest that he is going to be able, in five days or in a month, be able to produce the information which will in fact result in a political decision being made, that in fact the previous administration's judgment on proceeding with the high level diversion was incorrect. Now maybe this will be the case, and if this is the case then you're prepared to say that, and you're prepared to announce it as the plans of the government. Then I say that I, as an elected representative, want the opportunity to be able to cross-examine and to be able to examine the person whose advice and guidance has brought you to that decision, because you're obviously going to be making it in the period of five or six weeks or eight weeks, and it obviously should be under the scrutiny of this House because this is a major decision.

So, therefore, I urge the government to consider the possibility and the advisability of bringing Mr. Cass-Beggs before the Standing Committee on Public Utilities when you've arrived

(MR. SPIVAK cont'd.)... at your decision. I'm assuming that a decision is going to be arrived at by September 15th and there's no indication that it will not be arrived at by that time. I'm assuming as well that we're going to have an opportunity of being able to review his preliminary report and any other findings that he may have had. I'm assuming as well that we're going to be able to have tabled before us all the information - pertinent information, inter-departmental and intra-departmental - relating to these items. And I'm assuming on that basis that we're going to be able in a very open way to discuss this when you've arrived at your decision, which you've indicated will be by the 15th of this month. So I would suggest that . . .

MR. LAURENT L. DESJARDINS (St. Boniface): Perhaps your not being able to decide for four years . . .

MR. SPIVAK: No. There's no indecision of four years. There's absolutely no . . .

-- (Interjection) -- Now the First Minister keeps saying this but there's no indecision. After all, we were the previous administration that in fact recognized the utilization of the water power as being one of the real resources that could be developed. We're the ones who worked with the Federal Government on the planning of it, and we're the ones who charged ahead with it. All that's happened at this present -- and we're the government that introduced the bill to flood South Indian Lake -- (Interjection) -- Yes, that's right. That's right. - (Interjection) -- Nobody's afraid.

MR. DESJARDINS: You're the one that called the meeting off.

MR. SPIVAK: Well let me tell you something. If we were afraid, why would we introduce the bill? We introduced that bill.

MR. DESJARDINS: Why did you quit? Why did you pull stake and leave the committee from South Indian Lake here and call an election?

MR. FRANK JOHNSTON (Sturgeon Creek): Will the defender of the NDP please sit back so I can listen to this discussion.

MR. SPIVAK: Mr. Speaker, it does not take away from the fact that we as a government, and during the period of time we were a government, proceeded with South Indian Lake. There was no waffling. The only waffling that's occurring now is the fact that there is in fact an indecision on the part of the present government, because I don't think they really know what they want to do at this point. This is my impression. -- (Interjection) -- Well I'm not so sure that it's better. All I'm saying is that what is happening now, based on the point and time we are in history, right today, that there is a real possibility that the waffling that's taking place on this side is going to cost the people of Manitoba in a very real manner in which Hydro rates are going to skyrocket in this province.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Mr. Speaker, I am amazed at some of the things that have been said this afternoon and particularly the last speaker who tells us that Hydro is competent to look after the whole thing, and then he says that Hydro has no responsibility to the people or to the multi use of resources, and yet he says that they took the advice of Hydro and went ahead on this advice. Now then, I support Mr. Cass-Beggs and it's not because of the expertise but I think that he -- or it is because of this because I suppose he is the one that is going to be able to look at this and come up with an answer as quickly as possible. But I would say that he should be criticized because he'll in all probability be prejudiced to Hydro projects because this is his life, his love, and as far as I understand, he had suggested a northern hydro program or a grid system for years. So possibly if any criticism should be brought to bear, it is because he will be prejudiced to an engineering project such as being considered.

I do fear, though, that in the debate that has gone on so far, that we have said in fact that if Mr. Cass-Beggs says go ahead, then they would go ahead, and I would like to see some assurance that as resourceful a person is going to be picked to consider the expropriation of the the livelihoods and the ground on which the Indian people of South Indian are living today. And I think if there is a first, then that must be considered just as high a priority as the engineering part, because today all we've heard is the engineering discussion in respect to the South Indian or the Churchill diversion. And if former members of the government are telling me that this represents the whole study of Hydro, because this is all I've received - granted I wasn't here last Session but I don't remember anything being given - but if this represents all the engineering studies that have gone into South Indian, then I think there is something wrong. I think that the discussion in respect to Mr. Cass-Beggs and the decision that's been made, I don't think -- there is not really an alternative been suggested as yet, and I think that we must agree that one

(MR. BEARD cont'd.). . . engineering expert is the best to criticize another engineering expert.

