



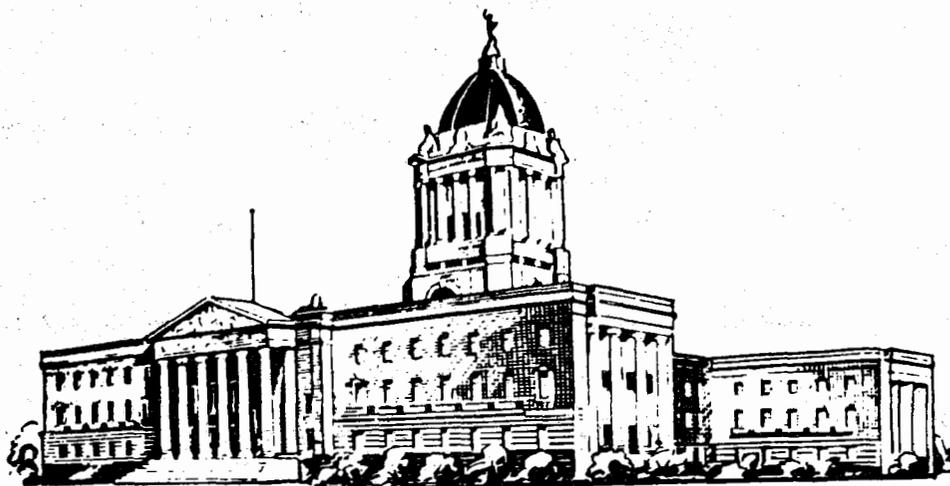
ISSN 0542-5492

FOURTH SESSION — THIRTIETH LEGISLATURE
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

26 Elizabeth II

Published under the
authority of
The Honourable Peter Fox
Speaker



Vol. XXIV No. 7A

10:00 a.m., Friday, February 25, 1977

TIME: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Honourable Peter Fox (Kildonan): Before we proceed, I should like to direct the attention of the Honourable Members to the gallery, where we have 50 students of Grade Seven standing of the Dearwood School under the direction of Mr. K. Joyal, Mr. Ransom, Mrs. Lindquist and Mrs. Clarke. This school is located in the constituency of the Honourable Member for Thompson. On behalf of all the Honourable Members, we welcome you this morning.

Presenting Petitions; Reading and Receiving Petitions.

REPORTS BY STANDING AND SPECIAL COMMITTEES

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

MR. D. JAMES WALDING: Mr. Speaker, I beg to present the **First Report of the Committee on the Rules of the House.**

MR. CLERK: Your Standing Committee on the Rules of the House met on Friday, February 4, 1977, to consider such matters as were referred by members of the Committee and by the Office of the Clerk of the House.

Your Committee agreed:

(a) THAT use of the motion for the House to resolve itself into Committee of Ways and Means as the vehicle to permit the introduction of the Budget and the subsequent debate be discontinued. Your Committee recommends that the following motion be adopted:

"THAT this House approves, in general, the budgetary policy of the Government."

(b) THAT the Clerk of the House be authorized to transfer the Notices of Motion from the Votes and Proceedings to a "Notice Paper" and to make such other changes in the format of the Votes and Proceedings as are considered necessary to facilitate the production of the Journals of the House.

(c) THAT the procedure to be following during the Report Stage, as outlined in the paper submitted by the Clerk of the House, be adopted.

(d) THAT the order in which departmental estimates are discussed by the section of the Committee of Supply sitting outside the Chamber will be determined by the Opposition in consultation with the Government House Leader.

(e) THAT the Clerk of the House and Legislative Counsel be authorized to effect such changes in the Rules as are considered necessary to effect the foregoing.

(f) THAT, with respect to requests received for permission to televise proceedings in the House, Mr. Speaker be authorized to approve such requests without reference to the Rules Committee provided that they do not go beyond that which has been approved by that Committee.

Your Committee also agreed that the following changes in the Rules, Orders and Forms of Proceeding of the Legislative Assembly of Manitoba be made:

(a) Rules 23 and 23(1.1) are repealed and the following substituted:

"23(1) The Budget shall not be presented until the debate on the motion for an Address in Reply to the Speech from the Throne is concluded.

(2) The Address on the Budget shall be preceded by the following motion "THAT this House approves in general the budgetary policy of the Government."

(3) The debate on the motion for approval by the House in general of the budgetary policy of the Government, and any amendments thereto, shall not exceed eight sitting days, including the day of the presentation of the Budget.

(4) The order of the Day for resuming debate on the motion for approval by the House in general of the budgetary policy of the Government, and any amendments thereto, shall take precedence of all other motions for the same day.

(5) On the eighth of the eight days, at thirty minutes before the ordinary time of daily adjournment, unless debate has previously been concluded, the Speaker shall interrupt the proceedings and forthwith put every question necessary to dispose of the Main Motion, and any amendments thereto.

(b) Sub-Rule 51(2) is repealed, the following substituted:

"51(2) The notice shall be filed with the Clerk before adjournment of the House for the day, shall be printed in the Notice Paper and shall be placed on the Order Paper two days afterward."

(c) Sub-Rule 55(2) is repealed.

(d) Rule 56 is repealed and the following substituted:

"56. No member shall have more than two notices of motion on the Notice Paper of any day except notices of motion for the production of papers or for orders for returns."

MR. WALDING: Mr. Speaker, I move, seconded by the Honourable Member for Gimli, that the

report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I direct a question to the Minister of Industry and Commerce. I wonder if he could confirm or deny that Pacific Western Airlines has made a bid to take over Skywest from the Manitoba government?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HONOURABLE LEONARD S. EVANS (Brandon East): Mr. Speaker, the snowstorm must have gotten to my honourable good friend from Riel. I am not sure whether he means SkyWest or TransAir. I wonder if you wouldn't mind repeating his statement.

MR. CRAIK: Mr. Speaker, perhaps I should reverse the question and ask whether our industrious Minister of Industry and Commerce has approached the Pacific Western Airlines with a view to purchasing the remnants of the SkyWest Airlines for Manitoba.

MR. EVANS: Mr. Speaker, as the Honourable Members know, we tried to sell the idea of SkyWest to the federal government, but they weren't buying it. We're not sure where Mr. Lang and the federal government presently stand. I believe there is still some effort to . . . —(Interjection)— Yes, he is flying someplace. We are not sure where we might locate him. But more seriously, the Prairie Air Service, as it is called, is still in process and of course it is entirely in federal hands.

The matter of Pacific Western Airlines and the reported purchase of TransAir of course is something that we have all heard on the news. I can't really comment beyond that. I know just what the Honourable Members opposite know, and that is that there apparently is some interest on the part of PWA to purchase TransAir.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, to the same Minister on the same topic: Could he indicate whether the Government of Manitoba has had a discussion with the Government of Alberta which is the holder of the Pacific Western Airlines concerning the proposed sale of TransAir, which is the Manitoba regional airline?

MR. EVANS: As far as I'm aware, Mr. Speaker, there has been no communication by the Government of Alberta or by PWA with this government, and certainly not with this particular Minister. I would of course remind the Honourable Member that acquisitions of one airline by another' particularly of this magnitude, are something that has to go before the Canadian Transportation Commission, the Air Transport Committee, and therefore is properly in the jurisdiction of the federal authorities.

MR. AXWORTHY: Mr. Speaker, could the Minister indicate whether the discussion of the regional airlines or Prairie Air Services as part of the plans for economic development were ever raised at those wondrous meetings of economic Ministers, Industry and Commerce Ministers for the prairie provinces that the Minister took such great pride in last year. Have these been discussed as to where the centre of such air services should take place and whether there should be an integration of such services?

MR. SPEAKER: The Honourable Minister.

MR. EVANS: Mr. Speaker, there have been discussions over the years with the Transport Ministers or Ministers concerned with transportation in the western provinces, about the adequacy particularly of third level service which is of course what the Sky West operation was all about. There has been that type of discussion and we agreed that that type of service was sadly lacking in the prairie region of Canada. Of course, there were no discussions at that level or at that time about what appears to be in the making.

MR. AXWORTHY: Thank you, Mr. Speaker, a final supplementary. Would the Minister consider, or has the government considered requesting a meeting of that regional economic group that was formed last year to discuss economic development on the prairies in order to raise the issue of the transference of industry in the prairie provinces to Alberta because of their superior economic power at this stage? Would this particular initiative by PWA act as a catalyst for such a meeting and would the government request such a meeting?

MR. EVANS: Mr. Speaker, I can only advise the honourable member that the various meetings we have had as Ministers of either industry or transportation matters or transportation policy, are a follow-up of the Western Premiers' Economic Council or Western Premiers' meeting, and I believe there is a meeting scheduled later this year or rather earlier this spring, of all places, in the good City of Brandon. I understand it has been in the paper that they will be meeting. I think there has been a considerable degree of co-operation shown among the provinces but having said that, we live in a free and open society and there is competition of sorts in the air industry and we know that Transair

has had difficulties; we are all aware of that and that's unfortunate. I, Sir, say that the difficulties that Transair has had are really the result of the failure of the regional air policy as enunciated by the Federal Government many many years ago. To me, it indicates a sad state of affairs when one of the five major regional carriers cannot somehow or others sustain itself and have the difficulties that it has experienced.

MR. SPEAKER: Thank you. The Honourable Member for Virden.

MR. MORRIS MCGREGOR: Mr. Speaker, I would like to direct this question to the Minister of Tourism and Recreation and the Minister responsible for the Racing Commission, regarding date, breeder and sum of grant and per structure. Mr. Speaker, I asked a question yesterday of the Minister; he replied in the Throne Speech and he didn't touch it but apparently he has announced to the media that very answer, and would he now disclose to this House what he has already disclosed to the media?

MR. SPEAKER: The Honourable Minister of Continuing Education.

HONOURABLE BEN HANUSCHAK, Minister of Continuing Education and Manpower, Minister of Tourism, Recreation and Cultural Affairs (Burrows): If I understand the member's question correctly, I think his main concern is the matter of racing days at Assiniboia Downs which has been increased from the present 76 or 79 to 111. The details of support to standard bred racing, per structure, I regret, Mr. Speaker, that I do not have them with me at this time. In fact, with some of my staff being late in arriving and some being absent this morning, I am not certain whether I could get the details for him right at this moment but I could later in the day. — (Interjection) — The media has the details, yes.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK: Thank you, Mr. Speaker. I have a question for the Honourable Minister of Continuing Education. Can the Minister indicate to the House if his department is funding community education programs in remote communities in northern Manitoba to provide trained individuals so they would encourage students to stay in school instead of being drop-outs?

MR. SPEAKER: The Honourable Minister.

MR. HANUSCHAK: At the present time yes, Mr. Speaker.

MR. PATRICK: Can the Minister indicate to the House when was this commitment made? Was it just recently and what kind of grants has the government committed to have these trained personnel so that they would be able to travel in the remote communities and communicate with the students in that area?

