

THE LEGISLATIVE ASSEMBLY of MANITOBA
Thursday, June 16, 1977

TIME: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Honourable Peter Fox (Kildonan): Presenting Petitions; Reading and Receiving Petitions.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

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

MR. A.R. (Pete) ADAM: Thank you, Mr. Speaker. I beg to present the First Report of the Standing Committee of Agriculture.

MR. CLERK: Your Committee met on Thursday, June 9, 1977 and heard representation with respect to Bill (No. 56) - The Farm Lands Protection Act, as follows:

Phil Schwartz, Birtle; Bert Hall, Manitou, President, Manitoba Farm Bureau; Ernest Sloan, Clearwater; Roger Lowe and Art Nicholson, Shoal Lake; Mike Sotar, Rossburn; Maude Lelond, Miniota; Bob Smith, Carroll; Jake Froese, Winkler; Morton H. Nemy, Winnipeg; Paul Klassen, Carman; J.K. Knox, CPR and CNR; Walter J. Kehler, Winnipeg; John Palamarchuk, Winnipeg; William Martens, Winnipeg.

Your Committee also met on Wednesday, June 15, 1977 and considered Bills:

(No. 3) - The Farm Income Assurance Plans Act;

(No. 56) - The Farm Lands Protection Act;

(No. 79) - An Act to amend The Real Property Act (2); And has agreed to report the same with certain amendments.

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

MR. ADAM: Mr. Speaker, I move, seconded by the Honourable Member for Point Douglas, 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 Lakeside.

MR. HARRY J. ENNS: Thank you, Mr. Speaker. I direct a question to the Honourable, the Minister of Renewable Resources. Some time ago I asked him about a particular situation at Norway House having to do with the granting of a road building contract to the people in that community. Has the Minister been able to move that potential Job Creation Program any further in that area?

MR. SPEAKER: The Honourable Minister for Renewable Resources.

HONOURABLE HARVEY BOSTROM (Rupertsland): I believe, Mr. Speaker, that the honourable member was asking me if we would be awarding a contract without a tender, and I indicated at the time that we would be looking at all possibilities when we needed the job done, and at the present time we have not made a decision yet to go forward.

MR. ENNS: Mr. Speaker, a supplementary question to the same Minister. Is the Minister indicating to me or telling me that he is not prepared to take advantage of the specific clauses in the Northlands Agreement that enables him to waive the normal tendering procedure if it involves local job creation?

MR. BOSTROM: Mr. Speaker, as I indicated to the member when he asked me the question before, we will be looking at all possibilities and we'll do what seems prudent under the circumstances.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK: Mr. Speaker, my question is to the Minister of Mines and Natural Resources. The Chairman of the Manitoba Development Corporation has indicated that an investigation has been made and completed with respect to the people who were associated with the government in Tantalum and he has assured that there is no contact or involvement with organized crime. I wonder if he can indicate whether the government has been made aware of this, and whether the information has been supplied, or whether it was ordered by the government.

MR. SPEAKER: The Honourable Minister of Mines.

HONOURABLE SIDNEY GREEN (Inkster): Mr. Speaker, I certainly wouldn't subscribe to the wording that my honourable friend has used.

It's quite possible that Mr. Parsons asked some questions about what was happening with Chemalloy, but we are not dealing with the people who are owners of Chemalloy, we are dealing with the Receiver who is in charge of all of the shares of Chemalloy. There are numerous shares of Chemalloy, some of them may be owned by nefarious people of all kinds, but we are dealing with the

Receiver of Chemalloy and I further advised the Member for River Heights on several succeeding occasions that we are dealing with the Receiver who is responsible to the court, and if the present situation ever resulted in us being in any way inhibited from proceeding with the full development of the mine, that the people of the Province of Manitoba have a very effective remedy to deal with that situation and will use it.

MR. SPIVAK: Well, is the Minister suggesting that the contact, the assurances that the Chairman of the Manitoba Development Corporation received and his statements are based simply on questions asked of the Receiver?

MR. GREEN: Mr. Speaker, I've answered the question.

MR. SPIVAK: Mr. Speaker, I wonder — to the Attorney-General — if he can indicate whether a request has been made either from the Minister of Mines and Natural Resources, his department or from the Manitoba Development Corporation for assistance in determining whether any of the principals who are fighting for control of Chemalloy have in fact been involved with organized crime.

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

MR. EDWARD SCHREYER, Premier (Rossmere): Mr. Speaker, if an honourable gentleman wants to ask an honourable member of the treasury bench whether he has done something then he should ask that Minister and not ask the Attorney-General or some other Minister.

