



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

DEBATES
and
PROCEEDINGS

31-32 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Second Legislature

Members, Constituencies and Political Affiliation

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

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, 15 April, 1983.

Time — 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. J. Walding: Presenting Petitions
. . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Member for River East.

MR. P. EYLER: Mr. Speaker, the Committee of Supply has adopted a certain resolution and directs me to report the same and asks leave to sit again.

I move, seconded by the Member for Inkster, 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

HON. A. ADAM introduced Bill No. 51, An Act to amend The Local Authorities Election Act.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we reach Oral Questions, may I direct the attention of honourable members to the Gallery where there are 30 students of Grade 9 standing from the John Pritchard School. They are under the direction of Mr. Kroeker, and the school is in the constituency of the Honourable Member for River East.

There are 45 students of Grade IX standing from the Earl Haig Junior High School under the direction of Mr. McMillan and Mr. Hersak. The school is in the constituency of the Honourable Minister of Community Services.

There are 30 students of Grade XI standing of the history class from Daniel McIntyre School under the direction of Mr. Lawrence Schreyer. The school is in the constituency of the Honourable First Minister.

We also have Mr. Tony Bruger who is visiting from Tulsa, Oklahoma, and he is hosted by his sister, the Honourable Minister of Labour.

On behalf of all of the members here, I welcome you this morning.

ORAL QUESTIONS

Sherritt Gordon Mines - NEED Program

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question is for the Minister of Energy and Mines. Sherritt Gordon's mine

at Fox Lake, which provides the economic base for Lynn Lake, is unfortunately going to run out of ore in approximately 1985. In view of that fact, the company has filed a proposal with the Federal and Provincial Government relating to the NEED Program for the purpose of proving up gold deposits in the area known as the Agassiz find. That proposal was submitted to the governments on February 14th.

My question to the Minister of Energy and Mines is: Has he personally seen that proposal, or has that proposal been discussed with the Minister?

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

HON. W. PARASIUK: Mr. Speaker, I have seen that proposal. This had been sent to the Advisory Committee on the NEED Program. I was sent a copy of that proposal. I have looked at it, the staff have looked at it, but the actual NEED proposal is being assessed by the NEED Advisory Committee. My staff were asked questions about the viability of the possible mine; especially in view of the fact that other gold mines, in fact, have not been that successful because the price levels have not reached the expected levels of \$500 an ounce, but I have seen that study.

MR. B. RANSOM: A supplementary question to the Minister. Did the Minister give any indication then to his staff or to Sherritt Gordon or to the Advisory Committee whether or not this proposal would be acceptable to the Manitoba Government?

HON. W. PARASIUK: No, Mr. Speaker, I have not taken that position. It's a matter for the Advisory Committee to assess whether in fact any aspects of that proposal, or any of the other proposals that come before it, meet the criteria. I gather that there are concerns about that proposal not meeting the NEED criteria. We did indicate to the committee that the Province of Manitoba, basically the Manitoba Mineral Resources Corporation, last year had made a proposal to Sherritt Gordon to undertake on a joint basis, exploration activity in and around the Lynn Lake area to determine whether, in fact, there weren't other ore bodies there to try and do everything possible to prolong the life of the community of Lynn Lake.

It has been known for some time that Fox Lake had a finite amount of ore. It wasn't known exactly when that ore might run out. That goes back to 1970 and the previous government knew that Fox Lake had a limited life. In fact, the then Premier of the day, the present Leader of the Conservative Party, indicated as late as October 29, 1981 that mines are not renewable and sooner or later they run out of ore.

I've looked to see whether in fact the previous government had any contingency plans for that. I gather that they didn't. We as a government, we've been monitoring the situation and we were only recently told the time frame in a rough way as to when that mine

might be running out, but before that time, Mr. Speaker, we had been concerned. That's why we had made a proposal to Sherritt Gordon to intensify exploration activity in and around Lynn Lake.

We have almost doubled the budget of the Manitoba Mineral Resources Corporation for intensified exploration and development, primarily in the Lynn Lake area. Over eight months ago, we approached the Federal Government for an intensified program of geological work in the Lynn Lake area. We are in the final stages of negotiation with the Federal Government to sign an agreement with them for intensified geological work in that area.

Sherritt Gordon had approached the Manitoba Mineral Resources Corporation with a proposal. The Manitoba Mineral Corporation, in its business judgment, turned that proposal down but is in the process of developing a counterproposal to Sherritt Gordon. But when Manitoba Mineral Resources Corporation approached Sherritt Gordon with its proposal with respect to copper, lead and zinc, it was turned down by Sherritt Gordon, so those negotiations and discussions, Mr. Speaker, are proceeding. We'll be having a meeting with Sherritt Gordon next week. We hope we will be making specific proposals regarding Agassiz Mine to them; we'll be making specific proposals regarding intensified exploration and development with Sherritt Gordon, who have most of the leases in the Lynn Lake area, and their co-operation will be essential for us to pursue an intensified program to try and develop ways and means of continuing the life of that town by finding ore bodies, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, the Minister earlier made reference to staff being asked about the viability of the project. Can the Minister tell us then whether the acceptability of Sherritt's proposal under the NEED Program hinges on whether or not their deposit, that it might prove to be a viable deposit in terms of mining?

HON. W. PARASIUK: Mr. Speaker, the NEED Advisory Committee asked mining people as to what their perception is regarding the ore, the ore quality. It's not been proven out yet. Secondly, on what price levels are required. That information was passed on to the NEED Advisory Committee. What the NEED Committee looks at is the number of exhautees in the area who might, in fact, receive employment through this program; what type of employment might be provided; what type of skills levels might be provided. That is what is being looked at right now by that committee. In addition, of course, the company has to make contributions to those aspects which are non-wage aspects. I gather that that would be a significantly greater contribution than is in their proposal right now. Those are the things that are being looked at by the NEED Committee.

We, as the Department of Mines, are pursuing activity with Sherritt Gordon to determine a whole set of ways and means to try and develop and intensify a program of exploration in that area. There has been a decrease in exploration in that area by Sherritt Gordon, a very

significant one. If you discount the work that's been done on Agassiz, they have really cut back their exploration development in the Lynn Lake area by substantial amounts over the last two years. We have said that it's very important that an intensified effort be undertaken if enough ore is to be found to continue the life of the mine.

If the Agassiz mine is developed, and that hinges on a whole set of ifs, it would employ something in the order of 8,200 people. There are presently 370 people employed by the company in the Lynn Lake area. So, it's important to find developments in addition to the Agassiz one if the future of Lynn Lake is to be assured, and that's what we are pursuing with Sherritt Gordon. We will be meeting with them next week and we hope we can work out some arrangements.

MR. B. RANSOM: A further question to the Minister, Mr. Speaker. When did Sherritt Gordon submit their joint venture proposal to Manitoba Mineral Resources?

HON. W. PARASIUK: Mr. Speaker, that was some time last year. I don't have the specific dates at my fingertips. After the Manitoba Mineral Resources Corporation turned down that particular proposal, we were informed that Sherritt Gordon was in negotiations with other private companies to determine whether, in fact, they could bring a partner into that development. We were told that they were pursuing that on a number of fronts but obviously, to date, they have not been able to get any other private investor in the country or outside the country to invest funds in the development of the Agassiz mine project. That could be one reason why they have approached the NEED Program. It certainly shows that maybe the private sector doesn't have the same type of confidence in that development that maybe Sherritt Gordon does. But we, as a government, through the Manitoba Mineral Resources Corporation are making a counterproposal to the company and we certainly hope that we will be able to work out some type of arrangement for us to jointly pursue the development of that and other exploration developments in the Lynn Lake area.

MR. B. RANSOM: A further question to the Minister, Mr. Speaker. Why did Manitoba Mineral Resources reject the proposal put forward by Sherritt?

HON. W. PARASIUK: Mr. Speaker, without any type of guidance from the Provincial Government, they assessed it as to a business decision; they assessed its commercial viability. I might point out that on Thursday, June 3, 1982, at the Economic Development Committee meetings of the Manitoba Legislature when the Manitoba Mineral Resources was being reviewed, the Member for Turtle Mountain, the person who is now asking me the questions, indicated, and I quote: "I believe it's fair to say that over the past four years at least, the Manitoba Mineral Resources has been given their own head to make the decisions that were in the best economic interests of the corporation.

"Now the first objective of the company, of course, says that the company will carry out its work within the same framework of rules, regulations and normal practice governing the private sector. Normal practice

governing the private sector, I would take it to be wanting to make a profit for the corporation, to make the best investments they can."