MR. HANUSCHAK: That, Mr. Speaker, was dealt with during the consideration of my Estimates one year ago.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R.(Bud) SHERMAN: Thank you, Mr. Speaker. I direct this question to the Honourable the Minister of Mines and Environmental Management in the absence of the Minister of Labour. I would ask him whether the absence at this moment of the Minister of Labour would indicate that there are intensive conciliation procedures under way in an attempt to forestall difficulty at Griffin Steel on Monday?

MR. SPEAKER: The Honourable Minister of Mines.

HONOURABLE SIDNEY GREEN, Q.C. (Inkster): Mr. Speaker, it would only be a guess, but it's something that I don't normally like to do, but given the honourable member's question I would say that if I was to guess I would guess that it is more likely because of intensive difficulty with snow conditions between Transcona and the city. However, with regard to the other question the honourable member has raised I am confident that the Labour Department is doing everything possible to try to reconcile differences between a group of employees and an employer.

The honourable member should also be aware that sometimes such difficulties cannot be resolved or reconciled by a third party. That is the nature of labour relations.

MR. SHERMAN: Well, Mr. Speaker, in view of the assurance that the Labour Department is doing all that it can I rest somewhat easier. My question would simply be to have confirmation that the expertise that's available through conciliators of top quality in the Department of Labour is being applied strenuously even at this eleventh hour.

MR. GREEN: Yes, Mr. Speaker. I believe that that is what I said and it will continue to be applied even at the twelfth hour or the hour after that.

MR. SPEAKER: The Honourable Minister of Continuing Education.

MR. HANUSCHAK: Yes, Mr. Speaker. Just one further comment, further to the answer which I gave the Honourable Member for Assiniboia a few moments ago.

The Community Educator North Program had been in operation during the current fiscal year. Now, insofar as the forthcoming fiscal year is concerned I want to assure him that we're very conscious of the problem of school drop-outs and the need to deal with that problem, and the manner in which it will be dealt with, and the level of support that my department will offer it. That will be a matter that will be discussed during the debate of the Estimates of my department.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: A supplementary, Mr. Speaker, to that same question. Can the Minister indicate to the House now because there is some concern in Northern communities, will that support be forthcoming and will it be increased?

MR. HANUSCHAK: Mr. Speaker, I can see no more justification to indicate at this point in time what is contained in the Estimates with regard to this program than I do to any other program. The normal procedure in the House is the Estimates are tabled and at that time it becomes apparent the level of expenditures of a government department in its various programs, and that, Mr. Speaker, I'm sure the honourable member knows will occur very shortly.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a week or so ago I directed a question to the First Minister in relation to whether the proposed increases in the Manitoba Hydro rates were to be referred to the Anti-Inflation Board and the reply from the First Minister was to the effect that being an energy item it would not come under the control of the AIB. With that in mind, Mr. Speaker, I might ask the First Minister whether the statement made in the Hydro Prospectus of June 24, 1976, and it very likely may be in the December Prospectus as well which goes out . . .

MATTER OF PRIVILEGE

MR. SPEAKER: The Honourable First Minister state his Matter of Privilege.

HONOURABLE EDWARD SCHREYER (Rossmere): Yes, Mr. Speaker, before the honourable member goes any further. It would be correct to say that this year as indeed last year we were agreeable to the referring of the matter to the AIB for comments and we indeed did do so last year, and I believe this is being done again.

MR. CRAIK: Well, Mr. Speaker, the First Minister might wish to make comments still even in view of his remarks as to whether the following is valid. It says on Page 9 of the Prospectus: "At the request of the province the Anti-Inflation Board has reviewed the rate increase implemented by the corporation on April 1, 1976, and has indicated that the anticipated increase in earnings will be within the guidelines." Now, Mr. Speaker, I want to ask the First Minister if this statement is not in contradiction to the statement which he made a week ago, and whether in fact it is not misleading to state that the hydro rate increases are within the "guidelines."

MR. SCHREYER: Not in the slightest, Mr. Speaker. In fact the full fact of the matter is that energy and farm gate commodity pricing were at the ultimate decision of the Government of Canada, left out of direct control by the AIB. At the same time, Sir, and on the basis of action actually followed a year ago. We, nevertheless, referred the matter to the AIB for their perusal and analysis in whatever depth they wished, whatever analysis they could bring to bear on the matter, for their comments. And that's precisely what has happened.

ORAL QUESTIONS (Cont'd)

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Well, Mr. Speaker, I would ask the Minister, if nothing else, to take and read the prospectus and read the information in it. I would ask him to report to the House whether or not the information provided in that prospectus is still not misleading to the people to whom this prospectus is directed.

Well, Mr. Speaker, there is a footnote to that comment which refers to the Province of Manitoba economic information.

MR. SPEAKER: Order please. The honourable member is making an argument instead of stating a question. The Honourable Member for La Verendrye.

MR. BOB BANMAN: Mr. Speaker, I direct my question to the Minister in charge of tourism and would ask him if he could inform the House whether the proposed development of a wilderness area in the north-east part of the Whiteshell Provincial Park has been shelved by the government.

MR. HANUSCHAK: I believe that the honourable member is referring to a Federal program, and perhaps his question should better be directed in that direction.

MR. BANMAN: I wonder if the Minister could inform the House whether he has had any correspondence or representation from the tourist and camp operators in the Whiteshell area with regards to this particular wilderness area park.

MR. HANUSCHAK: Not recently, Mr. Speaker, to the best of my knowledge, but I will check to see whether there have been any over the past few months, perhaps sometime prior to my assumption of responsibilities for this department.

MR. BANMAN: A further supplementary question to the same Minister, Mr. Speaker. I wonder if the Minister then could check whether or not the development of this wilderness park area will not, indeed, cause serious financial losses to the tourist and camp operators and the people in eastern Manitoba.

MR. HANUSCHAK: Mr. Speaker, if there would be any provincial development in that area then

certainly we'll be mindful of the impact of such development — economic, ecological, environmental, and other — on the surrounding area, and then we would proceed in accordance with our best judgement. On the other hand, if this is a Federal matter, then again the question ought to be directed to the Federal authorities.

MR. BANMAN: I wonder if the Minister could confirm that the Whiteshell Provincial Park is under provincial jurisdiction and not under federal jurisdiction.

MR. HANUSCHAK: Mr. Speaker, of course the Whiteshell Provincial Park is under provincial jurisdiction but the honourable member was asking about an area extending beyond the boundaries of Whiteshell Provincial Park.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL: Mr. Speaker, my question is for the Honourable, the Minister of Industry and Commerce. Relative to the apparent interest of Transair in finding a purchaser for its airline could the Minister report to the House on any discussions or negotiations which may have taken place between the Province of Manitoba and Transair relative to the possible purchase by the province of that airline. **MR. GREEN:** Mr. Speaker, Transair is a private corporation carrying on business with regular commercial activities in the Province of Manitoba. We don't discuss our negotiations with such companies. However, if the company wishes to release to us the right to make a political discussion of their discussions with us, Mr. Speaker, we will have no difficulty in doing so.

MR. MCGILL: Mr. Speaker, then could I ask the Minister if the Province of Manitoba did make an offer for the purchase of Transair. **MR. GREEN:** Mr. Speaker, the honourable member will read my previous answer and he will have the answer to his question.

MR. SPEAKER: The Honourable Member for Lakeside. **MR. HARRY J. ENNS:** Thank you, Mr. Speaker. I believe it is customary to on or about this time check with the Minister of Northern Affairs as to how the delivery of supplies, general freight, etc. is coming along over our winter road systems to our isolated northern communities.

MR. SPEAKER: The Honourable Minister for Northern Affairs.

HONOURABLE RONALD MCBRYDE: Mr. Speaker, the winter roads have all been opened and they have also, at different times, been closed during warm weather. But the roads have been open, the freight has been moving, I don't have a report as to the last few days if the storm in the southern part has affected the northern roads or not.

MR. ENNS: A supplementary question to the same Minister, Mr. Speaker. Would the Minister take as notice and be able to inform the House to give us some idea as to how the freight movement compares, say at this time of the year, to last year?

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: I just want to make clear with regard to previous answers that I gave, if the company issues or wishes to issue statements with regard to their discussions with the government, the government will have no difficulty in dealing with them, but we take it that our discussions with Transair were with a private corporation always understood to be confidential and we won't release them unless the company permits us to or unless the company wishes to discuss them publicly.

MR. ENNS: Thank you, Mr. Speaker. I direct a question on behalf of all members of the House to the House Leader. I wonder if he, Sir, would undertake to commence serious negotiations with his colleague, the Minister of Public Works, about the possible restoration of some of the amenities that we have been accustomed to in the lounge opposite such as coffee, etc. etc. etc., and inform the honourable members as to when those amenities may be restored to us.

MR. GREEN: Mr. Speaker, I wish to thank the —, honourable member for acting as my advocate in this respect.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE: Mr. Speaker, I have a question for the Minister of Highways. I wonder if the Minister would advise the House the name of his new, I guess you would call it, public relations officer and the possible salary he may be drawing.

MR. SPEAKER: Order for return. The Honourable Member for Assiniboia.

MR. PATRICK: Thank you, Mr. Speaker. I wish to direct my question to the Minister of Tourism and Recreation and if he can't answer it, perhaps the Minister of Industry and Commerce can. Would one of the Ministers indicate to the House what is the status of the Canadian Winter Games, there is some question and time period has been given to the City of Brandon, if the games will go on. Can one of the Ministers indicate to the House what is the status? Will the games be held in Manitoba and in what City?

MR. SCHREYER: Mr. Speaker, the matter of the Winter Games very quickly becomes a matter of considerable detail and much of that, most of that indeed involving judgement and decision-making on the part of the Government of Canada and the Honourable Mrs. Campagnolo I believe in particular. The Minister of Health and Social Development who has a liaison responsibility in this regard I am sure will be able to answer. I will take the question as notice.

MR. PATRICK: I wish to thank the First Minister for taking the question as notice. Perhaps I can pose one more supplementary. Will the skiing events be cancelled? There's some real great concern — that was the big problem — or will they be held? I would like to get an answer to that and has any consideration been given to using the hill at Agassiz, Manitoba and McCreary because Agassiz has produced — a few years ago — has produced a Junior Canadian Champion and I believe, with some improvement that could be a good location.

MR. SCHREYER: Well, Mr. Speaker, the honourable member will appreciate that I can't make any definitive response to his question but if he is suggesting that serious consideration be given to the possibility of Agassiz as a back-up arrangement, I have to say that this is excellent common sense; I wish he would advocate it to his counterparts in Ottawa and I mean that genuinely and perhaps common sense can salvage the skiing aspect of the Winter Games, all other parts of which I understand are posing no particular problem. **MR. AXWORTHY:** Thank you, Mr. Speaker. I would like to address a question to the Minister of Continuing Education and ask him if he is prepared to confirm news reports that were issued this morning that his department is not prepared to provide any assistance to the community radio station at the University of Manitoba.