But I've hopes that as other members follow me in this discussion, particularly from Cabinet, that we can get some assurance that there will be just as positive an approach taken in respect to the discussion on the movement of the people of South Indian, because I have gone there and I've not been able to find one person in South Indian who is agreeable to flooding in any respect. And I think that this will be a definite problem that should have — and I'd add, I must admit that I'd add that this would be looked after many years ago rather than dragged to the end and forced through by quick legislation. If these people are going to be looked after, then I think this is the priority which this government must make to see to it that 600-odd Indians don't stay there and take a bath all at once because, as I understand it, in looking at a banner there, instead of "Manitoba growing to beat '70", they've got the "growing" struck out, and it's "Manitoba flooding to beat '70". And if I can relate the real feeling, I think, of the South Indian people to this government or to this Legislature, it was one Indian that came up to me and said, "You know, I worked for Hydro for a month, and then", he said, "I quit". And I said, "Well weren't you getting paid enough or what was wrong?" And he said, "I realized that I was working just to flood myself out. So," he said, "I quit working." And this is the attitude of those people, and until something tangible can be laid in front of them rather than just words from politicians, then I think they will take the stand against the flooding of South Indian. So if there's any hope at all, then I think that the government must get along with the idea of producing a plan which is acceptable to the people of South Indian, because I don't believe — I may be wrong — but I don't think Manitoba have ever attempted to expropriate that number of people from one area, and I think it's going to take a lot of talking because there hasn't been enough talking about it in the last four or five years, and if you're going to meet the Hydro deadlines then we're going to have to do a lot of talking, and I would suggest that representatives of Hydro, representatives of the people that look after social services, should be in South Indian on a 24-hour basis; they should be there until they've come to a decision with the people of South Indian, and I do not think they should take a negative approach but I think they should negotiate, and be prepared to sit down and negotiate day in and day out until something can be brought up that is agreeable to the large amount of people that have to look to a very wet future if something's done there.

MR. SPEAKER: The Honourable Minister of Health and Social Services.

MR. GREEN: Mr. Speaker, I want to assure the Honourable Member for Churchill that I have no difficulty saying, on behalf of the government, that in considering the future prospects of Hydro development power and the situation at South Indian Lake, that all of the factors that are relevant to the question will be taken into consideration as promised, and we will not make up our mind on the basis of a single resource or a single utilization. I believe that that's the assurance that you asked for and I don't think that there is any difficulty in giving that assurance.

Now, Mr. Speaker, I regret to say that the Honourable Member for River Heights is not in his seat. If he were, I would take possibly greater pains in reminding him that he is no longer a Minister of the Crown and that he can no longer decide on the matters which are the prerogatives of the Crown to decide in its discretion. I might say, Mr. Speaker, that the member is not here. Yesterday, or the other day he referred to the fact that I was sitting in my seat in apparent fear of getting up and speaking and, Mr. Speaker, it ill behooves him, it ill behooves him to say that I fear to speak and then for him to speak and run out of the Chamber before anything can be said about what he has to say. I think, Mr. Speaker, that perhaps the honourable member likes the sound of his own voice but doesn't like to hear what other people have to say with respect thereto, and it's exactly the question of governmental discretion that I want to deal with, because the honourable member is now getting up and making several speeches to the effect that "what you requested when you were sitting in opposition you are now saying that you have the discretion not to reveal." And, Mr. Speaker, the honourable Member is apparently trying to make out a case — and I don't think that anybody takes it very seriously — of comparing apples and oranges. He says that we are refusing now to reveal information as between the Government and the Manitoba Development Fund whereas when they took that position we criticized them for not participating in open government.