Mr. Speaker, that was the position that was being taken by the Member for Turtle Mountain last year saying that MMR should operate on their own . . .

MR. SPEAKER: Order please. The Honourable Leader of the Opposition on a point of order.

HON. S. LYON: On a point of order, Sir, how long, with respect, are you going to continue to permit this open flouting of the Rules which takes place on the government side?

MR. SPEAKER: Order please. The Honourable Minister to the same point of order.

HON. W. PARASIUK: To that point of order, Mr. Speaker, I was asked a very open-ended question by the Member for Turtle Mountain. I think that if people could take a look at Hansard, he asked me why it was turned down by MMR, Mr. Speaker. I'm pointing out, Mr. Speaker, why it was turned down by MMR acting on their own, in a sense in relation to the guidelines and wishes put forward by the Member for Turtle Mountain last year, which he seems to be questioning this year.

MR. SPEAKER: I would hope that all members would attempt to keep their questions brief and their answers equally brief, if it can be done within the rounds of giving the information that is requested.

The Minister of Energy and Mines.

HON. W. PARASIUK: Yes, Mr. Speaker, so in their judgment, looking at the price of gold at the time, what they projected to be the price of gold over the course of the next year, two years, three years, and the type of information that was submitted to them by Sherritt Gordon, which is in their domain, they made the business judgment that they would not proceed with that particular proposal, Mr. Speaker. The door is open for other proposals and MMR itself is developing and will present a counterproposal to Sherritt Gordon.

MR. B. RANSOM: To the Minister, Mr. Speaker, does the counterproposal being prepared by Manitoba Mineral, relate to the gold deposit or does it relate to potential copper deposits?

HON. W. PARASIUK: Mr. Speaker, MMR is developing proposals relating to gold, relating to copper, lead and zinc. They are preparing a set of proposals to Sherritt Gordon to try and develop a program whereby we would have activity taking place in the Agassiz Mine and hopefully in other areas, so that we would be able to employ as many people in the future as are presently employed in Lynn Lake. Again I repeat, if Agassiz proceeds - there are a whole set of "ifs" governing that - only 100 people would be employed and there are 370 people, I've been told, employed in the Lynn Lake area right now. So a lot more activity is required, Mr. Speaker, if we are going to try and keep Lynn Lake going.

MR. B. RANSOM: Thank you, Mr. Speaker, I expect that will be the case before too long. A further question

to the present Minister, Mr. Speaker. Is the proposal being put forward by Manitoba Mineral with respect to copper deposits, likely to be a commercially viable proposal?

HON. W. PARASIUK: Mr. Speaker, those proposals are being made according to the best judgments of the Manitoba Mineral Resources Corporation as to what they think might be the most promising areas for exploration activity. I would think that when Manitoba Mineral Resources Corporation makes these proposals, they are doing so on the basis of some analysis as to the possibility of finding some possible deposits in that area. These are being developed by the Manitoba Mineral Resources Corporation, Mr. Speaker, as they have been developed in the past and as I hope they will be developed in the future.

Mr. Speaker, what's becoming evident is that Manitoba Mineral Resources Corporation is needed as a catalyst in the North to work with private companies to ensure a balanced program of exploration and development in Northern Manitoba.

MR. B. RANSOM: Mr. Speaker, can I take from the Minister's answer then that the proposal which Manitoba Mineral Resources is putting forward is a proposal for exploration to try and find additional deposits of copper, zinc, nickel, as opposed to a proposal to prove up an existing deposit?

HON. W. PARASIUK: Mr. Speaker, everything is open for negotiations. There are proposals being looked at to do development work with respect to existing deposits. There are proposals being put forward to do exploration work on deposits which look promising in and around the Lynn Lake area. All those things are being considered, Mr. Speaker, because the life of the Fox Lake Mine is becoming more and more finite. The exact life of it is determined by the method of mining being employed. If selective mining is employed, that is if the better ores are taken out and the poor ores left alone, that shortens the life of the mine. If the company goes from a five-day work week to a seven-day work week, that again will shorten the life of the mine, so, Mr. Speaker, what's required is an intensified, joint effort on the part of all parties to try and do everything possible to ensure the continuity of that community.

MR. B. RANSOM: A further question to the Minister, Mr. Speaker. Can the Minister confirm then that the only known potentially viable deposit of minerals in the Lynn Lake area is the Agassiz gold deposit, the only deposit which could conceivably lead to the development of a mine which could come onstream in time to provide some further economic base for Lynn Lake when the Fox Lake Mine expires in 1985?

HON. W. PARASIUK: Mr. Speaker, Sherritt Gordon has said that. We ourselves have been trying to determine from Sherritt Gordon whether in fact there are any other possibilities. They say that only Agassiz can be proceeded with within a three- or four-year period. We believe that if one does certain things to try and extend the life of the Fox Lake Mine, if one does certain things

with respect to intensified exploration and development, Mr. Speaker, to add money for exploration and development, knowing full well that the Fox Lake Mine will run out rather than doing what Sherritt has done over the past few years, namely, decrease the amount of exploration and development money in that area, that there is the possibility, as has been the case, Mr. Speaker, with Flin Flon, that other mine reserves will be found.

That is an important responsibility on the part of the mining companies in the areas, to take some of the wealth that's created from the first mine and undertake intensive efforts at exploration and development to try and find further mines, rather than, Mr. Speaker, taking most of that money and investing it in other provinces, because that runs down the level of reserves, the possibilities in Manitoba, while building up their assets in other provinces.

So we believe that there is responsibility on the part of the corporation. We're prepared to work with that corporation in these times of economic recession, to work with them co-operatively, together, to try and find some longer term solution to Lynn Lake, Mr. Speaker.

MR. B. RANSOM: Mr. Speaker, the Minister seems to be saying that Sherritt Gordon has intentionally cut back their exploration for copper and zinc in the Lynn Lake area. Is the Minister aware that Sherritt Gordon has spent over \$5 million attempting to prove up the Agassiz gold find since 1979, which would seem to be clearly an indication of their desire to continue to have some type of economic activity in Lynn Lake as opposed to any desire to simply cut back on exploration in the Lynn Lake area.

HON. W. PARASIUK: Mr. Speaker, I haven't said that at all with respect to the Agassiz. I acknowledge that they have been doing work at the Agassiz area. I also state that won't be enough to provide sufficient numbers of jobs for the people presently in Lynn Lake, and that more work is needed in addition to the work at Agassiz to try and provide employment for 370 people.

If one provides employment for 100 people in three or four years, what does one do with the other 270 people? That is what we're trying to deal with, Mr. Speaker, both Agassiz and the larger question. We believe that it's important for a larger joint effort to take place, and I might point out that Sherritt officials themselves have said that the recession and the decrease in the price of copper and zinc have hurt their cash flow and have limited the amount of money they could put into exploration and development.

But in addition to that, their big investment in Alberta in a fertilizer plant, which was originally estimated to cost something in the order of \$350 million, now is coming in with cost overruns somewhere in the order of \$400 million which basically is about a year late and where they'll miss a complete sale season. In fact, it's hurting the cash flow position of that company as well. That's why we believe that this warrants the government working with them in these difficult times to see whether an intensified exploration and development program can in fact be mounted.

HON. S. LYON: The great business acumen of the NDP.

A MEMBER: Right. Let that be recorded in Hansard.

HON. S. LYON: I hope it is.

Extension of deadline for HIMP

MR. SPEAKER: The Honourable Member for Tuxedo.

MR. G. FILMON: Thank you, Mr. Speaker. My question is for the Honourable Minister for Housing. In view of recent concerns expressed by the President of the Manitoba Homebuilders Association, that as a result of the impending termination of the Federal and Provincial Housing Aid Programs on April 30, his industry was very concerned for the second half of 1983 and the future of the home-building industry in that time, will the Minister be extending the deadline beyond April 30th for the Provincial Housing Assistance Plan for new housing construction?

MR. SPEAKER: The Honourable Minister of Housing.

HON. J. STORIE: Yes, Mr. Speaker, I thank the member for that question. Clearly, as with everyone else, we are waiting to see what happens as of the 19th of April when the Federal Government brings down their Budget. I have indicated to the Federal Minister responsible for CMHC, that we would certainly desire to see the \$3,000 grant continued because we feel that it's worked very well in conjunction with our own Homes in Manitoba Program and has seen the construction of 700 or 800 homes in Manitoba.

We will certainly be looking at reviewing our position with respect to HIMP and when the Federal Government does make some indication as to their willingness to continue with the grant, that will certainly help us in making our decision as to how to proceed.