MR. HANUSCHAK: Mr. Speaker, I cannot confirm a newspaper report which I have not seen. I have not had the time to read this morning's newspaper, in fact I wasn't aware that it comes out this early in the day.

MR. AXWORTHY: Mr. Speaker, I would remind the minister that there is a thing called radio and television that does operate early in the morning and can he confirm the news reports or did he make statements to one of those electronic media that . . .

MR. SPEAKER: The First Minister on a point of order.

MR. SCHREYER: Yes, my point of order is, and I believe, Sir, you have been completely consistent in pointing out to all of us that matters that come under the jurisdiction of the Government of Canada are not matters which can be the subject of questions in this House so far as accountability of the government of the Province is concerned and I point out, Sir, that licensing, the allowing or the refusal of advertising revenues by the particular University radio station is something that comes under the purview of the CRTC which, I understand, has refused that support to the radio station in question.

MR. SPEAKER: The point is well taken.

MR. AXWORTHY: Mr. Speaker, I would like to speak on that point of order. I think that the First Minister was a little hasty in jumping to his feet because the question had nothing to do with the regulation, it was a question of whether the Department of Continuing Education was or was not prepared to provide financial support which is certainly within its bounds to do so . . .

MR. SCHREYER: That is precisely the point of order, Sir. The request for provincial subsidy arises only because the federal agency has refused advertising revenue opportunity to the particular station.

MR. AXWORTHY: Mr. Speaker, yes, I have a question because I am still asking the Minister if he is prepared to confirm those remarks which would differ 180 degrees to the remarks he made in this House to a similar question yesterday and I would like to know why he makes two different remarks to the same question.

MR. HANUSCHAK: Mr. Speaker, there's no difference at all. I could also add to that that the matter was not discussed with the radio station, in fact, I have had no communication whatsoever from the University radio station re the state of their financial affairs or what their plans for the future are.

MR. AXWORTHY: Well, a supplementary, Mr. Speaker. In view of the fact that the Minister of Continuing Education said in this House yesterday that he would be prepared to meet or deal with representations from spokesmen of the radio station, could he tell us why he has now rejected that particular position that he took yesterday in the House?

MR. HANUSCHAK: Well, Mr. Speaker, if the Honourable Member for Fort Rouge wishes a lesson in English — (Interjection) — yes, I'm prepared to give it to him. I am prepared to meet with anybody in the Province of Manitoba to discuss any matter that relates to either of my departments or that I may have an interest in, either direct or indirect, but there is no implication in that that there was any sort of a commitment to offer financial support and the honourable member ought to know that.

MR. SPEAKER: The Honourable Minister of Urban Affairs.

HONOURABLE SAUL A. MILLER (Seven Oaks): Mr. Speaker, yesterday in my absence, the First Minister was asked some questions which he took as notice. The first was the Member for Portage la Prairie who asked whether the province carried theft insurance against senior political appointees and the second part, did the government take competitive bids before MPIC got the contract? So obviously he must have known they did carry insurance, otherwise there would be no supplementary question talking about the competitive bids. However, the answer is that the province does carry a comprehensive crime insurance policy which covers all of the employees of the government of the province, as well as members and employees of the boards, commissions, corporations whose remuneration is paid by government. There are exceptions and that's Telephone System, Hydro and the Liquor Control Commission. The second question with regard to the MPIC contract, the

Friday, February 25, 1977

particular policy has been carried by the province since 1975 with MPIC and they were awarded the contract, their premium being comparable to that of the previous carrier of the insurance.

Mr. Speaker, I'm sorry. There was another question asked and perhaps I might answer that as well. It was a question by the Member for Riel, the question was whether our recent Japanese issue was repayable in yen or Canadian currency and, as all foreign loans the Japanese loan is repayable in the currency of the country, in this case it would be payable in Japanese yen.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: Mr. Speaker, my question is to the Honourable Minister responsible for Renewable Resources. I wonder, in view of the severe blizzard conditions prevailing, if he could advise the House if the annual count on the deer population has been carried out and what the results were.

MR. SPEAKER: The Honourable Minister.

HONOURABLE HARVEY BOSTROM, Minister of Renewable Resources (Rupert's Land): Mr. Speaker, I will have to take that question as notice.

THRONE SPEECH DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Member for Logan and the amendment thereto, the Honourable Member for Riel.

MR. CRAIK: Thank you, Mr. Speaker. In rising to make a contribution or otherwise on the Throne Speech, Mr. Speaker, the pattern is, of course, first of all to wish you well in your undertakings in this House and this year certainly isn't any exception. As a matter of fact, Mr. Speaker, I would expect that this year if the first few days of the Throne Speech Debate are any indication, that your job is going to find much more challenge for you than it has in the other years in which you have occupied that Chair. Mr. Speaker, I trust that you are able to survive the course well in the forthcoming months.

Mr. Speaker, as well I want to officially, in terms of the record, want to welcome my new leader to the House, the Member for Souris-Killarney, and we naturally are looking forward to his participation here.

One of the most curious things that I found out of the period in which I've been in this Chamber is the Throne Speech Debate is normally dealt with by the government in terms of defending the thrust of the items contained in the Throne Speech but I must say that over the last few days, I don't think I've heard one member on the government side address himself to the offerings of the government contained in the Throne Speech. I haven't heard anybody come to the defence — I shouldn't even use the word defence, there's no defence required. I haven't seen anybody grasp the opportunity on the government side to portray the virtues of the new Accident Insurance Program that the government announced in the Throne Speech. I have perhaps missed it if there has been a member discuss it across the way. But, Mr. Speaker, I haven't heard anybody talk about how happy they are to see some changes to be made in the Family Law which we are to deal with this Session as indicated in the Throne Speech. Mr. Speaker, I haven't really heard the government put forth in a positive manner any thrust of the items contained in the Throne Speech and I don't think that they have anything particularly to be ashamed of there, Mr. Speaker. I think that there's some items in there that are worthwhile and that are going to receive the support of both sides of the House but they're being presented in a formal way by the government side and I would have thought that they would have spent a little bit of time selling them to this House and to the public generally through the media in their presentation here. But what has struck me, Mr. Speaker, is that there seems to be a preoccupation on the government side in attacking the new Leader of the Official Opposition, the member for Souris-Killarney, to the extent that we have seen the member for St. Johns, for instance, dig back over ten years roughly to try to dig out some old Hansards and it hasn't only been the Member for St. Johns looking for quotations that he can provide to the Member for Souris-Killarney, it's been other members of the government as well which is fine, Mr. Speaker. If that is what the government's preoccupation is, it's not a very healthy sign for the government. Surely there are more positive things they can address themselves to. Mr. Speaker, even we as an opposition didn't waste our time digging up the former speeches of the former Member for St. Boniface and surely even the members of the government can remember those ram-rod speeches that the Member for St. Boniface gave when he sat in this chair over here before he moved over to this side of the House. Now, if you want to see a 180 degree about-face, Mr. Speaker, those are the speeches that members opposite, the members on the government side, should be having their researchers dig out. Well, perhaps Mr. Speaker, the reason that we don't spend more time reading old Hansards is that we don't have as many executive assistants and others to piddle around reading old Hansards but we don't mind listening to it if you want to take the time of the House to read the old Hansards, that's fine, you go ahead and do it but just a word of caution: that any party that tends to waste its time looking into the past to dig up a defence for its existence, is a party in trouble and I advise you that you would be better off standing up and defending Accident Insurance, Family Law legislation and the other items that you have in your Throne Speech.

Mr. Speaker, it's not even going to be a defense for the government to say that they eliminated the Medicare premiums. We've had several speeches in this session that show the great disturbance that is caused in the members of the government by the recognition of the Leader of the Opposition that a premium-free universal Medicare program would be supported by the Official Opposition. It has caused a regurgitation of all those old feelings on the government side of the tumultuous decision that they went through when they eliminated the premium. They failed to mention, Mr. Speaker, that the universal medicare program was brought in by the government which preceded them, aided naturally and admittedly by the heavy financial aid which came from the Federal Government. So be it. This government went one step further and eliminated the premiums. Well, Mr. Speaker, the elimination of medicare premiums also is now a dead argument. Mr. Speaker, the increase alone in the average householder's hydro bill exceeds the complete abolition of the medicare premiums. Mr. Speaker, that in itself wouldn't be an argument against the government if it had not been possible to be otherwise.

I noted in the comments of the Minister of Mines and Natural Resources that he said something to the effect that he congratulated the Leader of the Opposition for recognizing that the hydro issue was a very potent political issue, or something to that effect. Mr. Speaker, I read with some disbelief this comment, and I wasn't here to hear his speech and I haven't read the Hansard, I read the newspaper report only; but I gather that it was correctly reported that the Minister made a comment that the Leader of the Opposition was an astute political observer because he recognized hydro as a potent political issue. Well, Mr. Speaker, it's hardly a recent recognition. It was not our desire to make the hydro issue a political issue; we wish it were otherwise. Going back into the history of this issue, Mr. Speaker, it is well known to you, Sir, and to the other Members of the House, that this has been an issue, a major issue of this Chamber since the time the government changed in 1969. It is only now, of course, that one might put on the bracket, political issue. It has been a major issue, the major issue in many sessions ever since 1969.

Mr. Speaker, one of the great difficulties in talking about this issue over the past has been that it tends to be a highly technical issue on the one hand, and on the other hand it involves such vast sums of money, in the millions and billions of dollars, that the people who are going to bear the brunt of the investment of those dollars have not been able to understand what the arguments are all about. But no longer is that the case, Mr. Speaker, no longer is that the case. The chickens are all coming home to roost now. The chickens are coming home to roost because time has caught up and the front-end load we could not afford in Manitoba is now showing up on the Hydro bills. The Hydro bills, Mr. Speaker, are significantly higher even at this point than they should be and should have been under normal circumstances for the development of Manitoba Hydro.

I couldn't help — he said it with some disbelief also — listening to the Member for St. Johns last night when he started lecturing the House about Hydro being a capital intensive business and he had discovered this. Mr. Speaker, I can only say that he discovered it many years too late. That, in a nutshell, is what people like Mr. Campbell, former Premier; Mr. Kristjanson former Hydro executive; Mr. Spafford, one of the most prominent hydraulic men in Canada; and all the others were trying to sell in a nutshell to the government. They were trying to tell them this is a capital intensive business; you cannot invest hundreds of millions of dollars that have no productive return, and that is the whole argument. Almost \$300 million to date on the Lake Winnipeg diversion and still the Jenpeg plant bogged down in technical difficulties which are really kind of beside the point. The point is that the Lake Winnipeg control which also encompasses the Jenpeg plant, involving in the order of \$300 million, has very very little if any productive capacity to pay off the cost of developing it.