Well, let's take the actual facts, Mr. Speaker. What the honourable minister at that time said was exactly the reverse of governmental discretion, and the whole debate that opened up at that question was opened up by the now Minister of Finance asking a question to the then First Minister of this province, and he asked him at what rate monies were being advanced to the Churchill Forest Products Limited on a debenture which was being taken back by the Manitoba



(MR. GREEN cont'd.) . . . Development Fund. And it wasn't then the government's answer that "this is a matter within our discretion." They went much further, Mr. Speaker. They said, "We don't have the right to give you that information. Nay, we don't even have the right to ask the Manitoba Development Fund for that information." That was the position taken by this government, and at that time they said we have the obligation to advance fifty or a hundred million dollars to these people, who the First Minister took great pains to describe as very respectable citizens, and we don't have the right to ask them what they are doing with it. "We don't have the right to" -- not the Legislature. He said the government didn't have the right. He used the words that the government was at arm's length to this Fund and couldn't find out the interest rate. Not couldn't give it to the House, but couldn't find it out.

Now, Mr. Speaker, the government chose to rely on their interpretation of policy - not discretion, of policy - to say that not only could they not give that information but they couldn't ask the Fund that information. And we on this side of the House, and I say quite properly, we on this side of the House said we would be prepared to fight an election on that question, on the basis that the then First Minister of the province said that he had no right to go to these people and ask them who they were loaning money to, at what interest rate, and on what security. Whether he gave it to the House we agreed was a matter of discretion. Some of us said that he indeed should exercise that discretion by giving it to the House, but not the Honourable Member for River Heights. He hid behind, for a full year; for a full year he hid behind the so-called policy - and he's here now and I'll remind him of it - that that government hid behind a policy statement made by the First Minister that they didn't have the right to go to the Fund and ask them any questions as to what these respectable people were doing with \$100 million of Manitoba money. And he now compares that, Mr. Speaker, he now compares that with a refusal on our part to disclose individual letters not even so named, not dealing with any subject but dealing with a -- like shooting at a flock of geese and hoping to hit one, he now compares that answer with an answer which we used at the time, Mr. Speaker, to suggest that there was ministerial discretion. He now says, and again it was not discretion that was relied upon. When the then Minister of Mines and Natural Resources and the First Minister, the now Leader of the Opposition, said that they wouldn't release the reports Transition in the North and the Task Force on the Resource Determination of the South Indian Lake question, when they didn't release that information they didn't say that this was a discretionary thing as to whether they will release it or not. They said it's a matter of firm policy - not with regard to these reports - but it is a matter of firm policy that reports of this nature would not be released.

Now let's compare the situation, Mr. Speaker. At that time they asked the members of the Legislature to legislate on the granting of a licence to flood South Indian Lake and they brought in a bill which the Premier now properly describes as really an executive act, an administrative act, said that they wanted legislative approval for it but refused, not on the basis of their discretion but as a matter of policy, to release to the members of the House that information which it was necessary for them to read before they came to any conclusion as to what decision they should make, and the Member for River Heights compares our statement that this is a matter of discretion which will be released when it is in the public interest, and their statement that this is a matter of policy, that we will not release this information. And I suggest to him, Mr. Speaker, that it won't wash in the eyes of the members of this Legislature and it won't wash in the eyes of the public.

I have no doubt, Mr. Speaker, and I say this without equivocation, that if the members of the House were asked to legislate on the flooding of the South Indian Lake or on any other plan which Hydro was proposing with regard to the supply of power, if they were asked to legislate they would be given all that information which is necessary for them to legislate on that question. But of course the members know that that's almost a ridiculous hypothesis. The members of the Legislature are put in a terrible position when they're asked to deal with administrative questions, and that's the position that they were put in at the last Session and that's why we are in a different position today, and the Honourable Member for River Heights can't say that he insists on certain people appearing for Committee. I'm not saying that they won't appear but I'm saying that we are not going to guide our administration by what the honourable member said, and the Premier of this province put it quite properly.

Mr. Speaker, the honourable member says that because of the lapse of time we are in a bind which is going to cost the people of Manitoba a great deal of money. Now, Mr. Speaker, I think that the honourable member doth protest too much. I think he is launching on the offensive