MR. G. FILMON: Mr. Speaker, I wonder then, is the Minister saying that if the Federal Government is not prepared to continue their program, the province is not prepared to continue its program?

HON. G. STORIE: No, Mr. Speaker, I didn't say that. What I said was that the Federal Government's position on the \$3,000 grant will influence the decision and will influence the guidelines pertaining to the Homes in Manitoba Program across the board.

MR. G. FILMON: Well I'm sure that it would have some influence, Mr. Speaker. My question is, is the Minister, on behalf of the Provincial Government, prepared to go ahead with a program, maybe with revised guidelines, even if the Federal Government isn't carrying on with its program?

HON. G. STORIE: Mr. Speaker, again staff are currently looking at the statistics and there has been a tremendous jump in housing starts in the province over the last three or four months. We are well ahead of any other province in Canada. What we have to decide is, in balance, we have to determine which aspects of the Homes in Manitoba Program will proceed and under what conditions they will proceed. Clearly there will be certain aspects, as we announced last August, which

are intended to be ongoing components of the Homes in Manitoba Program.

The question of whether the grant, on the part of the Federal Government, is proceeded with will determine how the affordable new homes section is maintained under the Homes in Manitoba Program, but there are ongoing aspects of the Homes in Manitoba Program which have been very successful and will continue over the next 12 months.

MR. G. FILMON: Mr. Speaker, in view of the fact that a recent bit of information that was put out by the Homebuilders Association indicates that, despite this major jump, as the Minister indicates, in housing starts for the first three months of this year, the projection for this year is still about half of what it should be in a normal year for housing starts in Manitoba, and that first quarter is indicated to be a rather artificial situation because of the impending closure of these programs; is the Minister still going to tell us that he's satisfied with housing starts as they are in Manitoba?

HON. J. STORIE: Mr. Speaker, clearly we were coming off a very poor year in 1982. The effect, however, of the Homes in Manitoba Program has been dramatic. It has seen an increase in housing starts beyond what other provinces are experiencing. One third of the housing starts in Manitoba are directly attributable to the HIMP Program. I would say, as well, that the expectation on the part of the homebuilders is a little more optimistic than what the member opposite seems to be suggesting. In 1981, if I am correct, we were predicting a construction start level equivalent to what was experienced in 1981, possibly even exceeding that, if I understand the homebuilders correctly.

MR. G. FILMON: Mr. Speaker, to put things in perspective, the housing starts in 1982 were 40 percent less than they were in 1981. More so than that, Mr. Speaker, is the Minister telling us that the housing starts in Manitoba for this first quarter in numbers have been greater than they have in other provinces in the country?

A MEMBER: No, he never said that.

MR. G. FILMON: That's what he said.

MR. SPEAKER: The Honourable Minister of Housing.

HON. J. STORIE: Clearly, Mr. Speaker, if I implied that to the honourable member I certainly apologize for that. What I said, and I believe I said was that, in terms of percentage, Manitoba has an excellent record, superior to any other province.

Obviously I don't anticipate that Manitoba is going to have more housing construction starts than Ontario, a province with seven times the population. We are, however, in terms of percentage of housing starts, doing very well, thank you.

Order for Return re Civil Service Commission

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. S. LYON: Mr. Speaker, I have a question for the Minister of Labour. On the 15th of December 1982, an Order for Return relating to the Civil Service Commission was accepted by the government. We are now debating in Supply the Estimates of the Civil Service Commission. It's important that the opposition have that Order for Return while we're debating this item. Can she give an undertaking to have the Order for Return filed immediately?

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: As I indicated last evening, Mr. Speaker, and as I indicated in accepting the Order for Return, it would be done when we have the time to complete that kind of information gathering. I also pointed out last night, perhaps the Leader of the Opposition is not aware of this, that there were over 1,000 competitions in the time that he specified in his Order for Return; that's a lot of information to be gathered. The Civil Service Commission's staff is already fully employed, they do not have any spare time on their hands. When they have the time to do this they will gather it and I will file that Order for Return in due course.

HON. S. LYON: Well, Mr. Speaker, because the material requested in the Order for Return is needed during the debate in Supply on the Minister's Estimates, will she agree then that there is no point in proceeding with her Estimates until we get the Order for Return?

HON. M.B. DOLIN: I am sure that if the honourable member across talked to his colleague he would find out that any specific question that has been asked has been answered fully in my Estimates of the Civil Service Commission.

HON. S. LYON: Mr. Speaker, I have talked to my colleague, that's why I am making the request this morning. Can he, if not the Minister of Labour, can the House Leader give some undertaking that Order for Return will be filed, otherwise, can we have his undertaking that the Estimates of the Department of Labour will be postponed until the Order for Return is filed?

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Just on a point of order, I think it should be clear on the record that when an Order for Return is accepted the government is obligated, politically, to attempt to file the answer when it can. It is not obligated to meet the particular needs of any member of the House, be it on the government side or the opposition side, because the normal work of the department must proceed. We have, I think, on the whole, been fairly responsible with respect to Orders for Return.

HON. S. LYON: Well, Mr. Speaker, the question is with respect to the Civil Service Commission. Those Estimates are before the Committee of Supply at the present time; will the House Leader give an undertaking,

either that the Order for Return will be filed during the debate in Supply on that item, or alternatively, will he agree that it would be reasonable and prudent to delay those Estimates until the Order for Return is filed?

HON. R. PENNER: Absolutely not, that would be entirely wrong in terms of the procedures and precedence of this House. The order in which Estimates are dealt with are dealt with according to a precedent that is being followed this year as last year, and will continue to be worked in that way. There is some consultation back and forth and we attempt to meet as many of the problems as possible, but certainly, the order of Estimates cannot be dictated by whether or not an Order for Return has been answered. It would be possible, if that were to be so, for an Order for Return to be tabled and accepted a week before, let's say, Civil Service Estimates are up, and then the opposition to say, well we're not proceeding until that Order for Return is answered; it just can't be done that way.

HON. S. LYON: Mr. Speaker, in view of the fact that the government, with all of the extra hired help that it has, people from outside of the province and so on, the Scottons and the Assistant Deputy Ministers, and the former members who have been hired as Deputy Ministers, and all of the NDP hangers-on that they've hired, surely in a four-month period, Mr. Speaker, they could organize themselves to get an Order for Return filed so that it can be discussed when the Estimates of Supply are before the committee.

Now, Mr. Speaker, this government says it believes in freedom of information, will it give the opposition the information that we require in order to cross question this Minister on Civil Service Estimates?

HON. R. PENNER: Yes, but when we're ready.

MR. SPEAKER: The Honourable Minister of Labour.

HON. M.B. DOLIN: I would like to point out . . . if the Leader of the Opposition wishes to hear my answer I will give it to him. There was an Order for Return filed earlier for which the members opposite have received an answer that gave part of the information, or part way through the time period that was indicated in the second Order for Return. The Order for Return that the member is referring to now is the second part of a period of time that runs from the time that this government was elected until December of 1982, I believe.

I have indicated that there were over 1,000 applications, or matters, dealt with in hiring in the Civil Service and that certainly doesn't indicate that there's been an increase in the Civil Service, that is the normal pattern when you have as many employees in the Civil Service as does this government, and the previous governments, I might add. The information takes time to gather.

I would also like to point out to the members opposite that Orders for Return filed by people on this side of the House, when they were in Opposition, were certainly not answered in any great hurry, and we have certainly not exceeded the time lapse between the times that we filed Orders for Return and they answered them.

SOME HONOURABLE MEMBERS: Oh, oh!

HON. S. LYON: Well, Mr. Speaker, it's not my point in question period to go into the question of Orders for Return. I don't know if the Honourable Minister was even a citizen of this country when Orders for Return were answered diligently by governments that she has to read history books about. Mr. Speaker, if the Minister is saying that she will take, as the House Leader said, that they will take their own sweet time about answering Orders for Return when they see fit to do it . . .

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

HON. R. PENNER: On a point of order, the Leader of the Opposition has that abominable habit of putting words in people's mouths and that is a breach of the privilege of the House. I did not say that we would take our own sweet time; I said that we would file them when we were ready and I placed that in the context — (Interjection) — well, listen. I placed that in the context in pointing out that we had to continue with the ordinary running of government and that when resources are available to meet that particular task, they are allocated. I also pointed out that we have a very good record in the first two Sessions of this Legislature, in answering Orders for Return. Indeed, I would like to point out that we have not refused any Orders for Return. Let that be clear on the record.

MR. SPEAKER: I thank the honourable member for that clarification.