Mr. Speaker, \$300 million, and the First Minister has called a scoundrel the man who told him that from 1972 and two years beyond that. A scurrilous scoundrel, he says, because that man stands up now and says, "I told you so." And he says "Where is it? I have never been presented with engineering advice that said that." Well, Mr. Speaker, the Minister of Mines and Resources has effectively said that in his speech yesterday to the Leader of the Opposition as well, that they have never had any contrary advice, technical advice, to the course of action that they have, in fact, taken in the development of northern waters in Manitoba. Well, in the first place, they didn't get it because they refused to let anybody of any technical background appear in any forum, including the Public Utilities Committee in Room 254, and we listed to the government the people that we would like to ask to attend to make representation. They refused and now they say they didn't get any technical advice. Well they didn't get any technical advice because they would not see a forum created where that technical advice could occur.

MR. SPEAKER: Order please. Would the Honourable First Minister state his matter of privilege.

MR. SCHREYER: Yes, Mr. Speaker. The honourable member has just finished saying that we on this side have said that we didn't receive any technical advice; Mr. Speaker, the Manitoba Hydro Task Force report of 1970 is the technical advice that we regard as definitive even today.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, obviously the comment by the First Minister at an earlier date was that

he had not received any

technical advice of a contrary nature that would indicate there was a decision, other than the one that was made by he and Mr. Cass-Beggs early in the game, that would have given him an alternative that would have saved the waste of money that now is being alleged by the — it has been alleged for years by the people who are involved in this thing through its history. We don't question but what he got technical advice from the people in Manitoba Hydro. Mr. Speaker, at one stage in the game in this House, the Premier stood and he stacked up the technical information upon which, he said, he based his decision to go ahead with the course of action that he did, the sequence of development. They stacked up about three or four feet high but, Mr. Speaker, there was only one report missing out of it. Most the reports were an inch thick, two inches thick, half an inch thick, but the one that was missing was a very small report that was done by Mr. Cass-Beggs. A very small report because it was done very hastily, a very short report. Mr. Speaker, there hasn't been one thing done in the whole development sequence of Manitoba Hydro since the day he wrote that report that differs in any substance whatsoever. The course of action, you could have taken all the reports, the three feet or reports, and dumped them and it would have made one iota of difference. There hasn't been one thing done that doesn't follow almost exactly the course of action set out by Mr. Cass-Beggs in those early days.

Mr. Speaker, I want to come back to the — (Interjections) — I hear the members of the front bench saying that so and so was no more than an employee of a consulting engineering firm. I also want to come back to this comment that both the First Minister on an earlier occasion and to a certain extent the Minister of Mines and Natural Resources on a more recent occasion, have indicated the lack of contrary technical or engineering advice to substantiate any course of action other than the one that was taken. Well, Mr. Speaker, I want to point out that contained in the 1972 report, which is pretty early in the game and it is still early enough to make decisions, there is a . . . The only forum where it was possible for anyone who wasn't under the umbrella of Mr. Cass-Beggs at Hydro, the only forum that was ever created was the Water Commission forum and the only documented technical information that was ever presented — and thank God it was, Mr. Speaker, thank God it was —

MR. SPEAKER: Order please, order please.

MR. CRAIK: . . . came from a person whose documentation is contained in the Water Commission report. He's a scoundrel, he's a scurrilous scoundrel because his name is Gordon Spafford and who, I gather from comments from across the way, was no more than an employee of a consulting engineering firm. So what? Well, he happened to be the person who is probably one of the most recognized hydraulic men in Canada; he is also the person who was very largely involved in the development of the design for the Grand Rapids system; he was also involved in the Churchill River Diversion and presented the report in 1970 that recommended the mid-level diversion of 854 feet; he was also involved in the Fraser Valley flood control in his earlier years; he is probably one of the most renowned hydraulic men in Canada. But, of course, he is put down pretty heavily now, he's a scoundrel. He is also ruled out by the present Chairman of Manitoba Hydro who just said "We didn't accept his advice." Well, you know, that's almost like saying that he is excommunicated, we don't like him, we don't accept his advice. It's not that his advice is bad or otherwise, we just don't accept it. But he has a track record, Mr. Speaker, that is one of the most enviable in Canada. He was trying to tell them all the time, but they wouldn't listen. They didn't listen when he did tell them.

This isn't a purely political balloon that the Opposition has been trying to blow up over the last eight years over this matter; it is because we sensed what the Member for St. Johns talked about, that this is a capital intensive business and we are now getting the repercussions.

Anyway, to give you chapter and verse, he said at that time: "During the past two years I have attempted to explain to those people in the government and Hydro, with whom I could make contact, my concern that the power benefits obtainable from Hydro's proposed control of Lake Winnipeg are minimal." And that's written in February of 1972 and he says: "For two years beyond that he's been trying to talk to Hydro and this government, to try and tell them that they are minimal." He goes further, he states here in this report that the benefits on Lake Winnipeg from Lake Winnipeg control, the \$300 million investment we now have, could be bought at a cost of \$50,000 a year. And he says, "Why build it to cover those dry days? You can buy your insurance for \$50,000 a year." Now, could anything be more clear? Is the government still going to insist that it didn't have the technical advice? It was there all the time; it was contained in the 1970 Underwood McClellan report wherein that report it said Lake Winnipeg, even at some point in the future, would be worth, to the system, only of value if it could be built for less than \$15 million. And here it says you could buy all the insurance you need on Lake Winnipeg for \$50,000 a year. What are the interest charges on \$300 million a year? At ten percent they are \$30 million a year, enough to fund half of your Medicare premiums or a third of them; enough to operate a whole university. That is why we have increased power rates.

A MEMBER: Double.

MR. CRAIK: Mr. Speaker, last year Lake Winnipeg was not controlled. The control level by licence on Lake Winnipeg is 715 feet maximum; a year ago now Lake Winnipeg was above 715 because it

wasn't controlled. It never got down to 715 until August and by October, with control, we had a problem and the government isn't able to stand up — isn't that testimony in itself that you had no problem with lack of water last summer? You would have had a bigger problem had you had Lake Winnipeg under control a year ago because you wouldn't have even had 716 feet on the lake; you would have had to by licence keep it down. — (Interjections)—

That's right, that is the Premier standard remark but I am going to disregard it, Mr. Speaker. Let me leave him with the question: Can he convince this House, or can he convince anybody else, that had he gone into operation a year ago with less water on Lake Winnipeg, which he would have had to have because the licence says you cannot have more than 715 feet — he would have been in worse shape now than he is right now, Mr. Speaker. He would have been in worse shape.

MR. SPEAKER: Will the Honourable Minister of Mines state his point of order.

MR. GREEN: The licence says no such thing. The licence does not say that you cannot have more than 715 feet of water and my honourable friend as an engineer knows that. When the water reaches 715 there are no longer any controls and you take whatever natural course the water follows.

MR. CRAIK: Mr. Speaker, the Minister can go back and read his other publication put out by the Manitoba Water Commission which was the selling document behind the idea of the control of Lake Winnipeg, to prove under average conditions that they would keep the level of Lake Winnipeg at or below 715.

MR. SPEAKER: The Honourable Minister state his point of order.

MR. GREEN: You will find in that document, if you read it, that every place that I went to I said that we could not keep the water at a maximum of 715 feet. If he will look at that report he will see that every community that I visited I told them that we could not keep it at a maximum of 715.

MR. CRAIK: Mr. Speaker, in bad years it is true that it is indicated but last year was not a bad year.

MR. SPEAKER: Order please.

MR. CRAIK: Mr. Speaker, the point I am trying to make is that had the government had control of Lake Winnipeg a year ago, they would be in even worse condition than they are now. They would be in a worse condition than they are right now. They spent \$300 million and they can't even stand up and say that if we didn't have Lake Winnipeg control the situation would be worse. — (Interjection)— Well I tell you that if the First Minister could, he would have done it long ago.

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

MR. SCHREYER: I suggest my honourable friend should take this in his pipe and smoke on it, that if the level today is 711.9, that without regulations it would be 709.8. Now I would like him to disprove that; I happen to believe that to be a reasonable proposition. On the 15th of March he will have ample opportunity to ask all these detailed questions. In fact, I will insist that he ask them so that some of this garbage be cleaned up once and for all.

MR. CRAIK: Mr. Speaker, the First Minister can call it garbage the same way he called people who I respect in this business, "scurrilous scoundrels and dastardly bastardly liars."

MR. SPEAKER: The Honourable First Minister state his matter of privilege.

MR. SCHREYER: That, Mr. Speaker, is a point of specific privilege. My honourable friend says that I have referred to Mr. Spafford as a scoundrel; I would like him to indicate where I have done so because I am not in the habit of referring to people in that fashion if I believe that they have technical competence and I have not suggested he doesn't. What I am suggesting is that people of at least equal competence, such as Mr. Leonard Bateman, have advised us to a different effect and I resent the innuendo that somehow those people of long experience have no technical competence. That I resent, it is something that one should puke about.

MR. CRAIK: Well, I suggest the First Minister go have a puke then.

MR. SPEAKER: Order please. Let us raise the level of debate and stop becoming personal. I do think the honourable gentlemen at the present time are not up to their standards. Will they kindly get back to a better plane. The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I say that the evidence speaks for itself. The evidence speaks for itself, Mr. Speaker. Time will tell.

MR. SPEAKER: Order please.

MR. CRAIK: Mr. Speaker, Manitoba's heritage always was that it was a hydro-rich or low power rate province — (Interjection)— Well, Mr. Speaker, the First Minister can present his defence of it or otherwise on his own occasion.

Mr. Speaker, when the Nelson River project was undertaken the projections continued to put us in the category of being an energy, economic area, and Mr. Speaker, that's what has been lost and it's been lost unnecessarily.

Mr. Speaker, not only has the Lake Winnipeg control that I have mentioned been a complete and absolute bust, primarily because our system is too small to stand a front-end load of that magnitude, we just don't have the capacity to pay for that kind of a Cadillac, we can't afford it, and this is what the

whole argument has always been about, it has been what you can afford. We haven't accused the government of any malicious actions in terms of the construction. We haven't accused Hydro of not designing good structures. We haven't accused them of bad water-haul contracts. We simply said that our system can't afford the course of action they've taken and that course of action has not changed one iota since the day that Mr. Cass-Beggs and the First Minister laid it out. It hasn't changed one bit. The people that tried to discourage him at that time didn't try to make a public issue of it. They went and spoke to the First Minister, I know they did. I knew later, I didn't know at the time — I went and spoke to him privately myself and said: "This is going to be a political issue for the next "X" years, will you not reconsider it now, because the course of action that is going to be initiated now is going to be a terribly expensive one." It didn't take a technical person to see that. It took simply a person who has some sort of moxy about capital investment. It took a good housewife to look at it and say, "I can't afford that this year. I may be able to afford it next year." Mr. Speaker, that's what the Member for St. Johns told us last night in his speech that he found out, it's a capital intensive business and we just can't stand the front-end load, and that's what has resulted.