(MR. GREEN cont'd.) . . . because he knows how defensive their position is; because if anything was confirmed, if anything was confirmed in our studies to date, it is that \$4 million, more or less, but \$4 million or approximately that amount has already been spent on the high level diversion project, and we indeed are in a situation which I described to the Legislature last year of having to say at this stage that because that government permitted this project to go to the extent that it has gone, a decision on an alternative will involve those people over there who used to occupy the government benches in having wasted, in having wasted that amount of money and, Mr. Speaker, I say that that's a hard decision but I am confident that the members who now occupy these benches and the backbenchers behind them are up to making that decision, will make a hard decision, and will do the right thing in this particular case. I have no fear of it. I know that those people on that side couldn't have acted properly because they were the ones who said that -- they now say that we are in a state of indecision. Well, Mr. Speaker, they were in a state of decision which was so rigidly fixed that they couldn't leave that decision and go to a more proper one because they were bound to the decision with their own political lives. Anything but flooding South Indian Lake would have been an admission on their part that they had wasted not only \$4 million but several years in the process, and I said that it needs a new government to decide this question and indeed a new government will decide this question, and I believe in the interests of the people of the province of Manitoba.

I want to deal with one more question, Mr. Speaker, and that's because it's rather surprising to me that the flurry over having hired David Cass-Beggs really starts now rather than having started several weeks ago when the hiring started, and I suspect that it may be as a result of suggestions as to what Mr. Cass-Beggs is doing, and the first thing that I heard from the Leader of the Opposition -- and I suggest to honourable members that they should believe me that I could not believe my ears -- was when the Leader of the Opposition said that they hired Cass-Beggs, a doctrinaire Socialist. I would almost think, Mr. Speaker. . . .

MR. CRAIK: . . . . a question?

MR. GREEN: Yes, certainly.

MR. CRAIK: Do you know the date on which terms of reference were filed in this House?

MR. GREEN: Mr. Speaker, surely the honourable member knew three weeks ago or four weeks ago, when Mr. Cass-Beggs was first taken on, they knew at that time whether or not he was a doctrinaire Socialist. Mr. Speaker, I almost thought that they were talking about the Member for Inkster and I just couldn't understand them referring to Mr. Cass-Beggs as a doctrinaire Socialist, and it appears to me, Mr. Speaker, that the members of the Conservative Party in particular are still hung up on the notion that the people of Manitoba will be able to respond to any argument which accuses somebody of being a doctrinaire Socialist, and, Mr. Speaker, I want to try sincerely to convince them that the question of South Indian Lake is not an ideological question. I tried to convince the Honourable Member for Lakeside of that last year, that when I was speaking on this issue I was not speaking ideologically. It had nothing to do with ideology, and the hiring of Mr. Cass-Beggs had nothing to do with ideology; that Marxism or Socialism and South Indian Lake had nothing to do with each other; and if the members don't believe me I want to advise them that I'm holding a book in my hand. This book -- don't run out of the Chamber -- this book is "Das Kapital" by Karl Marx. Mr. Speaker, before you hide under your desks, I want you to know that I got it out of the Provincial Library. It's been sitting there for all these years, hasn't scared anybody away, and, Mr. Speaker, I flipped through the index and I assure you, Mr. Speaker, South Indian Lake is not located in the index. And "high level diversion" is not mentioned in the index, and any other combinations of features -- if the honourable members will try to think that possibly I'm not reading the index properly and that there is another reference that could somehow prove their point that somehow our position on this question is related to this book, I'd be pleased to give them the opportunity of trying. But the fact is, Mr. Speaker, that it's not the case. Let me suggest to you, let me suggest to you that Karl Marx was essentially an economist and if Karl Marx were alive today and he were looking at the economies of the situation, he would probably suggest that you flood South Indian Lake. He would probably make that suggestion, so I urge honourable members to get out of this hang-up.

This is not an ideological issue. I have never known David Cass-Beggs to be associated with Socialism. If he is, I don't see anything wrong with it but I have never known that to be the case and if the members are suggesting that because he was in the Douglas administration, that he was in the CCF administration in Saskatchewan, that that proved that somehow he was related

(MR. GREEN cont'd.), ... to Socialism, well, Mr. Speaker, are we going to suggest now that because we've decided to keep on Mr. Fallis as Chairman of the Hydro Board that he must be a doctrinaire Socialist, because I don't know -- have there been any changes in the Deputy Ministers? If there have been, they are so few that I don't know about them. They must all be doctrinaire Socialists? They're working for this government.