MR. SPEAKER: The point is well taken. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, to the Attorney-General. Can he indicate whether his department has reviewed the situation with respect to Chemalloy and the acquisition and control that is now being attempted and to determine whether in fact the shareholders who are trying to get control, and who thus would control a company in partnership with the government, are in fact connected with organized crime?

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: Mr. Speaker, my question is to the Honourable the Minister of Renewable Resources. I wonder if the Minister can confirm to the House that the province is taking delivery of two new Canadair water bombers for use in their forest fire fighting service.

MR. SPEAKER: The Honourable Minister for Renewable Resources.

MR. BOSTROM: Mr. Speaker, the honourable member is exaggerating by one. We are taking delivery of one Canadair water bomber which will be in service next week in our forest fire fighting complement.

MR. BLAKE: Yes, Mr. Speaker, I wonder if the Minister could tell the House the price of the aircraft that they've purchased.

MR. BOSTROM: The price of the aircraft, Mr. Speaker, is approximately \$2 million. This amount will be paid over fifteen years at 3 percent interest rate. We were able to negotiate that kind of a deal with the Canadair Company and the Government of Canada.

MR. BLAKE: I thank the Honourable Minister for his reply, Mr. Speaker. That's certainly a favourable financing arrangement. I wonder if the Minister could also confirm or advise us of the cost studies, purchase versus leasing, that's been done and is this going to terminate the lease with the flying firemen that they have had over the past year or two.

MR. BOSTROM: Mr. Speaker, the feasibility studies that my department have completed and those which were done by the Management Committee of Cabinet indicate a favourable cost benefit analysis with respect to having Canadair over the next fifteen years as opposed to continuing to lease the aging Cansos. It will not mean we will have any less Cansos this year but it certainly probably will in the future. This year we have a contract with the flying firemen for two Canso water bombers which will be required. Given that we have an extreme fire danger in the forests of Manitoba, we'll be using those to full capacity plus the Canadair water bomber.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the other day the Honourable Member for Lakeside had asked whether there was any undue problem with respect to the testing that is being done at the first unit, which is Unit No. 6 at Jenpeg. I indicated then that according to my most recent information, up to that point in time, that there was no undue problem with respect to the operation of the equipment. The honourable member allowed as how he felt that, as he understood it, that it was leaking badly. I can confirm upon specific checking that I have been advised that there is no problem with the mechanical works in the testing out; there is some leak in the civil works but it is certainly not undue, it is indeed regarded as almost to be expected and it is not major.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I take the opportunity to ask the First Minister an additional question on the subject matter of Hydro. Can he indicate to the House that Manitoba Hydro is having some difficulty with delivery of units for the Long Spruce generating site?

MR. SCHREYER: Yes, Mr. Speaker. some problem. It is one of degree. Negotiations are going on with Canadian General Electric who are somewhat — oh, I wouldn't want to exaggerate — but somewhat behind meeting the schedule for three units in service by the end of December.

It is not, however, felt that it is impossible to get back on track to have three units commissioned and operating by the end of December.

MR. ENNS: Well, Mr. Speaker, one further supplementary question on the same subject to the same Minister. The other day I was asking him about some specific cost overruns on projects back at the Jenpeg site. Can the First Minister give us an update on the total costs of the Lake Winnipeg and Jenpeg sites project as it stands, as he foresees it at this time with some of the new negotiations that have taken place, and taking into account the delays that we've had on the construction site?

MR. SCHREYER: Well, Mr. Speaker, I would simply refer the honourable member to the transcripts of the meeting on Public Utilities and Natural Resources at which time there were specific answers given to specific questions. There would be nothing significant to update over that information which was given less than 60 days ago.

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. In his past he . . . the Minister responsible for transportation problems in the province. In view of the withdrawal of the Transair application to provide jet service from western Manitoba to Toronto as a condition of federal approval of the amalgamation of PWA and Transair, has the Minister had any discussions or has he made any representations to the Federal Minister of Transport with respect to an alternative carrier to provide this service?

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

HONOURABLE LEONARD S. EVANS (Brandon East): Well, Mr. Speaker, a long time ago I think I had given up on the present Federal Minister of Transport with respect to some positive action in this area. I'm very pessimistic about the way proceedings have gone over the past couple of years and I think it's a matter of regret.

We have had discussions a time back with some officials of the airlines, my staff had, and I have asked them to communicate with the Federal Minister in Ottawa with respect to this matter. I will endeavour to check and see where this particular correspondence is at this time. But we are concerned about following it up.