The Churchill River Diversion that was initially to have been \$45 million has now escalated up to well over \$150 million or more. Sure there's been inflation and there's been increased labour rates and there's been increased interest rates, but none of those make up that difference. It's just that it's gone on and on and on, and here we are this year and we're importing power. The Churchill River Diversion should have been settled, the matter should have been settled. The government's own air base would even have been flooded out had they run it up to two-thirds capacity a month or two ago. We understand that it's now moved. The Town of Thompson's water supply, it's been known for seven years that it was going to have to be moved, fixed up and settled. The community of Nelson House, a very thorny problem, the problem existed five years ago. It was known by the government at that time that a settlement was going to have to be made. Many members of the Opposition visited that two years ago and the people of the town at that time were saying, "We're getting information from Hydro, but we are not having communications adequately with the government." It isn't that they were trying to create the sort of a storm that was going to cause an indefinite postponement of the project. All of these things, Mr. Speaker, should have been done, but for the maladministration of this government, but for their inability to ever separate out the big decisions regarding people and money from the little decisions, and eight years after the fact we find that it's a capital intensive business and it's costly.

Well, Mr. Speaker, the government right now could be operating the Churchill Diversion. We could be operating the Jenpeg plant, although it's not really significant. We could be not only not importing power, we could even in this dry year be exporting power. We could be doing it without the Lake Winnipeg control which the government knows at this point in time. We could be doing all of it with at least a \$500 million saving and probably a \$600 million saving; and here we are instead sitting here importing power to Manitoba at a time when we're supposed to be exporting. That in a nutshell is the answer.

The problem is and the reason that this is going to go from a debating issue to a political issue is that people now understand because it has caught up and it's showing up on the hydro bills, and it's going to show up even more. Even the increase this year of 20 percent is significantly higher than the increase that was announced a year ago that would take place at this time. Even the one year's, 12 months, period does not seem to be a short enough period of time for the government to know what its hydro increases are going to be the following year despite all their pseudo information and expertise that they present to us.

Mr. Speaker, I want to say one more thing. The First Minister is wont to sort of shuck off his responsibility onto the technical people when the going gets tough, and when we get critical he likes to say or suggest, "You're demeaning the integrity of our engineers and their advice and Mr. Bateman and all the rest." Mr. Speaker, let me tell you what the real situation is.

We have never had access in the Public Utilities Committee to anyone other than what the government wanted to give us. There has been a successful attempt on their part to make sure that there was no other representation before that committee. There has been no other arena with the exception of the Water Commission hearings at the time of some of the decisions in the early seventies for any sort of a forum, and that wasn't a particularly good forum. It wasn't the sort of forum where you're going to get into the examination that's required on these decisions.

It isn't a situation of one set of information being criticized singularly by the Opposition. What it is, is the complete avoidance of the government from listening to any other information. There's only one way that's going to be done and that is going to be through a Court of Law, through a Judicial Enquiry. When that information is going to come up the men that present that information are going to be under Oath and they're going to be cross-examined under Oath and then the decision will be made. Then it will be found that the decisions in this issue are not the primarily technical or engineering decisions. The decisions that are important in this have been the straight government decision whether it's been based on technical information, whether it's been based on politics,

whether it's been based on their own inadequacy to weigh those issues or what it's been, then it will come out.

We don't expect for one minute that we're ever going to get a proper forum between now and the change of government to find out the answers to many of the questions that we've been trying to depose unsuccessfully over the last many years.

So, Mr. Speaker, I say to the government in conclusion, don't try and suggest to us that you didn't have information presented to you that was contrary to the course of action you took. It was always there. Don't call the people that presented that information scoundrels.

Mr. Speaker, we haven't on this side got to the point of calling the people that present the government with this information scoundrels. We've just asked for the forum to be able to adequately cross-examine those decisions.

The government stands up and says, "We are the government. We make the decisions. If you don't like us you throw us out." They don't have to listen to the Opposition. Well, obviously they never have. So now our one course of action is to do exactly that and we intend to bring this issue before the people to make sure, Mr. Speaker, that they will know exactly where the responsibility lies for the increase in hydro rates. The information is clear. The government hasn't even got a defence at this point in time. They're running scared of the fact that the problems we're into in hydro production at the present time are they are their own making. running scared. They're trying to blame it on an Act of God, developed that sort of a psychology.

We read headlines back a month or two ago where Manitoba is acting as the broker for power being brought in from the States and distributed into Ontario to help Ontario out and a little bit for us. Mr. Speaker, those headlines will fool the people for awhile, but sooner or later they're going to find out. Manitoba has no legitimate excuse to be in the problem it's in at the present time either from a power shortage point of view or from a cost and price point of view. Those two things are going to, at some point in time if we are successful, Mr. Speaker, be brought home to the people for their full understanding.

Mr. Speaker, in a recent discussion with the Minister of Mines and Natural Resources I heard a word used that probably demonstrates best this whole situation that we now face in the Manitoba Hydro, that is the word that describes what is happening is a Yiddish word *chutzpah*. Mr. Speaker, I saw this referred to in a profile story on Mr. Barrett, the former Premier of B.C. where he was described by some members of his family as possessing *chutzpah*. *Chutzpah* is a Yiddish word which I understand is best described by a person who is before the courts on a charge of having murdered both his father and his mother; and his plea to the courts is before them to have mercy because he is an orphan.

Mr. Speaker, I had to check with the Minister of Mines and Resources this morning on the actual spelling of the word. For the Hansard people it's spelled C-H-U-T-Z-P-A-H.

Well, Mr. Speaker, I suggest that *chutzpah* alone, in other words the colossal gall alone is now going to the people and suggesting to them that they ought to have mercy on them because they're the deliverer of this very cheap energy source in Manitoba, is not going to wash any more than it washed for Mr. Barrett in British Columbia.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HONOURABLE BILLIE URUSKI (St. George): Thank you, Mr. Speaker. I had not earlier intended to take part in this debate, but I felt there were some comments I wished to make on some of the speeches that have been made to date and contribute somewhat what I think may at least throw some light onto some of the issues from my point of view on the debate on the Speech from the Throne.

First, Mr. Speaker, as traditional as it is I wish to congratulate you in presiding over the affairs of this House once again, and to my colleagues the Member from Logan and the Member from Emerson for moving and seconding the Speech from the Throne. And as it is customary I welcome the Leader of the Opposition, the newly elected Member from Souris-Killarney to the House. I have listened to his remarks earlier in the week, his rebuttal to the Speech from the Throne with great interest.

There are several things I wish to contribute in this debate too, and of course I listened with great interest in his statement about automobile insurance, and the way the Conservative Party is approaching this next election saying that we have a government-run automobile insurance monopoly in Manitoba; and whether or not one agrees that establishing Autopac had any social or economic priority one can certainly still get into a good argument about that. He says, "It clearly cannot be dismantled today in the public interest."

Mr. Speaker, I want to say that is certainly an interesting statement because it is a complete reversal of what the Leader in his capacity before he was a Member of this House was saying that he would want to bring freedom of choice to the automobile insurance industry.

But you know, Mr. Speaker, and it's funny, I really wonder what is really in the background or in the mind of the Leader of the Opposition? Is it to say to people or to attempt to fool people of this province as to what their clear intentions are? Because, Mr. Speaker, I would venture to say that if they were conducting and going to be conducting a campaign they would want to be as close to their

allies as possible. . .

MR. SPEAKER: Order please.

MR. URUSKI: . . . in the forthcoming campaign dealing with whatever assistance they could get from the industry like they got in the 1973 election about freedom of choice, they would want to be as close to them as possible. So I would imagine that unless there have been prior meetings with the industry and statements made by the leader to them saying: "Look, I'm going to be making certain statements now but when we get in things will change."

Well, I want to say, Mr. Speaker, what has been the net effect of the people of Manitoba operating their insurance company collectively, in one form, since 1971? Mr. Speaker, in 1971 the private sector filed their financial statements. They indicated that they received premiums in Manitoba, roughly \$35.6 million, in premiums in 1971. That's what they filed, but of course they did not have the entire insurance because many vehicles were not insured, many policies were under-insured. When one would calculate that out for example only 71 per cent of the vehicle owners did have medical payment insurance, 55 percent did not have protection of the no-fault accident benefit, 26 per cent did not insure their vehicles against collision, six percent did not have any fire and theft insurance, and there was also a small proportion did not carry any insurance.

When one would calculate that out and put it on an equal proposition or equal footing with auto insurance if we were to say, "From today on, rather than have the public of Manitoba operating one corporation, we will allow the private sector to operate on the same basis and have the entire insurance portfolio". It would have netted those companies approximately \$45 million, in the initial stages. And this was, as a matter of fact, brought out in the annual report and I have not heard any comments to the contrary that this would not have been the case.

Well, Mr. Speaker, if you calculate that out over the last five years from '71 to '76, what would have happened? I've used in my calculations, Mr. Speaker, three assumptions: that the private insurers package would consist of issuing 100 per cent of the vehicles, like Autopac, and having basically the same coverage, that a five percent increase in vehicles and drivers — each year there would be a five percent escalation, and that in effect has happened with the corporations, so those statistics are virtually the same. And as well I have calculated out a nominal increase in premiums over the last five years, of ten percent in two years, ten percent each year for two years, and fifteen percent for the three years — annually. So you've got increases in the five years of that kind of progression. — (Interjection) —

This is, in fact, even lower what has been done. I have used what maybe one would call a conservative estimate.

MR. SPEAKER: Order, please.

MR. URUSKI: Mr. Speaker, if you take those calculations and you look at the years of 1970-1976, a five-year period, and you compute those figures — and I have not included investment income or anything like that — I have used just straight premium increases and the increase of five percent on vehicles and drivers. One would total up total premium from 1972 - 1976 based on the \$45 million figure, the motorists of Manitoba would have paid approximately \$440 million in insurance premiums.

What are the facts, Mr. Speaker? From 1972 - 1976 the motorists of Manitoba paid to the Public Insurance Corporation an actual figure of \$283 million in premiums. What is the difference? \$156 million, Mr. Speaker. That is the reason they are now standing across the way and saying, "We will not do anything to ruffle the feathers. We will not change it because it cannot be changed". Well, I want to tell you, Mr. Speaker, I think it's a sham. It is only a statement being made now because if the motorists of Manitoba, in effect paid, and would have paid an additional \$156 million at least, and that is not even including the investment income which is over . . . — (Interjection) —

MR. SPEAKER: Order, please.

MR. URUSKI: No, Mr. Speaker, the total premiums that I have quoted you include the gasoline tax — the entire financial picture of the corporation. Gas tax, baloney. We're talking about premiums and premiums.