Mr. Speaker, I urge honourable members, and I know that they have not responded very favourably to my urgings in the past, but they have suffered by it, Mr. Speaker; they have suffered by it. Had they listened to me, had they listened to me they might not find themselves in the predicament that they are now. But I urge you to dismiss ideology from this question. We will find people who are believers in doctrinaire Socialism who will say that you should flood South Indian Lake; we will find some who will say that you shouldn't. We will find doctrinaire Conservatives like the Honourable the Member for Lakeside or the Honourable the Member for Fort Garry or the Honourable Member for Riel, or others. I'm sure there are other doctrinaire Conservatives in the House who believe that you should flood South Indian Lake, you will find doctrinaire Conservatives who believe that you shouldn't. And what this government has done is said we want somebody to come in who does not have to admit that they have created a controversy, who does not have to make the tacit admission that "\$4 million is already spent on a program which therefore I must be committed to." We have asked someone to come in who has the respect of people engaged in the power field, and by the way, who will listen - who will listen to other people who are expert in these questions, and I make that reference specifically for the Member for Churchill, that Mr. Cass-Beggs has listened to other people who are involved in the question. And we have asked someone to come in who - and I again make this acknowledgment to you without fear - who is going to say that in the last analysis it will be the government who will decide. And we will not, like the Member for Lakeside tried to do when he stood over here, we will not say that we have decided on this question "because my Deputy Minister, who has years of experience, assures me that it's the right thing to do," and that if it's okay with him it's okay with me, and if there was a mistake that was made, it's his mistake. We're not going to do that. Whatever decision will be made will be made by a government that I believe has the courage to make this decision, who has the objectivity to make this decision, and who has the interests of the people of Manitoba in heart when they are making this decision.

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

MR. GREEN: Yes.

MR. SPIVAK: Can the honourable member inform this House whether the government intends to be consistent and to allow all interdepartmental memorandums to be filed and tabled in this House when a bill is presented and under discussion in debate in this House?

MR. GREEN: Mr. Speaker, I suggest that if the honourable member would look at the remarks that I made on the record when he was out of the House, apparently afraid to hear what I said while I was speaking, in fear, that he will have to answer to his question.

MR. SPIVAK: Mr. Speaker, on a point of privilege, I did leave the House because someone was waiting. Certainly I had no fear in listening to the Honourable Minister of Health and Social Services. I may say that throughout the years, the years that I've been in the House, he has provided great entertainment.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would just like to make a few remarks. I know the amendment is before us, changing the date from 1969 to 1966. I'm just wondering what this whole thing will mean. I certainly have the intention of resubmitting some Orders for Return that I made at the previous Session, and are we to understand now that because certain files have been removed that we will get less information now than we would have gotten three or four months ago from our Orders for Return? Is that the case? Because I think this is something that is of great importance and that we should really check into, because it is my opinion that we as members should receive the same information now that we would have gotten three or four months ago. Certainly files of a nature that would concern us as members should definitely not have been removed from the ministers' offices, and if this is the case I certainly would like to know from the honourable ministers in connection with this, whether that is the case in other departments.

MR. SPEAKER: Are you ready for the question?

MR. DESJARDINS: Mr. Speaker, I move, seconded by the Honourable Member for Churchill, that the debate be adjourned.

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

MR. SPEAKER: The Order for Return in the name of the Honourable Member for Ste.

Rose.

MR. PATRICK: Mr. Speaker, can we have this matter stand? (Agreed)

#### PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: The Adjourned Debate on the Proposed Resolution of the Honourable Member for Assiniboia. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to say just one or two things about this proposed resolution, and at the outset I'd like to make it clear, Sir, that I'm not opposed to the principle of the resolution, the idea incorporated in the resolution by the Honourable Member for Assiniboia, or to the goal which the Member for Assiniboia pursues in his particular proposal. I think it's a laudable goal but I would remind him and members of this Chamber, if they needed reminding, Sir, not everything that's laudable is necessarily practical or possible. Where we may, on this side of the Chamber, subscribe to the most humanitarian propositions in the field of legislation, I think that our fundamental rationale as Conservatives is to examine the viability and the practicality and the economics of proposed legislation and make our valued judgment in terms of timing and in terms of the burden on either the general economy or certain sectors of our community and our economy which may be imposed. And this legislation, this proposed legislation, I think enters in the category, Sir, that commands fairly careful scrutiny both from the point of view of economics and from the point of view of government intrusion, bureaucratic interference in private, individual affairs. For all that can be said for the legislation, Sir, and I reiterate that I do not propose to recommend against it, for all that can be said for the legislation, I think that one or two things should be placed on the record in terms of the fundamental weaknesses of the proposal, in terms of the philosophy therein to which many Manitobans I think would take exception, and it's for that reason that I make the point in the next three or four minutes that I attempt, Sir, to make.