The Honourable Leader of the Opposition.

HON. S. LYON: Well, in view of the fact that the government, even in harsher terms than I was saying, has said that they will file the Order for Return when they're ready then, Mr. Speaker, I ask the Minister of Labour will she not get the hive of staff that she has busy, getting on with the business of supplying information to this side of the House which will give us some indication as to whether or not she is running her department in a way which gives attention to the merit principle with respect to hirings in the Civil Service. That's why the Order for Return is important, so that we can question this Minister as to just how she is running the Civil Service Commission of Manitoba today.

HON. M.B. DOLIN: I remind the member opposite that the pile of staff that I have is exactly the same pile of staff that he had when they were government and these people work very diligently and have full-time work to do. This is an extra, added burden and they will complete it as quickly as they can and as they have the time to do it. I would also remind him that those same people are in Estimates right now and therefore cannot be in their offices gathering this information. The sooner we finish those Estimates, the sooner they will have the time to do so.

I would also remind him that my citizenship has nothing to do with Orders for Return in this House.

HON. S. LYON: Mr. Speaker, the . . .

MR. SPEAKER: The Honourable Minister of Energy and Mines on a point of order.

HON. W. PARASIUK: Yes, Mr. Speaker, I rise on a point of order. The Leader of the Conservative Party, often from his seat but now from a standing position, has somehow inferred that a person's ability to participate in this Legislature and conceivably in the democratic process is somehow tied to their being born in this country and not being made a citizen in this country. There are many people in this Legislature, many people in this province, many people in this country, who have been made citizens of this country because they chose to become citizens of Canada. Those people have every right to participate in the democratic process without aspersions being cast upon them by the Leader of the Conservative Party, Mr. Speaker. I would ask the Leader of the Conservative Party to withdraw those ill-considered remarks, Mr. Speaker.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Does the Honourable Leader of the Opposition wish to speak to the same point of order?

HON. S. LYON: What point of order? There is no point of order, Mr. Speaker.

HON. A. MACKLING: You're out of order.

MR. SPEAKER: Order please. The Honourable Minister of Energy and Mines.

HON. W. PARASIUK: Are people who are citizens of Canada entitled to full participation in the Legislature of this province if they have been elected, Mr. Speaker? And if they are entitled to full participation then, can people on the other side somehow cast aspersions on them because they chose to be citizens of Canada?

MR. SPEAKER: Order please, order please. The Honourable Member for Burrows to the same point.

MR. C. SANTOS: Mr. Speaker, the only thing that I know is there is only one class of citizen. There are no first-class and there are no second-class. Thank you.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. SPEAKER: Order please, order please.
The Honourable Member for La Verendrye to the same point.

MR. R. BANMAN: Mr. Speaker, we have heard a tirade by the Minister of Energy today, who tries to use his particular brand of what I would refer to as racism in this Legislature, trying to paint certain people with the same brush. I want to say to the Minister of Energy as someone who represents a riding which is almost totally ethnic of Francophones, of Anglo-Saxons, of Ukrainians and people of German descent, I want to say to them - and being one of those ethnics myself - he need not get up in this Chamber and accuse this side of the House of certain types of smear campaigns. I say to the members opposite that they are very very adept at twisting words and trying to impute motives on this side of the House and I, for one, will not stand

for it because my people in my riding don't stand for it. Don't come up in this Legislature and try to be holier-than-thou.

A MEMBER: Talk to your leader.

MR. R. BANMAN: You've got enough soul searching to do.

MR. SPEAKER: Order please. The Honourable Member for St. Johns to the same point.

MR. D. MALINOWSKI: Yes, to the same point of order, Mr. Speaker, I believe that the Honourable Member for La Verendrye should address what he did, not to this side but to his own leader.

MR. SPEAKER: Order please. I thank the honourable members for their statements to the House. I doubt it was a point of order. It may come down to a matter of courtesy and I would direct the attention of the remarks of the Honourable Member for Burrows who showed an admirable level of courtesy in this House. The time for Oral Questions has expired.

ORDERS OF THE DAY

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: Mr. Speaker, would you please call the adjourned debates on second readings on Bill Nos. 3, 4, and 2 in that order, Sir.

ADJOURNED DEBATES ON SECOND READING PUBLIC BILLS

BILL NO. 3 - THE FARM LANDS OWNERSHIP ACT

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture, Bill No. 3, standing in the name of the Honourable Member for Rhineland.

MR. A. BROWN: Stand, Mr. Speaker.

MR. SPEAKER: Stand.

Bill No. 4, The Manitoba Oil and Gas Corporation Act, standing in the name of the Honourable Member for . . .

HON. R. PENNER: Mr. Speaker, I believe Mr. Brown, the Honourable Member for Rhineland, having stood the motion, I believe it can stand in his name, if they're willing to allow a member for our side to speak on it.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. A. BROWN: Mr. Speaker, I preferred to make my comments when the Minister of Agriculture was here, so I have no objection if the Minister of Municipal Affairs wants to speak, as long as it remains in my name.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. A. ADAM: Thank you, Mr. Speaker. It's a pleasure for me to be able to take part in the debate on Bill No. 3.

This bill replaces a bill that is now in place. It was introduced by the previous administration. The problem with the present legislation, Mr. Speaker, is that it contains quite a number of significant loopholes that would allow foreign absentee citizens of different countries to obtain land in Manitoba. Mr. Speaker, there has been a great deal of concern expressed by many citizens in regard to . . .

MR. SPEAKER: Order please.

The Honourable Member for Virden on a point of order.

MR. H. GRAHAM: Mr. Speaker, on a point of order, the honourable member is making untrue statements. The previous bill was designed to protect Manitoba land from foreign ownership and the member knows that. So to make an untrue statement, Mr. Speaker, is very very contrary to the rules of our House.

MR. SPEAKER: The Honourable Minister to the same point.

HON. A. ADAM: Yes, Mr. Speaker, I don't believe that there is a point of order raised by the Member for Virden. I intend to bring to the attention of the House the weaknesses in the bill that was introduced by the previous government, which allowed a number of not only loopholes that you could drive a truck through, but that you could drive a train.

MR. SPEAKER: Order please. I believe the honourable member, as all members are aware, that difference of opinion does not constitute a point of order.

The Honourable Minister of Municipal Affairs.

HON. A. ADAM: Yes, thank you, Mr. Speaker. I was rudely interrupted by the Member for Virden with a non-point of order. If he feels that . . .

MR. SPEAKER: The Honourable Member for Virden on a point of order.

MR. H. GRAHAM: Mr. Speaker, on a point of order, the honourable member has referred to me as being rudely interrupting. I object to that and I ask him to withdraw the remark.

MR. SPEAKER: The Honourable Government House Leader.

HON. R. PENNER: My recollection, subject to correction by yourself, Sir, is that there is nowhere cited in Beauchesne a notion that an unparliamentary remark is constituted by the statement "I was rudely interrupted."

MR. SPEAKER: I have to agree with the Honourable Government House Leader. I do not recall seeing those words in the list of unparliamentary words.

The Honourable Minister of Municipal Affairs.

HON. A. ADAM: Mr. Speaker, if I have somehow ruffled the feathers or the nerves of the Honourable Member for Virden with my remarks, I hope that he contains himself and allows me to make my remarks. When I have completed my remarks, he can judge for himself whether or not there are considerable loopholes in the present legislation that have to be removed or closed.

Mr. Speaker, at the present time the residents of Canada are authorized to acquire land, and that is one of the areas where many many foreigners have been able to sneak through the loopholes that I just mentioned a few moments ago. I'm not sure whether they were purposely put in place, but sometimes I wonder whether or not the legislation was designed so that there would be a few loopholes in it. Now, it was said by the then Government of the Day that they were trying to close the loopholes; they were trying to restrict foreign ownership. Now, that was said; but I'm not sure whether the actions followed the words that were said in regard to that legislation, because one of the major problems with the present legislation is the fact that the terminology of a resident of Canada, there are many people who come in as landed immigrants, they leave Canada, and live in another country. They purchase land while they are in Canada, then they leave and live in another country, but they are still recognized as Canadian citizens. That has been used and abused. That section there has been used to allow foreign owners to come in and purchase land.

Secondly, Mr. Speaker, the foreign speculators may acquire control of farmland through the use of mortgage agreements. Now that was put in there. Let's say for instance that — (Interjection) — Yes, there's a big loophole that you could drive a semi through. Let us say that I wanted to purchase, or my colleague here wanted to purchase my farm, or I wanted to purchase his farm, and I obtained financing to get a mortgage from a foreign source. Let's say that I

A MEMBER: It would include a foreign source.