Mr. Speaker, \$156 million at today's cost are roughly two years of premiums. Every motorist in Manitoba, at today's rate, would have paid an additional two years of premiums, had it remained in the hands of the private insurance companies, and nothing less. And nothing less. That is why the Leader of the Opposition gets up and says, "We will really not do anything to change at this time". I am wondering, I would want to say what kind of deals have been made between he and the private insurers, when they come into office.

Mr. Speaker, what happened in British Columbia? — (Interjection) —

Mr. Speaker, that includes everything. Everything is financed out of the premiums in this. That includes everything. In fact, what it doesn't include is the investment income. If we include the investment income, Mr. Speaker, over these last five years that figure would not be \$156 million; it would be closer to, I would say, \$170 million. It would be even higher. I am keeping it low.

So, what has really happened, Mr. Speaker? What is really taking place? The Conservative Party

says we don't want to rock the boat. We want to say that the program has basically been good, but we really don't believe in it. We really have to be friendly to our friends in the private sector and we have to, now, gain power first and then we will change the entire system and be able to try and foist in whatever mechanisms they want to try and do away with the people of Manitoba operating its insurance scheme. But they will not be fooled, Mr. Speaker. \$156 million will not fool the people of Manitoba, because that means two years premiums. If that's the kind of program, or that's the kind of discussions that have been had, that will not fool the people of Manitoba, Mr. Speaker.

The Leader of the Opposition in his remarks goes on and he makes broad statements about efficiency and overspending and yet he goes on and he says we must have a tax system that is not out of line with those of our neighbouring provinces. A tax system that functions progressively but without creation of disincentives. Mr. Speaker, in his speech he said pharmacare was good. Nursing home care was good. All the health programs that have been instituted over the last seven or eight years have all been good. They're not going to do away with anything. Well, Mr. Speaker, who is he trying to fool? If he is going to continue these programs and finance them, and finance them the way they've been financed, at least he says that medicare premiums should be in effect financed the way they are — on the ability to pay principle. Well, they fought medicare in '68, Mr. Speaker, while they were dragged in by their heels into the medicare program by the federal Liberals, and they imposed a \$204. annual premium on the families of Manitoba.

Mr. Speaker, does the Honourable Member from Pembina know what the health care bill for the province of Manitoba is? What did the Member for Morris say, Mr. Speaker, in some of his speeches? He hinted that surely — and I want to look at it. Mr. Speaker, I believe he hinted at a return to private medical insurance, if elected, and said nobody denies the need for some kind of insurance — so I presume it was health insurance, but suggest that it has to be universal. —(Interjection)—

MR. SPEAKER: Order, please.

MR. URUSKI: Mr. Speaker, if the member now is saying that it was hail insurance, if that's what he was quoted, I will not even dispute that. Maybe, he was talking about that. That certainly was not the impression that was related in the Tribune of April 24th, 1976, Mr. Speaker.

If they believe that they are in the programs that this government has instituted and they believe in a tax system that is progressive, then what is really going to be changed, Mr. Speaker? What are they intending to change? Because the fact of the matter is, I believe that all you have to do is look at our neighbouring provinces. The province of Ontario still philosophically believes that there has to be an annual per head poll tax on to pay for medical insurance. They brought it in and now they're saying, "Well, really, it isn't feasible. We will continue it".

I believe, Mr. Speaker, that the Leader of the Opposition, and the Conservative Party is trying to foist a sham on the public of Manitoba. I don't know whether they think people are stupid or not. That they should be believed. I really don't know. If they sincerely do ... —(Interjection)—

MR. SPEAKER: Order please. Order.

MR. URUSKI: I think, Mr. Speaker, that the members of the opposition will have, not only a difficult time, but I think they now have reversed their positions and they will be in a much more difficult time explaining as to what they intend to do and what they continually intend to do.

I wanted to make also some comments about the Hydro situation as I understand it, and I have not taken part in the debate on Hydro to any great extent, at all. I want to make some comments about the hydro investment situation as I understand it. I don't know what you fellows are really getting at. The \$500 million, are you saying and I want to know, are you saying that if you were in power that you would not have invested any money in northern development? Is that what you are now saying. That the entire northern development wasn't going to cost anything, and that you weren't going to invest any money into the northern hydro project? If you were not going to invest any money into it, or if you were going to invest any money into the northern project, did you not expect that hydro rates would increase, because of the investment that you would be undertaking? Who are you trying to kid? I would venture to say, and I am not a historian, I would venture to say that the same debate that we are debating now about hydro increases would have taken place when the Winnipeg River projects were being put into place. When the huge capital investments of the day were being put on the Winnipeg River that the opponents of that great amount of investment would have said, "Look you are going to bankrupt us; the increase in hydro rates will force everybody down". Now that those plants are paid for and everything is running smoothly, now nobody says anything. If those debates did take place, Mr. Speaker, then in fact that is what is happening now, are they, the Conservative Party, trying to suggest that they would not have invested any money in northern Manitoba, and that hydro rates because of the hundreds of million dollars of investment that are required to place those plants in the river, that the increase in rates would not have taken place? Who are you trying to fool? Who are you trying to fool? That if you're going to invest half a billion or a billion dollars in new plants to take account of what our future needs in this province are going to be, then one has to expect that there will be increases in hydro rates. That we are investing for the future.

Now, the issue of whether it should be South Indian Lake or some other, then that's fine. If that's

the debate, then that's fine. All that one has to then indicate is the size and the storage capacity of Lake Winnipeg and the beneficial effects of the regulation on Lake Winnipeg. They said it was going to flood every cottage owner around the lake. In fact, Mr. Speaker, during the meetings around the lake, that was exactly the position of the Conservative Party — that people living around Lake Winnipeg were going to be flooded. You know, they even got people so stirred up during that debate that the Mayor, I believe, of Winnipeg Beach came to the meetings and said, "Look, our sewers are going to be backed up because the water is going to come back up our sewers, if you're going to regulate that lake". I was at that meeting and I asked them, "Are your sewers being flooded now?" And he said, "No". I said, "Do you know what the level of the lake is today?" and he said, "No". The lake, I believe, at that time, was around 715 which is the maximum elevation. It was over that, and he said, "Our sewers aren't being flooded". And I asked him, "Do you realize that the maximum regulation under normal circumstances would be 715? He didn't realize that.

Mr. Speaker, I believe that the members of the opposition, through their attempts to throw complete fear into the people living around Lake Winnipeg, that they attempted anything against the regulation of Lake Winnipeg. But it didn't work. Mr. Speaker, look at what has happened, in fact.

But, Mr. Speaker, the future, in effect, will really tell the story. The size and the storage of Lake Winnipeg for hydro-electric purposes will be much more beneficial, and much greater than the impact on South Indian Lake. I believe the figures are, and I stand to be corrected, that six inches on Lake Winnipeg of storage capacity is equal to at least five to ten feet (somewhere in that range). Or one to seven, one foot on Lake Winnipeg is equal to seven feet on South Indian Lake.

Mr. Speaker, if that is, in effect, what the impact is . . .

MR. SPEAKER: Order, please.

MR. URUSKI: If that's, in effect what the differential is then you could have flooded three-quarters of the northern area of Manitoba, including the City of Thompson who this year has been very concerned about the impact of the level diversion' at this point in time. Can you imagine what the City of ompson and the impact on those communities would have been had you implemented the high level diversion? It would have flooded them right out. Just no doubt about it. I imagine that bridge that's in Thompson, that was constructed under Joe Borowski, would have floated down the river. If that's what you are purporting then I think you're fooling no one but yourselves. I really think you're fooling no one.

Mr. Speaker, when you talk about efficiency and administrative capacity and capability — you know, what happened in the CFI enquiry, Mr. Speaker. What did the CFI enquiry conclude about the administrative efficiency and capacity of the previous administration? —(Interjection)—

Mr. Speaker, the commission concludes, and I quote from the commission report, Mr. Speaker, on page 1912 "that the commission concludes that an informal committee of cabinet composed of Roblin, Evans, Lyons, Steinkopf, conducted negotiations with Oscar Reiser in September of 1965, which negotiations led to acceptance of Monaco's proposal, that the cabinet group made no adequate inquiries about the bonafides of Oscar Reiser or the investment group he claimed to represent. In agreeing to deal with the representatives of unknown Swiss principal the cabinet group acted unwisely and laid the foundation of the fraudulent activities that later occurred." Mr. Speaker, that is the independent Commission of Enquiry Report that —(Interjection)— . . .

MR. SPEAKER: Order please. Order please.

MR. URUSKI: I presume that if it is an independent commission, they would have accepted those recommendations, yet the Honourable Member for Lakeside says it wasn't "our" commission, it wasn't "our" enquiry. It would be similar to the commission or the campaign that is going now in the agricultural debate, the freedom fighters campaign. It wasn't the freedom campaign or the commission of the Honourable Member.

What else did that commission say, Mr. Speaker? I quote page 1913 that the "government was unwise to grant timber rights to CFI over a vast area of 43,000 square miles which constituted a practical monopoly of timber lands in Manitoba." That is how they looked after the little operators, the little man whom they are so concerned about now. They are so concerned about the north now, about the little man. They virtually gave a monopoly to one corporation that they had no control on. None of the communities today —(Interjections)— . . .

MR. SPEAKER: Order please. Order please. I am going to have to ask the Honourable Member to contain himself. Order please.

MR. URUSKI: Mr. Speaker, the fact of the matter is that if the public of Manitoba is investing the money, the public of Manitoba has control of the situation. That is what is in effect today. At least the communities of northern Manitoba are being encouraged to set up lumbering, sawmill operations and the like to be able to cut and provide useful employment opportunities for those people in the north who have been virtually on welfare. That is what has been turned around. That is what has been turned around. —(Interjections)—

MR. SPEAKER: Order please. ORDER! Order.

MR. URUSKI: Mr. Speaker, what else did the commission report say? That the financing

memorandum of loan agreements accepted in writing on October 8, 1965, was open-ended, and that there was no ceiling on the amount of the loan to be made by the fund to the operating company to be created by Monaco. The commission concludes that "a considerable subsidy accrued to CFI because the loan was made at a fixed interest rate, and interest rates rose markedly during the years before the money was drawn down."

That is what we call financial prudent management. We sign an open agreement and take whatever monies you want and we will subsidize you. We will in effect pay whatever interest rates there are in it. That's what we call prudent management. That is what our Leader of the Opposition says, "We will provide prudent financial capacity and capable management. We will handle the day care program in a more efficient manner."

What is he really trying to say? How does the day care program work? All you have is a program of direct financing with virtually limited administration because the program operates through a non-profit corporation system, with non-profit groups organizing and forming boards. What kind of efficiency is he trying to say is going to be brought into the day care system? The kind that he brought in in 1965 with an open-ended agreement and interest rates by the commission? I doubt it, Mr. Speaker. I doubt whether the people of Manitoba will accept that kind of prudent management statistics.