MR. MCGILL: Mr. Speaker, a supplementary question. Since it's becoming clear that the Federal Government is unlikely to permit any further penetration of the Toronto market by western regional carriers, has there been any specific discussions in respect to a carrier which the Federal Government would consider an appropriate applicant for this service?

MR. EVANS: No, Mr. Speaker.

MR. MCGILL: Well, Mr. Speaker, specifically, has the Minister discussed with the Federal Government the possibility that Air Canada should undertake this service inasmuch as the Federal Government is not apparently willing to permit any of the regional carriers to provide it?

MR. EVANS: Well, Mr. Speaker, there has been no discussion along those lines. There have been some thoughts expressed. There has been some informal suggestions made, but there have been no formal talks along these lines.

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

MR. ADAM: Thank you, Mr. Speaker. My question is to the Minister of Industry and Commerce. I would like to ask him if it is correct that the Province of Alberta is over-selling our precious non-renewable oil reserves to countries who are hoarding their own oil reserves?

MR. SPEAKER: The Honourable Minister of Industry and . . . Order please. Does the Honourable Member for Morris have a point of order?

MR. WARNER JORGENSEN: Are we to assume the allowance of that question suggests that the Minister of Industry and Commerce now answers for the Government of Alberta?

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

MR. EVANS: Mr. Speaker, as I heard the question I believe I was asked for sort of an opinion on this matter and, Mr. Speaker, it seems to me over the many years in this House the members opposite have asked members on the treasury bench on this side for opinions pertaining to purely federal matters if they happen to bear on Manitoba. Chemalloy is an example. It's an Ontario company having difficulties in Ontario and there are many other matters. But inasmuch as it does affect the security of the natural gas supply for the Province of Manitoba — and I recall the question asked by my honourable friend, the Member for Riel in this subject matter area — it is my opinion that we are exporting an excessive amount of natural gas from Canada to the United States. It's in the order of 40 percent and I have been told that at the same time there is a move to conserve Texas gas and it seems to me incredible that a non-renewable resource, a very precious energy resource is being sold in such large quantities to our neighbours to the south while at the same time they are attempting to hoard gas in their natural gas fields in Texas.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I have a question for the Minister of Municipal Affairs. Can the Minister indicate what the Alberta Government is doing to solve the long-standing dispute with respect to municipal taxes for the City of Lethbridge?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I believe that the point raised by the Member for Morris is well taken, is to be well taken, should consistently be well taken and this would apply not only to the last question but as cases in point the questions raised by the Member for River Heights this morning and all other questions having to do with matters coming under the purview of the Government of Canada.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK: Mr. Speaker, in the event that such questions are going to be taken into consideration I would ask the First Minister whether the new powers of Leonid Brezhnev in Russia will expedite matters . . .

MR. SPEAKER: Order please. Order please. I suggest if gentlemen wish to make this a facetious hour I'm prepared, providing you change the rules accordingly. Order please. The Chair is prepared to be tolerant during these days because we have the Question Period often and I am prepared to let you ask what you wish providing it's not outrageously out of line, but if you wish to play games then the Chair will have to become a little more decisive about adhering to the rules. I think the rules apply to all 56 members who are prepared to ask questions and it works both ways.

ORDERS OF THE DAY BUSINESS OF THE HOUSE

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, we have one bill at committee in the Statutory Law Amendments which I would propose that we deal with this morning. I am going to ask to see whether there are any — on the possibility that Statutory Orders and Regulations is not completed this afternoon I want the members of the Opposition to see whether there are any bills that they could see fit to send to Law Amendments Committee this afternoon as well. I'll just see whether it can be facilitated. I know it can't be done with the City of Winnipeg Act but if any others can be done then we may two meetings concurrent this afternoon.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I'm sure that arrangements can be made to deal with at least some of the bills that are on the list of those that are being sent to Law Amendments this afternoon. I doubt very much if that would be possible this morning.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: I understand it's not possible this morning. Mr. Speaker, I don't see why we should detain you. I would suggest that we come back at 2:30 so I would move, seconded by the Honourable Attorney-General that the House do now adjourn.

MR. SPEAKER: The Honourable Member for Flin Flon, before I put the motion.

MR. THOMAS BARROW: Before the adjournment, Mr. Speaker, I'd like to make two changes. On Statutory Regulations the name of Jenkins will be replaced by that of Turnbull. On Law Amendments the name of Gottfried replace that of Adam.

MR. SPEAKER: Is it agreed? (Agreed)

MOTION presented and carried and the House adjourned until 2:30 this afternoon.