HON. A. ADAM: Okay, let me say that I went to a foreign source for financing to purchase land owned by my colleague, and let's say that somehow I was not able to fulfill my agreement under a mortgage. I'd like to know who would own the land. Who would own the land if I wasn't able to fulfill my obligations to the person who has advanced the money to me and that person is a foreign owner? Who would own the land? It would be a foreigner, Mr. Speaker, that would own the land by default that I was not able to pay my obligations on the mortgage. This was put in there in there, in my opinion, purposely, Mr. Speaker, to allow foreigners to come in through the back door.

Now, Mr. Speaker, we have seen that . . .

MR. SPEAKER: Order please. The Honourable Member for Turtle Mountain on a point of order.

MR. B. RANSOM: I understand that the Minister speaking is now saying that our government purposefully left what he regards as loopholes in the Act in order to allow foreign land purchases to take

place. That is clearly imputing motives to members on this side and I demand that the Minister withdraw that allegation.

HON. A. ADAM: Mr. Speaker, if they are so sensitive about how they've designed this bill, I will withdraw the remark and say that, in my opinion, it is so obvious that if a foreign owner takes a mortgage on a transaction between two individuals in Canada, it's so obvious that you'd almost have to believe it was intentional. It's such a big loophole in the legislation, how can it be otherwise? It's so obvious. I don't want to be unkind or be as rude as I was rudely interrupted when I began my remarks but I want to point out the weaknesses in this piece of legislation. That is why we are bringing in Bill No. 3, The Farm Lands Ownership Act.

Now, Mr. Speaker, you know we have heard many arguments as far as ownership of land is concerned and whether the government should be involved in ownership of farmland. I have heard on many occasions when the members opposite say that the government should not be involved in purchase of land. I know that when the Land Lease Program was introduced by the previous government to allow young farmers who wanted to get involved in farming would be able to do so. By the way, Mr. Speaker, I think approximately 600 young farmers were able to take advantage of the Land Lease Program during its operation.

Mr. Speaker, we were severely criticized under that program. It was maligned, misrepresented and misinterpreted by many people, primarily because of the fact that the members opposite were going out and telling people about how the government was going to grab all the land in the Province of Manitoba. Mr. Speaker, when they came in office, they immediately set up the MACC to finance the purchase of land. In my opinion, they were going out and contacting people who had got into farming under the Land Lease Program and they were encouraging them to purchase their land. Now, Mr. Speaker, I ask you, if MACC which is a Crown corporation belonging to the public of Manitoba, if MACC was holding a mortgage on land and if there was a default by the purchaser, who would get the land? Who would end up with the land? It would be the government.

On one hand, they were saying that the government should not be involved in the Land Lease Program where we allowed a young farmer to buy out his father's land and continue farming and allow his father to have sufficient capital or finances to build himself a home and retire in a town. They were saying that was bad, Mr. Speaker. Now, Mr. Speaker, they went out and said, of course, it was better for farmers to own their land, that they remove the option. They felt if they wanted to farm, they did away with the program because they said if you want farm, you buy or you don't farm. That is the position that they took. It took a freedom away. We had an option there; you can lease with an option to purchase. In my opinion, that was more freedom than what we have in the present situation. I just point those few things out, Mr. Speaker, to indicate to you the difference of opinion and the different ways that we approach the assistance to the farming community than members opposite.

Mr. Speaker, as a result of an amendment in 1981 brought in by the members opposite, foreign controlled

corporations are authorized to secure interest through options to purchase. That was another way that they could circumvent the foreign restrictions on farm ownership. They could come in and secure an interest through an option to purchase. Why did they do that, Mr. Speaker? Why was it necessary to bring in that kind of legislation that would allow a foreigner to secure an interest by an option to purchase? Was that intentional or was it done inadvertently? Certainly it wasn't done inadvertently. It was intended that it be there. I fail to see how members opposite there can say that they were not creating loopholes in the system. In my opinion they were.

Foreign controlled corporations may purchase land in Manitoba. That is allowed in the bill; that foreign controlled corporations may purchase farmland in Manitoba. Mr. Speaker, the Act permits Canadians to purchase on behalf of non-residents of Canada.

Mr. Speaker, when I said that there loopholes that you could drive a semi through, I have already indicated five major loopholes that would allow foreign people to come in and purchase farmland in Manitoba. Why did they allow that? Why did they allow Canadians to purchase on behalf of foreign non-residents of Canada? Under the present Act, Mr. Speaker, there is very little chance of laying any charges. It's almost impossible to lay any charges against anyone contravening this Act. It's almost impossible so to do. Why was the legislation drafted in that manner, Mr. Speaker, to make it so difficult to lay charges against anyone contravening the Act? It would have been just as easy to tighten up the legislation to make it easier. So I'm just wondering whether that was a deliberate attempt - and I'm not trying to impute motives - I'm just saying, how come? Were you that sloppy in designing legislation? Was it that sloppy?

MR. A. BROWN: You don't know what you're talking about. You have absolutely no idea what you're talking about.

HON. A. ADAM: I've touched a nerve, Mr. Speaker. You know once in awhile you go down to get some dental work, you go down to see your dentist and they try to avoid touching a nerve, but once in awhile they accidentally do and I believe I've just touched a nerve, Mr. Speaker.

The Honourable Member for Rhineland is now cackling from his seat. This bill has been standing in his name for two to three weeks and he hasn't stood up to speak on it and he's now making his contribution from his seat, Mr. Speaker. I'm wondering when he's going to stand up to make his comments and I would advise him to contain himself when he does get up to make his contribution, that then we will have an opportunity to hear what he has to say.

Mr. Speaker, under almost any arrangement, corporations can get around the intent of the Act. When you bring in any kind of legislation, lawyers are . . . I don't want to pass any aspersions on my colleagues, there are quite a number of lawyers on our side of the House, but, Mr. Speaker, lawyers can always find some way to sneak through or find arrangements that could circumvent the intent of the Act and I'm sure that many cases have happened in this regard.

Mr. Speaker, foreigners have been able to launder money. It's a good way to launder money by coming in and buying through Canadian investors, and it's possible for anybody out there to come through the way the legislation is at the present time and launder money. You can do it through the Canadian investment front, a simple matter, and it was done. If I have time I will maybe indicate some of the cases that took place.

MR. A. BROWN: How many acres of land is owned on that side over there?

HON. A. ADAM: Probably close to 500,000 acres, Mr. Speaker. Through control by minority partners or shareholders, through by-laws, can set up a corporation, and through different manipulations of by-laws and shareholders a minority shareholder could own land in Canada. So, Mr. Speaker, there was another loophole here that was never looked at very closely and just by the simple fact that a minority shareholder, with by-laws introduced by that corporation, could have allowed a foreigner to own land in Canada, so that is one thing that has to be looked at.

I'm not sure, Mr. Speaker, in my opinion, whether the Conservatives wanted to plug any loopholes. They left so many there — (Interjection) — in fact, they opened it up. I think they weakened the legislation over the previous legislation that was introduced by the former NDP Government in the '70s, which even then maybe had some loopholes that had to be closed. But certainly the Conservatives did a very poor job in trying to tighten up. And listening to speeches that have been already made, Mr. Speaker, now, they're saying, "Hey, land prices are going to go down if you start restricting prospective buyers." They're now talking in a different way; they're talking in a different manner. Now, they're saying, "Hey, this is no good because maybe land prices are going to go down." But you can't have it both ways; you have to look at the long term.

Mr. Speaker, I just mentioned that some of the speeches that we've heard here, and the Member for Pembina - I'm not pointing at the Member for Robin-Russell - said that land prices would drop if we restrict absentee owners. In fact, yesterday, I met with three individuals from up in the area of the Member for Emerson who were complaining about the assessments on their farmland and they said the assessments are unrealistic, the assessments are too high. Well, I said the assessments are based on a number of factors. The assessors are supposed to go out and take a look at what land is selling for in the area. They try to take an average, and also they have manuals to go by and they look at the productivity of the land, the kind of land it is and the acres that are open and so. They said, "We know that there has been a few purchases in that area that have been quite high, but that's not really the value of land. That's not really what land is worth. We know that there are foreigners that have come in," and it was just yesterday, Mr. Speaker, that I spoke to these people. They were saying the assessments are too high because they are based on purchases that have been made in the district, in that municipality.