What else does the commission indicate? The master finance agreement reads, "The fund shall loan 86 percent of the first \$40.7 million of the said total investment for stages one and two, and 60 percent of any excess over that amount." That is what they promised to the investors there. The terms of the government agreement gave inadequate protection to local woodcutters because the words gave the company, CFI, an effective veto power over the government's policy to give established local cutters the right to renew their cutting licences. That is what I was referring to, Mr. Speaker. If they are denying that they in effect did that, that is in effect what was in the agreement.

As well, I quote from page 1916 "The commission finds that the government agreement did not adequately protect the water resources of the areas affected from serious pollution by the operators of Te Pas project." And in an open-ended agreement, Mr. Speaker. They are now the Conservative Party. I could go on and on. I will have an opportunity to continue on in the financial prudence and the analysis of the Conservative Party's financial administrative capabilities that they are now toting to the people of Manitoba as being prudent and efficient managers. If that is the tenure that they say will continue, I think the people of Manitoba will certainly want to hear, and I am sure they are desiring to hear, what management capabilities were there at the time. I want to go back to what the announcements were like in the paper prior to the investment monies. Headlines in the 1967 paper, April and May of 1967 . . . —(Interjection)— . . . No, it was a couple of years before when the government was desperately looking for an investor in search of a pulp mill. They were searching. —(Interjection)— Oh, yes, that is exactly the quote I am looking for. The Member said that there was a million investment available to developers in Manitoba for a . . . Oh, yes: "Manitoba Operational Industrial Breakthrough." This was signed by the Premier of Manitoba of the day, Duff Roblin. And Mr. Speaker, I quote from that. "We believe there are certain key industries which should locate in this province and which in turn will develop supporting industries and services. To ensure that these projects happen, we have added to the important work of the Manitoba Development Fund a very special role in the establishment of key viable new industries. Examples of such key industries basic to growth and which we seek are the chemical industry . . ." The chemical industry. Mr. Speaker, which chemical industry? Was that the chemical industry in Brandon in which the public of Manitoba financed 100 percent of the building of the chemical industry? Is that the one? Oh, Oh, okay. That is the one. . . . pulp and paper, soft goods, primary steel and iron, agricultural processing and scientifically-oriented businesses. The government of Manitoba is prepared to provide the Fund with \$100 million if required to ensure that these projects take place. We call this operation industrial breakthrough."

Aell, Mr. Speaker, you want to believe it. That's operational industrial breakthrough. That was a breakthrough where the public of Manitoba has invested in fact more than 100 percent of the project because of the siphoning off that took place in the contracts that were signed. They financed entirely and had no control and would have picked up continually the deficits, I am sure, that that corporation would have sustained because there is just no way that that corporation with that amount of money would be able to pay off the long-term debt load. In fact, now I believe the Auditor's report says that the investment cannot be paid off. Our Provincial Auditor wrote off \$61 million saying that that cannot be paid off. That is what we call industrial breakthrough. That is what we call financial prudent management operations that the Conservative Party is offering the people of Manitoba. I suggest, Mr. Speaker, that whenever the election be called, the people of Manitoba will indicate what kind of financial prudent management they will undertake. Thank you.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. BLAKE: Thank you, Mr. Speaker. There are a great many Members of the Legislature who

Friday, February 25, 1977

probably want to speak in answer to the Throne Speech debate. I don't know whether I will use up all my time or not, I hope that I don't belabour some of the points as long as some of my colleagues have. Mr. Speaker, I want to begin by congratulating you, as is the usual custom, on occupying that Chair again for another session. I know that from time to time I chip away from my seat and I assure you that I will use my best judgement this year to curb my immediate response to some of the members opposite. I would like to congratulate also the mover and the seconder in replying to the Speech from the Throne. The Member for Logan delivered a great condemnation of our party and flailed away at the glories of past accomplishments of his party, which he is prone to do when he is given the honour of replying to the Throne Speech debate. I also want to congratulate my leader in being in the House once more, representing the constituency of Souris- Illarney which is very similar to the constituency which I represent. I share his views on the people in those constituencies and throughout all of Manitoba, for that matter. —(Interjection)— Yes, our former leader is still in the House. I understand he has suffered some unfortunate family disaster and is not here at present to take part in the Throne Speech debate, but I am sure the members opposite will be hearing from him at some length when he is back in the House.

Mr. Speaker, I just want to remind the members opposite once more that the Minnedosa constituency is bounded on the north by the Riding Mountain National Park and on the south by the N. 1 Highway, —(Interjection)— and bounded by Brandon West, yes, I mustn't forget that. I will get around to that matter. We are having a little problem there right now, in reply to the Minister of Mines.

We can't go without making some comment. We have enjoyed some of the progressive steps taken by this government over the past few years. A great many of them were a continuation of the good programs instituted by the previous administration. The Town of Minnedosa has a personal care home in the last two or three years as well as some other low-rental housing. I understand there is to be a new personal care home designed shortly for the Town of Hamiota to provide for a need there that they tell me is critical. Their housing situation there is quite critical for some of the elderly people. Also, I believe there is one small fourteen-unit one going up in Newdale. So for these progressive measures we are most happy to see them come in our constituency because those good people need all the care and attention they can get.

Mr. Speaker, I did want to say a word on tourism. I mentioned being bounded on the north by the Riding Mountain National Park, but also in my constituency there is an area in the Sandy Lake area - not particularly Sandy Lake, but throughout that whole area - where there are many, many fine lakes and small lakes that provide a tremendous tourist resource. While they are not being completely neglected, they are very nearly being neglected. The new Minister of that department is very familiar with that area and hopefully, with the urgings of those of us on this side of the House and those who might even be closer to him (I understand that his wife is from that area also), there is an area there that can be developed. The potential is great. I will mention something on highways later on. Highway 250 leads into that area and the Minister of Highways has had a delegation in to speak to him about the condition of that particular road. There is an area there; I think it hasn't been developed to its fullest extent over the years.

While I am on tourism, I just wanted to mention also that the Minnedosa area has a local park. It was selected for a regional park site apparently a year or so ago, two years ago. There was also one, I believe, in Birtle-Russell and a couple of other places in Manitoba. The people had some meetings, became very enthusiastic, and have spent a considerable amount of money out there only to find that this program has been completely withdrawn, I suppose due to budgetary restraints that we have heard something about. I don't know how the park will be finished, whether the money that has been spent there to date has been spent in vain or not, but I would urge the Minister, when we get to his Estimates, that there is something there that naturally has to be developed. We can't handle the number of tourists who are coming in there on weekends now. The park just has to be developed to some further degree.

I wanted also, Mr. Speaker, to make some mention of highways. As you are well aware, the bridge in our particular area, the bridge at Rapid City was washed out last spring. We realized after some months that nothing was being done by this government to replace that bridge. A temporary Bailey bridge had been put over the river and this provided relief for the small vehicular traffic back and forth because the river completely divides the town, but the farming community with their grain trucks and with their farm machinery had to make a detour of some thirteen miles west and down across where the river's lake is formed and back in from the west side of town. This created quite a hardship, not to say anything about the rural road that wouldn't stand the additional traffic.

When it became obvious that the bridge was not going to be replaced, we had several meetings with the rural people and the Minister was urged on many occasions to proceed with all haste to have this bridge replaced. We were told that there was no money available to replace the bridge. From this, the municipality and the town had another meeting and called me to their meeting and a delegation came into Winnipeg to see the Minister of Highways whereby we explained the hardships on the community, the fact that if there was a fire, the fire truck couldn't get across the river. The river was

virtually dry in the conditions that prevailed and it would be an excellent time to replace the bridge.

The matter of taking the Bailey bridge out in the spring run off and replacing it again wasn't acceptable to them because there would be several months in the spring run off when the

water was high that there would be no traffic allowed over the river and the detour of 13 miles would again be in effect. I was well aware of what had happened in my leader's constituency of Souris-Killarney; they went many, many months with a great detour around it and just not wanting to see that happen again, the delegation came to meet the Minister, and I accompanied them and expressed a strong concern that it just wasn't acceptable that there was no money and I have the subsequent letter from the Minister to the mayor of that town. It was just inconceivable to me and to the people there that there just wasn't money to replace a bridge on a provincial trunk highway. No government can plan for a disaster such as that — it was an act of nature, an act of God that that bridge was washed out — (Interjection) — no, it isn't rebuilt. There has to be contingency money available somewhere. The Minister informed us that we just don't have it. It was only a week before when I read in the paper that \$75,000 had been given to Thunderbird Lodge. Now, whether that was to haul in dirt or sod by aircraft to landscape that lodge or not, I don't know. But I'll tell you one thing, Mr. Speaker, that the principal of Thunderbird Lodge — Dave Courchene, all he needs is a gun and a mask because he can get money out of this government just like that — and there's no money available to replace bridges on provincial trunk highways.

A MEMBER: Dave, there's thirteen of them over there he said.

MR. BLAKE: Well, there's no question about that, but these are the kind of things, Mr. Speaker, that the people in the rural areas cannot understand when they are told there is no money to replace a bridge on a provincial trunk highway and then they read in the paper that money is being handed out like that, they just cannot understand a government that does business this way.

A MEMBER: We can't either.

MR. BLAKE: When the Minister finally realized the seriousness of not replacing a bridge on a provincial trunk highway — I don't know whether it was after I mentioned that there might be an election coming up this year or not — but they found some money. They're going to pour the footings or the pier in the river this winter while the river is dry, and there is no coffer-dam required . . . — (Interjection) — In reply to the Minister of Municipal Affairs, naturally the time to build bridges is in the wintertime. This bridge wasn't going to be built this winter. They would be two years without a bridge on a provincial trunk highway. Now that is unthinkable.

A MEMBER: That's the way they manage things.

MR. BLAKE: The Minister says in his letter "I am sure you will be pleased to know that construction is proceeding, however, the department cannot proceed beyond the construction of the piers because funds are not available. Monies will be available for the balance of the project on April 1st, 1977 after the Legislature has approved our budget." When you have the construction crew there, it seems prudent to me that the job should be finished, in fact, I understand that there may be tendering for the bids for the decking very shortly and that has not been without some urging by the local people because I don't think they'll let that contractor out of there until he finishes the job completely. Planning like that is just unbelievable and the rural people just fail to understand why there is no money available when they see money being handed out to places like Thunderbird Lodge. As I say, you just have to give that man a mask and a gun because he can hold the government up at any time at all.

MR. TOUPIN: How much did he get from us? How much?

MR. BLAKE: Seventy-five thousand dollars.

MR. TOUPIN: As a grant?

MR. BLAKE: I'll have to look up the item. Probably a loan.

MR. SPEAKER: Order please.

MR. BLAKE: The former Highways Minister, Joe Borowski, said he got \$50,000 over his objections before so I assume that it was a similar arrangement. — (Interjection) — When I'm finished, I'll let you ask a question, yes.

MR. SPEAKER: Order please.

MR. McBRYDE: Why don't you step outside and I'll speak to you.