I suggest that second to the farmer, who is carrying a tremendous load in terms of supporting the economy of this country, in terms of fulfilling the fundamental requirements of citizenship, in terms of paying his taxes and keeping the Canadian machinery turning, second to him, Sir, ranks the small businessman as far as fulfilling the responsibilities of citizenship and contributing to the economy are concerned. That suggestion and that priority I appreciate is open to question, but I express my own view that second to the farmer in terms of the load being carried by the individual Canadian where our economy and the health of our economy is concerned today, second to him comes the small businessman.

Our nation is dependent upon the initiative and energy applied by small businessmen from one coast to the other for much of its economic well-being and health, and if it's true that in the late 1930's England could be written off by one of its arch enemies, one of civilization's arch enemies in conversation, as a nation of shopkeepers, I think it can be said today that Canada is a nation of small businessmen, and those of us who enjoy the benefits of the Canadian economy, enjoy the benefits that life in Canada has to offer, I think, Sir, can be thankful for that fact.

Now I submit that although many small businessmen and middle businessmen are probably as desirous as the Honourable Member for Assiniboia and as desirous as the majority, I would suggest, of most members of this Chamber of introducing reforms in terms of working conditions for their staffs as quickly and as widely as possible, I submit that it really ill behooves this House, Sir, or any legislative governmental machinery, to make the decision and to impose the decision on that businessman as to precisely how he is going to accommodate his staff in terms of working conditions, provided he is adhering to the normal, the accepted humanitarian aspects of labour legislation. And if he is adhering to those normal humanitarian aspects of employment and labour legislation, then I think that it becomes incumbent Sir, on legislators and members of governmental machinery to permit him as much freedom as it is humanly possible to permit in order that he direct and control his business affairs as best he can with a view to serving the economy and our society in this province, in this country, as he now does, and doing his level best at the same time to provide his staff with the decencies of living and employment as he is able to provide. And I think that enforced and imposed conditions from above and from without make it extremely difficult for that businessman today, Sir, to survive in what has become a very competitive and in some cases a very oppressive market place.

(MR. SHERMAN cont'd.)

The small businessman is paying his taxes, is paying his staff, is making his contribution to society and economy, and has a difficult time today, Sir, in many cases in keeping his business afloat. If he goes under, what good does it do our society, our economy, our province? If he is forced into taking steps, into making withdrawals in terms of his business enterprises, in terms of limiting his activities and his contribution to the economy, who gains by it? What do we profit by imposing strictures on this businessman who's struggling to make his business productive, to make his staff as comfortable as possible in the situations in which it functions and to make a small profit, which is the object of his business enterprise to begin with? He has a payroll to meet, be it weekly or be it monthly, that with today's cost of business enterprise, with today's costs of overhead fixed and movable, with today's costs in terms of taxes and in terms of general support to the economy and to his community, a payroll to meet that is in many cases extremely arduous, extremely difficult, if not extremely oppressive; and with this load, Sir, I suggest that he, in the final analysis, is the best authority and the best arbiter of whether he can change the conditions in his place of work and place of employment along the lines proposed by this resolution, and if he can change them, when can he change them? I think it could be argued that from one point of view the resolution in question really proposes that legislation be directed to business that is not covered by collective bargaining because many labour unions, if not all, many in their wisdom have long since achieved the type of employment condition which is recommended in this legislation, that is that employees be granted three weeks' annual vacation after five or more years in the service of their employer. I say that the unions to which I refer have made it possible to have this type of legislation introduced in many instances in the Province of Manitoba, in their wisdom, and I give them full credit for that, but I ask at the same time whether the small businessman whose staff is not organized collectively should not be permitted, in his wisdom, Sir, to make the decision as to whether or not he can afford to impose a similar type of condition. I suppose that, at the risk of bordering on the ludicrous, it could even be postulated, Mr. Speaker, that by imposing this kind of legislation, by introducing it and imposing it on our business community, you might put business in a position - small business, middle business - in a position where it was losing where it was losing a certain amount of manoeuvrability and accessibility to manpower, but at the same time where it was picking up people from other enterprises that had had no labour problems and that had had no difficulties in terms of working conditions between employment and management, and thereby creating problems in some of those other industrial situations that hadn't heretofore existed, that hadn't earlier existed, and that had no need of existing, that do not need to be brought into existence.