Those land prices were inflated artificially because a few foreigners came in and bought land. That's what

they told me yesterday. The Member for Lakeside is muttering something from his seat; he is saying something that I can't hear anyway. They are saying that because of the fact that there were a few sales, and it only takes a few, minor sales in a district to escalate the price of land because everybody knows it right away. So and so sold his land for \$80,000 for a quarter section, or \$70,000, or \$60,000, whatever it is. Right away this goes through, and that sets the price in the area. The next time there is going to be a young farmer, a son wants to buy his father's - well, sometimes you have deals that can be made between father and son in which maybe the father will sacrifice some of the price - but if it's a neighbour's son who wants to buy the land, the price is established, Mr. Speaker. So they are concerned about this and they are coming in and saying, please, do something to reduce our assessments because the land value is too high. Our land is not worth \$40,000 a quarter; it's only worth \$30,000, but the assessment has to reflect the market that is taking place and they use an average, Mr. Speaker. They don't take the highest or the lowest. They try and look at what the Land Titles office is saying; they contact the municipalities to find out how much land has been sold and for what price, and so on. They gather information from real estate firms as to what's happening; that is how the assessment is done. They arrive at an average price for coming to a value to assess on land.

Sometimes, Mr. Speaker, I wonder if looking at all the loopholes that are in the present legislation, whether or not members opposite when they designed this legislation were not trying to champion the speculators. Mr. Speaker, it was a field day for speculators to come in and buy. Mr. Speaker, even their own board that was in place, appointed by them, was telling them that they should plug the loopholes that had been put in place. On a number of occasions, the board contacted the former Minister of Agriculture, now the Member for Arthur, and pointed out the deficiencies in the present legislation and to do something about them. The member knows of what I speak because he is smiling. He knows that I am correct. He is nodding agreement. May I put that in the record, that he is nodding his agreement to what I am saying. He is doing this, Mr. Speaker.

A MEMBER: What did the member for Arthur do?

HON. A. ADAM: They did nothing, Mr. Speaker, to change the legislation. That is why, Mr. Speaker, there were a multitude of sophisticated ways that corporations were able to circumvent the Act that was supposed to prevent foreign ownership in Manitoba; offshore mortgages, as I mentioned awhile ago, and loans which are in substance part of the scheme whereby true control and ownership of land is vested offshore; they were able through sophisticated ways and financial arrangements - well, there's one that's in the news in the last week in Ottawa that they're talking about some numbered companies that you don't know who the owners are, and in the news lately about one of the Federal Ministers that - I wish I were able to sell stock and recapture paper losses, if you will; you know, you go out to borrow money - and I don't want to drift

away from my speaking about the land bill, Mr. Speaker, but you have a demonstration of how things can be manipulated in what's taking place in Ottawa at the present time.

Mr. Speaker, at the present time a Canadian citizen resident outside of Manitoba will buy land apparently as a trustee for non-Canadians, and because the Canadian is not a resident in Manitoba, he's not amenable to the the investigative process in the Act, so the enforcement is not possible. You can't enforce the Act under that situation. The present statute permits farmland to be owned in unlimited amounts by any Canadian citizen regardless of place of residence. Many examples exist where persons acquire Canadian citizenship and then return, apparently, permanently to their homeland. Those persons then acquire large quantities of Manitoba farmland in apparent contravention of the spirit and the intention of the statute. So there are many many loopholes to be closed in legislation if we are sincerely trying to address a problem.

The present bill will not restrict any Canadian, any foreigner, and we invite them with open arms, Mr. Deputy Speaker, they can come and buy all the land they wish, no restrictions. The only thing we ask is that they come and reside here and farm the land and become residents of Manitoba. As long as you're going to allow absentee ownership, there will be problems. The present bill has a lot of exemptions. It will facilitate transfer of farmlands to children regardless of where they live in Canada, Mr. Speaker. My land can be transferred to my children; one living in Edmonton and one in Ottawa. Wherever they may be, there are no restrictions on my bequeathing my land, giving my land to my children. There is no problem, Mr. Speaker. So the bill is a good bill. It will try to redress many loopholes that I have indicated are in the present Act today. I recommend that all Members of this House support that legislation if they are sincere when they say that they want to restrict foreign ownership of land.

Thank you very much, Mr. Speaker.

MR. DEPUTY SPEAKER, P. EYLER: The Honourable Member for Virден.

MR. H. GRAHAM: Will the honourable member permit a question for clarification? I am sure the Honourable Minister doesn't want to leave an erroneous impression with people. I would ask him if he would go to his own Assessment Branch and get the correct criteria used for assessment and put it on the record? It's for clarification only.

A MEMBER: You're out of order.

MR. DEPUTY SPEAKER: Order please. The honourable member's time has expired. He needs the leave of the absentee to respond.

The Minister of Municipal Affairs.

HON. A. ADAM: I am sorry, Mr. Speaker that my time is run out because I thought I'd get another half-hour to speak because there is another member that got up to speak and that would have given me another half-hour. I wanted to speak for another half-hour.

MR. DEPUTY SPEAKER: Order please. If there are no further members who wish to speak on this bill, is it agreed it will stand in the name of the Member for Rhineland? (Agreed)

BILL NO. 4 - MANITOBA OIL AND GAS CORPORATION ACT

MR. DEPUTY SPEAKER: On the proposed motion of the Minister of Energy and Mines, Bill No. 4, standing in the name of the Member for Lakeside.

MR. H. ENNS: Bill No. 4 is another bill that affords me the opportunity to speak on a matter that I always enjoy speaking about, Mr. Speaker, in terms of broad and general principle that's contained in the bill. Of course, Sir, it's also very much in keeping with the Rules of how we ought to address ourselves on second reading on bills of all kinds and descriptions.

Mr. Speaker, other people on our side have indicated some of the particular concerns that we have with this bill. I note that there has already been a reaction by honourable members opposite on one specific detail and that is the provision for making this bill a vehicle for Cabinet Ministers to receive additional remuneration. I understand that the forceful presentation made by the Member for Turtle Mountain has already brought about a change or at least an indication from the honourable members opposite that that, in fact, will not be in the bill in its final form and that they have had second thoughts about it. The suggestion, Mr. Speaker, that that somehow inadvertently got into the bill is really stretching one's imagination a little bit too far. To blame that on some typographical or secretarial error is, I think, even in this arena, stretching things a little bit too far.

But Mr. Speaker, I do want to speak about the bill in just a very few specific areas and forms. The one aspect of the bill that enables me to make some remarks about it is to point out the difference in how a Conservative administration - in this case we're dealing with energy and potential tax returns to the people of Manitoba - makes promises, puts something into action and the results that flow from those promises and the action taken as compared to, Mr. Speaker, the NDP promises, the NDP action as being contemplated in this bill and from what we can see, to be fair to the honourable members opposite, from other jurisdictions, our sister jurisdiction in the Province of Saskatchewan, what kind of result that can be reasonably expected to follow.

Mr. Speaker, my colleague, the Honourable Member for Turtle Mountain, in speaking to Bill 16, clearly indicated the kind of approach that we took when we promised that by making some changes to the royalty and the regulatory aspect of the government's involvement in the natural gas and oil business, that we expected that in making these changes - in this case the changes were making Manitoba competitive with our neighbouring jurisdiction - certain things would happen; that there would be an increase in oil exploration; that there would be an increase in the number of wells brought into production in the southwestern portion of our province. That's precisely what was said and those words are recorded in

Hansard. Nobody can take them out of context. Mr. Deputy Speaker, as the Member for Turtle Mountain so happily pointed out during his speech as week or so ago, the results now being published by this government, by the now Minister of Energy, tell a story about the result that took place from those promises, from that action and result; a dramatic increase, Mr. Speaker, in oil production in the Province of Manitoba, the one bright spot in the economy of the Province of Manitoba; the one area, Mr. Speaker, that has escaped the recession and the harsher effects of the recession in terms of industrial and commercial activity. That was a simple result of promises made and promises kept.

Mr. Speaker, the honourable members opposite, in the election of 16 months ago, made another promise. They said, and their Premier said that a New Democratic Government would establish ManOil with a \$20-million four-year drilling program. This oil and gas corporation would explore for oil and gas in Manitoba with the help of joint ventures with SaskOil, Petro Canada, co-operatives and Canadian-owned companies. The Manitoba Mineral Resources Corporation would be revived to work as a joint-venture partner with private companies or act alone to guarantee our mineral resources are developed.

There will be a lot of people in Lynn Lake want to be reading that particular promise and rereading it, and rereading the comments that no doubt will be flowing from this Chamber the next little while as late 1984-85 draws near and the job prospects for the people now in Lynn Lake become more insecure. But more importantly, Mr. Speaker, this government promised, this party promised that the revenues, the profits from ManOil would provide the kind of revenue base that would enable New Democrats to ensure that nobody would lose homes; no farms would go bankrupt; small businesses would flourish and there would be no necessity for any tax increases; increases in the sales tax; introduction of unheard of brand new tax like the payroll tax.