MR. BLAKE: Mr. Speaker, . . . I'll step step outside you like, Mr. Minister of Affairs. The Rapid City bridge was completely and wholly important to that area and I am stressing the point that the bridge is going forward, they're grateful for it but they cannot understand the pressure and the haggling that they had to go through in order to get a bridge replaced on a provincial trunk highway. Had it been a side road or something like that, it would have been a little different.

I want to mention also, Mr. Speaker, the condition of the junction of No. 4 in the north of town, junction of Highway 4 and 10, where we have had many, many deaths over the past five or six years. I think there has been 17 deaths there in five years. Now we feel that overhead lights should be erected there; I find it difficult on occasion to be critical of the Highways department, I think that they've done studies, they've done surveys, they've got rumble strips in there that will virtually shake you out of the

car; they've got flashing red lights and I don't know what you have to do to stop the people going through that intersection and being killed. There have been some, as a result of the last four deaths there, some new precautions taken, hopefully they will do the trick. But I still feel there should be an overhead stop there, similar to the one at Portage, I understand there were many deaths on the Portage by-pass until overhead lights were put in and there have been none since. There again, when this was mentioned, the answer that we got was there were no funds available for this particular expenditure. —(Interjection)— well, it was similar to it. You'll have an opportunity to correct

While that, Mr. Minister, later on. I'm still on highways, I mention the delegation on 250; I hope the Minister appreciated their visit to his office and will provide for some improvement to 250. I mentioned it led into an extremely rich tourist area and hopefully something can be done there. The rural roads, of course, are the subject of a great deal of comment. We get many, many complaints from the rural municipal people that the roads are deteriorating and they're not being maintained well enough and I am sure the Minister is well aware of that.

Mr. Speaker, the government of the day has been shouting and waving their arms and hammering at our newly elected leader, and not once, as was mentioned by the previous speaker on this side, referred to the Throne Speech Debate. I feel that's an indication that they are concerned with the leadership on this side, and with the response that this party is now receiving from the public in Manitoba leads me to think that they're a little bit worried of just what their position might be. The Throne Speech mentioned, Mr. Speaker that there was going to be continued expenditures, the development of additional community residences and what-not for mental health. I was extremely pleased to see that mentioned in the Throne Speech because in my constituency I have a workshop for retardates, the Rolling Dale Home, which is a reconverted school at Cardale, Manitoba. They have received some government funding but they are not without their financial problems. They are doing a tremendous job there. The enrollment of patients, or students, whatever we can call them, is continually going up and the demand is increasing and naturally, they are going to be restricted space-wise. They have received some funds to put up another building that will operate as a workshop. The type of operation they were successful just recently in obtaining a contract for I think 100 picnic tables from the National Park at Clear Lake. This will provide them with work for the whole season and will be a tremendous help to them. So I was glad to see that, Mr. Speaker, included in the Throne Speech such as that, I think are worthwhile and can be supported.

The Throne Speech did not mention, Mr. Speaker, anything about the North, particularly about the fishing industry. We've heard an awful lot about the farming industry. I think the fishing industry is of great importance to Manitobans also from all areas. Southern Indian Lake we are concerned to see the Co-op there being disposed of or turned back to the government. There's disturbing reports there of the people not grabbing ahold of the fishing industry the way that it was felt they should or the way we would like to see them do it. I'm sure the Minister is well aware of what's happening there and I do hope that he is using every vehicle at his disposal to encourage the restoration of that particular industry that I feel should be viable in the north with some changes or with some assistance of some kind. I know the fishermen on Lake Manitoba or Lake Winnipeg also are experiencing problems of various kinds. The worst problem I think to have hit that particular industry is the fact that the Minister of Mines and Natural Resources when they hear his name, it just strikes terror into the hearts of the fishermen and I don't think they have completely recovered from the few years when he was meeting with them to help solve the problems of their industry. I think that is still with them. That industry I think can deserve and should receive a great deal of attention from the Minister, Mr. Speaker, and I'm sure we'll have a chance to discuss that more fully when we get into his Estimates.

The restraints mentioned in the Throne Speech we will only know what those restraints are, I suppose, Mr. Speaker, when we see the Budget. We know some areas have been cut drastically. My only hope is that the cuts they are making are wise ones and are not going to be detrimental to areas that are so important to the particular province. We certainly do have to maintain our bridges because it is a communication link and sometimes communication is very difficult for the members opposite to understand, be it by bridge or otherwise.

Municipal councils I know, Mr. Speaker, are concerned with a lot of recent government regulations. They feel that they have a tremendous input to make locally. They have given of their time to seek election and to become elected to run the various affairs of their towns and they're finding now with more government regulations and more government boards, that they are really becoming rubber stamps. They are not able to make firm decisions that affect their communities and have them instituted immediately or effectively. There are delays and holdups in various government departments in small zoning problems and things of that nature and I know it is becoming increasingly frustrating for them to try and operate under those particular conditions.

Mr. Speaker, it disturbs me when I hear speeches by members opposite on what they are doing for the business community. I feel that the economic climate in Manitoba is deteriorating. In fact, the President of Monarch Life mentioned it again this morning that this government did not enjoy the confidence of the business community. There are times when I am convinced that this government

particularly doesn't care whether they enjoy the confidence of the business community or not. That disturbs me, Mr. Speaker, because in our particular area, we cannot survive without good, viable small businesses and that leads to a strong economic community; and I think this government must put its best foot forward to assure that area of our industry that they are needed and that they are welcome and that they will be allowed to operate without any more government restriction or government interference because that is what the business community fears most. There is a study being done at the present time by a committee that have only had two meetings and already they tell me that some of the things they are uncovering are disturbing in connection with the business climate in Manitoba. —(Interjection)— They'll be making their report in due course; you'll see who it is. —(Interjection)— It could be a committee of the Conservative Party; it could be a committee of the Steelworkers Union . . .

MR. SPEAKER: Order please.

MR. BLAKE: They'll make their report in due course, Mr. Speaker. It might come in in time for the election; I hope it does because it's time the people of Manitoba really found out how many businesses have left and what the business climate is.

The members over there make light of the Succession Duties Act that we feel is being restrictive and should be increased but one of these days, Mr. Speaker, they're going to find the true impact of those restrictive taxes and find out how many people have moved their family headquarters or their corporation headquarters out of this province and those funds are lost for investment in Manitoba. They just don't come back and Manitoba can't afford to have funds like that leaving the province. It's important to us to have a good strong industrial base and a good strong economic base. We know that the rural farm community governs a great deal of our commerce in the province because if the rural communities or the farming areas are not doing well, the whole province suffers. The City of Winnipeg soon feels it if there is no crop in the rural areas and no funds available for the various goods and services that are provided in the City of Winnipeg.

We listened a moment ago, Mr. Speaker, to the Minister of Municipal Affairs give us a good lecture on CFI and you know, Mr. Speaker, that particular issue has been flogged so hard, my seat colleague gave me a good one-liner for the Minister. He said he was disappointed in his ability as a farmer because he should know by now that there's no wheat in flailing old straw and that's what he was doing, he was flailing away at old straw and bringing up old reports on CFI. We all realize what happened at CFI, we know that some funds were expended and lost in CFI but you go to The Pas, let the northern members go to The Pas and find out what they think of CFI. It's not a bad deal if there are eleven hundred or ten hundred people working up there, a great number of native people, we would like to see more. Those are the opportunities that have to be provided in the north. There are many, many things like that that might not be too popular. As I say, we all know what happened in CFI but if they think they are going to make an issue out of it, the Hydro fiasco is going to be a bigger issue than you will ever make out of that. —(Interjection)— There you are flailing old straw again, you can't come up with something new eh? Nothing wrong with the water hauling contract, I wasn't in this House, I'm not looking ten, fifteen years in the past, I want to look to the future. I want to look to the future, Mr. Speaker, because the Judicial Inquiry proved that there was absolutely no wrongdoings in the water hauling contract. It was a rumour that got started in a . . .

MR. SPEAKER: Order please.

MR. BLAKE: . . . hotel somewhere and was said to one of the members of the Liberal Party and they were going to bring down the government with it and it just didn't get off the ground.

Mr. Speaker, the Member for Riel, the Deputy Leader of the House, I think covered the Hydro situation very well this morning. If the members opposite think that that's not going to be an election issue, they better think again, because I represent a rural area, you can drag out statistics and figures until you are blue in the face but the people in the rural areas are getting a Hydro bill every month. I had a call yesterday from a widow who owns a farm, she lives in town during the winter, she got her bill the other day, her thermostat is down to 60 degrees and there is no one on the farm, and her bill is \$107.00. Her neighbour who lives on the farm has a small snug little bungalow, \$170.00 Hydro bill. The skating rinks, the curling rinks, are getting bills from \$1,700 to \$1,800 and that's going to be per month through the summer months as well as the winter months. These are the things that are bringing the Hydro disaster to the rural people and the city people are also starting to realize what has happened in Hydro because they also get a Hydro bill every month. If the members opposite feel that this is not going to be an issue, they better start looking around and start scrambling for votes because there's going to be an awful number of them on that side that aren't going to be back after the next election and Hydro is going to be one of the issues that helps to do it. There are going to be many many more, of course, on their mismanagement and various other bungles that they have made. We won't go into the Saunders Aircraft or the Flyer Coach Industries because that will be done at great length.

The Minister of Agriculture is not in his seat today, he is probably out on government business with Rudy Usick on the Independent Cattlemen's campaign for a yes vote. —(Interjection)— I would

Friday, February 25, 1977

like to see him run against me. I couldn't have it any better; he's got about as much credibility out there, Mr. Speaker, as I can't imagine who else I might think of. He's got the farm union syndrome, Mr. Speaker, and their membership is down. The National Farmers Union unfortunately has become known as the agricultural arm of the NDP Party and I don't like to see that because there are some good Conservative people members of the National Farmers Union. As long as they have members in charge like Roy Atkinson or Rudy Usick who have been preaching the multi-national giant corporations stealing the farmers blind for the last 25 - 30 years, people aren't listening any more. It's like the Greenpeace organization fighting the seal hunt in Newfoundland; they use shock treatment and everything else and they are not developing a great swell of public support. I think the National Farmers' Union can do a service to the rural community of Manitoba, but not until they get rational people in charge of it and get their membership up to the point where they represent the farmers of Manitoba. At the present time their membership just doesn't really significantly represent the farmers of Manitoba.

Mr. Speaker, I hope that I have left some time for someone else that wants to start and get something on the record before the lunch hour. I think I have concluded my remarks as far as I would want to go now. I am going to have much more to say on Estimates and naturally we will have more time there to question more thoroughly and let the government defend its position. Thank you very much.

MR. SPEAKER: The Honourable Member for Thompson. Order please. If it is the desire of the House, I will call it 12:30, the honourable member can start in the afternoon.

MR. DILLEN: . . . start this afternoon.

MR. SPEAKER: I will call it 12:30, I will be leaving the Chair and I shall return at 2:30.