I ask, Sir, for example whether the proposer of this resolution has considered the man covered by a collective agreement who gets only two weeks' vacation. I've pointed out that in a great many instances I think that collective bargaining has produced the three weeks' vacation, but what about the man covered by a collective agreement who doesn't get that three weeks, whose collective agreement only gives him two weeks? If this type of legislation that is proposed by the Honourable Member for Assiniboia is enacted, might it not be possible, Sir, that that person would be tempted to resign from his job and go to non-union employ if it meant, as a result of that, that he was going to receive three weeks' vacation? As I said a moment ago, I posed that question at the risk of bordering on the ludicrous but I think it's a consideration, so far does this proposal really intrude upon the private decision-making authority of the individual small and middle businessman.

I think, Sir, there are many businesses that simply can't afford this type of legislation at the moment. I think, as I said several minutes ago, it's highly laudable. I think it's desirable all things being equal, but I ask: doesn't anybody stick up for the small businessman any more? My friend the Honourable Member for Inkster, the Minister of Health and Social Services, says that he does. I'm delighted to hear that kind of commitment on his part, for in the months ahead I propose to call him to account for that kind of commitment and I expect his co-operation wholeheartedly where the small and middle businessman is concerned. I'm not concerned with the big businessman at the moment. Probably government takes care of the big businessman inadvertently, unwittingly, in more cases than the big businessman requires. But I ask whether or not, Sir, people in this Chamber, in lawmaking capacities in general, have forgotten completely in this day and age, this decade, about the small and middle businessmen. I ask whether no-one cries out for his problems any more, and I enjoin such public servants to keep in mind that that

(MR. SHERMAN cont'd.)... small businessman carries an extremely heavy load and in comparison to that load, in inverse ratio, makes a tremendous contribution to the wellbeing of our economy, and that all these artificial bureaucratic strictures imposed on him from without will do nothing, Sir, but drive him out of business.

I also would like to pose the question as to whether or not the present administration is somewhat inconsistent in its reaction to the proposal made by the Honourable Member for Assiniboia. It seems to me that in the light of the brave new world that's been promised over the years by honourable members opposite in their capacity formerly as members of the Opposition and in recent months as members of the government, it seems to me that in the light of that posture and in the light of those brave promises and their self-confessed philosophy, that they would not be as hesitant and as reticent about this particular proposal as the First Minister indicated that they were a few days ago when the resolution was originally proposed. At that time, when the Honourable Member for Assiniboia proposed it, the First Minister asked for time, begged in fact for time to consider this type of legislation, and I must say that in the light of their philosophical protestations in the past, I find an inconsistency in that position and it persuades me to question the advisability and the desirability of the legislation itself. If in fact we have a government here, an administration committed to the principle of social justice at all levels, to the improvement of conditions for man in Manitoba at all levels, then I find it rather strange and ironic, Sir, that they're as reticent and as doubtful and as hesitant about the suggestion, about the resolution proposed by the Honourable Member for Assiniboia, as indeed they were a few days ago, and it makes me wonder whether or not the proposed resolution is all that good.

Having said that, Mr. Speaker, I've said what I want to say. I still reserve my right to vote on the legislation as my conscience dictates, but I want to make that point, Sir, that I'm troubled by the intrusion of government and bureaucracy and bureaucratic management into the fields of the private enterpriser at the small and middle levels, and I submit that if that type of intrusion continues at the pace and at the rate at which it has been carried out in the past twenty years in this country, our economy, Sir, is going to be in much more serious difficulty than it already is, and it will be in that serious difficulty because the underpinning provided for it by the small entrepreneur, with his courage and his ambition and his initiative and his energy and his willingness to work long hours to make a business work, to make it successful, to make it profitable and to make it contributory, the position of that small businessman will be hopelessly undermined. I think that in the past, business at small and middle levels has demonstrated its willingness to adjust to the social conditions of the time when necessary. Perhaps the reaction hasn't been always as swift as some of those members on the government side of this Chamber would like. I'm sure it hasn't always been as swift or has been as altruistic as the Minister of Health and Social Services would always have liked, but I submit that in most cases - and I cite the health of the Canadian nation as proof of my argument - that in most cases, small and middle business has been responsible in this country and has adjusted and reacted as necessary, and has made the changes and introduced the improvements that have made life much more palatable and much more enjoyable and really much more humane for those people who work with it...