You know, Mr. Speaker, there's no getting away from it, that this particular approach has significant appeal to the general public that our friends to the left, particularly our friends in the Democratic Party, have had some considerable success in making far too many Manitobans, far too many Canadians, believe, honestly believe, that at least one particular course of action that would result in improved economic condition for Canadians, for Manitobans, would be to have the resources of our country, the resources of our province firmly and fixedly in the hands of the people, as they like to put it, in public ownership.

Mr. Deputy Speaker, I believe that there are a number of the honourable members opposite who do believe that judgment. I think they honestly believe that although there is, of course, a nice little difference that creeps in once there is the reality of having to deal with the matters, the reality of having access to the figures, looking at the proof of the pudding, if you like, then there is a little different attitude creeps in.

That was demonstrable too, in the way this bill was promised, this action was promised at election time and the way it was actually introduced by the Minister of Energy and Mines at the time it came into the House. It then became a much smaller concept. Here it talks about it being a junior company again using that phrase,

providing that little window to look into the industry, and the Minister introducing this bill, Bill No. 4, did not speak about it in the same kind of glowing tones as the election rhetoric did about how ManOil Corporation would stave off the payroll tax; would stave off the increases in sales tax; would necessarily secure all businesses, farmers from bankruptcy. But that, of course, is when he's had a little closer look at it and when he has to be responsible for piloting the bill through this Chamber and realizes that even that Minister with his ability for baffle-gabbing his way through this Chamber most of the time has to come a little closer to the reality of the situation. Consequently his introduction of this bill is really quite different from the way the bill was envisaged in the now famed document, "A Clear Choice for Manitobans - Policies, Manitoba New Democratic Party."

Mr. Speaker, I have to concede that, as I said a few moments ago, there is and there has been a success by honourable members opposite and by other politicians, notably the Federal Liberals, I suppose, whom they are usually comfortable with, ideologically speaking, on such items as public ownership. The record is very clear in terms of that support nationally. Mr. Speaker, the truth of the matter is and this is to some extent, I suggest, is having some tragic, serious consequences for the people of Canada, the people of Manitoba. Mr. Speaker, the illusion that is being built, that somehow to have gas pumped out of a station that has a maple leaf on it, and they can spend taxpayers money in telling you that somehow pumping that gas at 47.3 . . .

MR. D. SCOTT: Do you buy gas there, Harry?

MR. H. ENNS: My car will run out of gas and I'll walk five miles before I buy from a PetroCan station. That's right, let it be known.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. H. ENNS: Why should I buy from Petro-Canada?

MR. DEPUTY SPEAKER: Order please. Order please. I'm having trouble understanding the comments of the Member for Lakeside. I would hope that all members would give him a fair and courteous hearing.

The Member for Lakeside.

MR. H. ENNS: I've acknowledged, Mr. Deputy Speaker, with some sorrow, the degree of success that the disinformation bureaus of the Liberal Party and of the New Democrats have had in convincing far too many Canadians about this course of action they're on. But, Mr. Speaker, my job and our job will have to be that on this issue our fellow Americans, for instance, who are paying world price for energy and yet that same energy is 50, 60 to 70 cents a gallon cheaper available to the farmers, to the consumers, to the industrial-commercial users of that same product. Gentlemen, we do have a long border and people do cross that border still, relatively freely, and we do check on such things as the price of gasoline.

Mr. Deputy Speaker, I will tell you the whole question is starting to focus and I suspect it'll focus as we

approach the next federal election. How come Canada is so badly out of sync with what's happening on energy prices around the world? It's because of the billions that we are pouring into Petro-Canada and then bemoaning the fact that the Chairman of PetroCan says you can't have price wars and still expect to make the same amount of profit. Mr. Speaker, here's where my friends opposite aren't really being intellectually honest. They are being politically astute.

Mr. Speaker, if it's good for the people to own whatever it is, 40 percent of the resource, 50 percent, 51 percent if they really believe that then surely it must be better if they own 100 percent. If you were trying to argue this thing through intellectually, I'm sure you would have to agree with that. Why do you stop at 40 percent or at 50 percent? If it's a matter of getting at those gouging multinationals, those Essos, those Shells and, you name them, Texacos, surely we would be well served to be rid of them - not just at the 40 percent figure at the 50 percent. If 40 percent of a good thing is good then 100 percent of the same thing has to be a hell of a lot better and I don't see how intellectually those of you that will pause for a moment and argue - not just rhetorically but intellectually - why you can't accept that argument. I'll tell you, my friends, why they're not doing it, Mr. Deputy Speaker, because they're also politicians. They are aware that while they manage to sway public opinion a long way in terms of the need for the public to be represented in the resource ownership of this country, they have not persuaded the public to move that far to the left, to move that far with respect to state intervention in the enterprises of this country that they can abandon that nice position that they like to leave themselves in when they talk about the need for a mixed economy; there's a need for the private — (Interjection) — Well, the obvious reason, of course, as pointed out by the Member for Turtle Mountain is that you need that other 40 or 50 percent of the economy in private hands to raise revenue from to operate efficiently from to pay for our schools, for our hospitals, for roads, because you're not going to get it from the profits of Petro-Canada.

The people of Saskatchewan have yet to receive a dollar return on their investment in terms of the kind that people were led to believe by politicians of your kind when they say we can reduce our taxes. We can reduce the direct impact of sales taxes, personal taxes, because we're going to own the resource and the ManOil pumps are going to pump and they're going to build our schools; they're going to build our hospitals; they're going to build our roads. People of Saskatchewan have put millions of interest-free money into SaskOil - millions of it - as we have as Canadians put billions of tax-free money, interest-free money, into Petro-Canada. What return are we getting? Have any of you driven by a Petro-Canada station and gotten your gas for five cents less? You know, we make all kinds of noise about Esso, those bad Yankee controlled companies - Shell, Texaco. What terrible companies, they're ripping us off; imagine that! They're taking us to the cleaners! All right then, all of you get out there tomorrow, right now, this afternoon and see what, how about our company - Petro-Canada? How is it ripping off the Canadians? That's our company; we own that. We're supposed to get a lot of profit out of that. You find me a Petro-Canada station that isn't selling their

gas right now for 47.3 cents a litre. You might find a Texaco; you might find a Gulf at 46.9.

Mr. Deputy Speaker, let me tell you that little holiday that we had on gas prices when we had a tax war on, if we were running one state oil and gas company, if Petro-Canada had it all, we would never have a gas war in this country . . .

A MEMBER: Who would get the profits, Harry?

MR. H. ENNS: Profits, oh, Mr. Deputy Speaker, my children and my grandchildren will not live long enough to see a dollar of profit come out of Petro-Canada. Of that, I am convinced. Mr. Speaker, I can surely make that statement with more validity than the Premier of this province could at the last election when he promised Manitobans that the \$20 million investment in ManOil is going to solve all their problems; going to solve all their bankruptcies; is going to keep future tax increases from their doorsteps. We've had two. That's what he said. We have the verification. You don't have to believe me; believe the treasurer; believe the financial people of the Province of Saskatchewan that have invested millions of dollars into their SaskOil program. Now, they have their pride of ownership; they feel good about owning an oil company. But, Mr. Speaker, the question is, when does the payoff come; when does the pay out come?

The bill that we're discussing, Mr. Speaker, the bill that we're talking about, we are now 16 months into the life of this government. We are just now setting up passing the bill that's going to set up the Crown Corporation, ManOil. Then, we're supposed to assume that profits are going to flow immediately to the taxpayers of Manitoba who are being asked to put up the \$20 million. Mr. Speaker, that's the tragedy of this kind of thinking when ideology really does interfere with the important things about creating jobs in this country. It really does.

Well, Mr. Speaker, I'll tell you, the ideology that my colleague implemented with no impingement on the taxpayer by a few changes in the royalty structure, by a few changes in the regulations, created a boom in southwestern Manitoba and there are hundreds of jobs there being created there right now. You haven't created "a" job with this promise and you're a long way from creating it. So, Mr. Speaker, that's the record.