MR. RUSSELL DOERN (Elmwood): Would the honourable member submit to a question?

MR. SHERMAN: ... for those -- I will in one moment - for those who work in that sector of the community and that, left to his own responsibilities and his own sense of responsibility, left to his own commitment to the country and the economy, the small and middle businessman makes a contribution that is minimized all too widely by people in legislative and governmental capacity all too often, and that the burden imposed on him by these artificial strictures has already become a crushing one, Sir, and I would caution all members of the Chamber to move with extreme care where proposed additions to that burden are concerned. -- (Interjection) --

I'm not opposing the particular resolution, no. I would answer the Attorney-General, I'm not opposing the resolution, but I would like to sound a warning that where this type of proposal is made, where this type of legislation is drafted, that there are certain points beyond which we should not go. There are certain points, there are certain milestones at this stage of the development of our economy and our society here in Manitoba beyond which it is not safe at the present time to go because of the burden that the man, the businessman to whom I'm referring, is carried. I think that I can live with the legislation as proposed by the Honourable Member for Assiniboia. I think that I can live with that legislation. I certainly intend to live with it, but I would hope that -- (Interjection) -- I live with a lot of things that I don't like, Sir, and I would

(MR. SHERMAN cont'd.) . . . hope that, I would hope that -- (Interjection) -- No, I might have to ask for a withdrawal on that. And I would hope that I can stand up in this Chamber though, Sir, and sound the warning and ask that extreme and conscientious consideration be given to legislation of this type in the future where an intrusion on the private responsibilities and decision-making responsibility and role of the small businessman is concerned.

The Honourable Member for Elmwood asked me if I would answer a question and I'd be happy to try to do so.

MR. DOERN: Mr. Speaker, I'm rather confused now, but the member said that he felt that a three-week extension would be an undue hardship or a difficulty for small businessmen. Does he therefore accept the two-week figure as ideal? Do you accept that in total as being the ideal situation, or would you go further and suggest we should reduce it to one week so that we can assist small businessmen?

MR. SHERMAN: No, I don't think that the two-week total is ideal. I don't think that the living conditions of the mass of our people are ideal. I think that we all would agree in this House that we're committed to improving the general weal of the Manitoban, the working Manitoban, but two weeks at the present time -- two weeks at the present time is absolute rock bottom minimum, I concede that, but I ask you to consider whether or not it isn't responsible and conscientious of us as legislators to say that the individual small businessman really is the best arbiter, is the best authority to make the decision as to whether he can afford to give his workers three weeks or not. If he can't, there is nothing on the statute books that says those particular workers have to stay with him. Now I know that there might be social conditions that really bind the employees to that employer. Even though they're not shackled they're bound there by certain conditions in their environment and in their life, and so I would hope that we can move to a more comfortable working condition for them and that would include in time the extension of vacations, vacation with pay schedules, but I think that -- frankly, I think it's up to the individual employer to make that decision and I think that with moral suasion and with leadership by government, in the civil service at the government level of employment, that most small and middle businessmen are responsible enough to undertake that step as soon as they think they can afford it, but certainly I would not say that two week is sufficient to last for all time. I think as our living conditions generally improve that all those commitments have to be upgraded and improved with the general condition.

MR. CHERNIACK: Mr. Speaker, I wonder if before 5:30 if the member would permit another question. I just want to make clear: is he in favour of this resolution, will he vote for it, and if he's speaking for his Party.

MR. SHERMAN: Mr. Speaker, I don't -- I can't say that I'm speaking for my Party. I'm speaking for myself; I intend to vote for the resolution; but I ask my colleagues in the House, I ask my colleagues in the House, in the face of this legislation, to remember the plight of the small businessman.

MR. SPEAKER: Are you ready for the question? The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: I beg to move, seconded by the Honourable Member for Assiniboia, that the debate be adjourned.

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

MR. SPEAKER: It is now 5:30 and I'm leaving the Chair to return at 8:00 o'clock tonight.