Mr. Speaker, I have never said - far more tragic and far more serious is it's not a question - as my friends opposite like to sometimes draw us into - you know, what's wrong with the government running the oil company? What's wrong with the government getting into business? Well, Mr. Speaker, I'm not arguing that they can't get into the business. I'm not arguing that a government agency can't be in mining, can't be in farming, can't be in the insurance business and can't be in the oil business. Of course, they can, Mr. Speaker. There's all kinds of examples around this world where that is the only option but, Mr. Speaker, what makes our country the great country that it is - at least up to now - and what makes it possible for Canadians, for Manitobans, to use their disposable income after they've met their obligations, after they've paid their taxes, after they've paid their obligations to their own and immediate family, Canadians, Manitobans, have a

disposable income that they can do something with. Many of them invest in the dreams of their future that have a way of growing into flourishing businesses and create employment. Many of these kinds of businesses are the kind - in fact, these are the kind of businesses that a responsible government can tax at a reasonable level and provide a level of social services unheard of in most parts of the world.

You are prepared to jeopardize this. You are prepared to take \$20 million that the Minister of Education could well use right now; you are prepared to take \$20 million that the Member for Wolseley would just as soon see some go into the development of day care centres; you're prepared to take \$20 million that the Minister of Transportation could use right now as our roads are popping up and potholes all over or something like that and put that into a high-risk venture; maybe drill 50 dry holes and come up with a big zilch. You have no guarantee at all that \$20 million is going to produce a barrel of oil.

Mr. Speaker, the story has been repeated when Esso brought in the Turner Valley, I think it was its 350th or 360th dry hole that was finally tapped, the Turner Valley oil reserves back in '46 or '47, that created the oil finds in Alberta. Now, Mr. Speaker, again, ideologically speaking, if there was no other available alternative to us as Manitobans, then I would maybe be a supporter of this bill. I would be voting with this bill. If there wasn't private-risk capital available to find that oil as it's being found right now, as the rigs are drilling for it right now in the southwest, if that wasn't available to us; and I suspect, Mr. Speaker, if this country continues, if we have so vulcanized our country, built up such kind of tariff barriers around this country, if we have so turned off our friends and neighbours - particularly our neighbour to the south - to the point that investment capital does no longer want to come into this country, then we may well have to do this. But let's not fool ourselves, Mr. Speaker; the \$20 million comes out of our pockets. It's \$20 million that the Minister of Education cannot expect to have; it's \$20 million that the Minister of Health cannot expect to have; and that's only the tip of the iceberg.

So, Mr. Speaker, on two fundamental points I take issue with this bill. Firstly, the bill and the way it was presented by the New Democrats at election time, that this was the bill that would stave off all bankruptcies. Oh hell, all farmers were going to get - you're darned to think they're all going to get cost free fuel, that homeowners would be looked after. Certainly, the impression was left and stated that to bring in all those new programs, there would be no necessity for tax increases, no necessity of a sales tax rise because the profits for ManOil were going to provide all the promises. Well, Mr. Speaker, I do want to be honest because that's not quite true. They said the profits of ManOil and the profits from Hydro generation; those were going to do those things, Mr. Speaker, that's No. 1. First of all, the manner in the way this bill was presented, I think any sober reflection about what is actually taking place, not by an unfriendly government but by a friendly government under Premier Blakeney in Saskatchewan during the years that he developed the SaskOil Corporation will tell them that in fact is not the case.

Then, Mr. Speaker, the other issue, perhaps from my point of view more important, because the need for

the maintenance of services in this province at a time when the province is running record high deficits and were not so sure that turnaround economically is coming so quickly. The need to do our best to maintain the necessary funding in our health programs, in our education programs, in our support programs for farmers or small business, in our support for the basic industry such as agriculture, in the support needed to maintain a system of roads and of drainage systems in the Province of Manitoba at a time when the dollars are so hard to come by. Mr. Deputy Speaker, I am prepared to be the first one to stand up and take my friends opposite off the hook. They don't have to keep this election promise. I am not going to criticize them if they don't. I would be the first one to sit down and applaud them and say, look, the harsh dawn of reality has finally got through to them.

Mr. Speaker, I will make a commitment. In fact, I'll lobby with my fellows opposite, ladies, gals. We will back off, we will not be mean to the NDP if they don't keep this promise, eh, is that a deal? We will act like honourable gentlemen . . .

A MEMBER: For a change.

MR. H. ENNS: . . . and honourable members as we always do. Well, Mr. Speaker, if I am wrong, then I want to start hearing not just from the Minister, but I want to start hearing from the individual members to start to defend the kind of expectations, the promises that this bill, Bill 4, is going to provide to the people of Manitoba. I want that on the record. I want the Minister of Education to get up on the record and applaud and support this bill because she expects from this bill, the action from this bill, to drive \$50 million, \$60 millions in the next two or three years accruing to the Department of Education. Because it says it all in here under the firm picture of now Premier Pawley and with his signature on it, he says - third page . . .

A MEMBER: First page, Harry.

SOME HONOURABLE MEMBERS: Oh, oh!

MR. H. ENNS: Mr. Speaker, here it is. This is from the gospel according to our one Howard Pawley, now Premier and First Minister of this Province: We can build a dynamic future in Manitoba. We can turn around the harsh economic circumstances of the past four years. We can tap our resources of energy wisely with ManOil, Manitoba Hydro, we can develop programs to guarantee that no Manitobans lose their homes or farms due to high interest rates. We can provide extra relief and an economic climate to ensure that small business stays in business. Tell that to the Kimberley-Clark employees; tell that to many other plants, a record number of plants, the Minister of Economic Development knows.

We can ensure that Manitoba farms remain in the hands of Manitoba farmers through development of an effective Farmlands Protection Act. Tell that to that group of farmers that were here just yesterday, that group of farmers that were just here yesterday protesting. They call themselves the Survival Group; they are trying to survive on the farms. This is 16 months after this promise was made.

Mr. Speaker, Manitobans, it goes on to say, are great people and together we can build a great future, a promise that we can guarantee. Mr. Speaker, it says that we can provide and increase the social services from the revenues brought about by ManOil and Hydro resources. I will change that 16 to 30 to 20, but I want the Minister of Natural Resources to tell me when does he expect to get \$5 million from ManOil so he can carry out some of the wildlife programs? When does the Minister of Housing expect to get 2 or 3 or 5 or 10 million dollars from this corporation to help build needed housing in the Province of Manitoba?

Mr. Deputy Speaker, I want the individual members who are part and party to making this part of the election platform and not keeping of the promise. As the Member for Turtle Mountain pointed out, we acknowledge it, there was a need for them to bring this bill in. It is an election promise they made, that's why we have this bill. But let's start hearing from those Ministers that are responsible for the decision-making in this Cabinet about their expectations of the revenue that was promised is going to start flowing from this bill. Because, Mr. Speaker, what they are hearing now is that \$20 million tax of the revenues that they now have - well, that they're going to borrow which is even worse - that can't go elsewhere.

So, Mr. Speaker, I do plead with the honourable members opposite. I mean it sincerely, Mr. Speaker, but I will not hold this government accountable if they choose not to fulfill this promise. I know that my honourable friends on this side of the House, we will not, in this instance, that generosity will not necessarily be extended on all occasions because there is after all a difference between the kind of promises made and the kind of promises that ought be kept. There are also the kind of promises that are made and the kind of promises that should never be kept. There is a big difference; this falls into the latter category, Mr. Speaker. This falls in the latter category and I implore the Minister and the Members of Cabinet seriously do reconsider this bill and ask yourselves whether this is the time to introduce this bill. More importantly, the individual members of caucus and the caucus members are involved in this, because it is \$20 million this year, and if there isn't oil flowing it will be \$40 million next year or \$30 million in the succeeding years - it grows. It's like how did Saunders Aircraft all of a sudden come into \$40 million to back it? You better be sure, but that's the issue.

The issue is that unless they see the profits accruing to their ministries to their departments, they should think twice. And least of all, Mr. Speaker, if they insist of proceeding with this bill, then let's hear them stand up and defend the bill. Let's hear them stand up and defend this bill.

MR. DEPUTY SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Mr. Speaker. I'd first like to indicate that I'm not responding to the honourable member's challenge; I'd planned to speak anyway. But after having heard his speech, given in his usual very entertaining style, I'm sure that if I hadn't planned to speak now, I certainly would have, at least to respond

to some of the more entertaining suggestions he brought forward, but some of what I would consider, somewhat inaccurate statements. But anyway, Mr. Speaker, in speaking today, I'll start by explaining to the member and perhaps other members opposite who were not here for the comments of the Minister of Energy and Mines, exactly what this bill does, the general principles of it, and perhaps clear up some of the misconceptions that members opposite have.

First of all, Mr. Speaker, for the Member for Lakeside, it is not a \$20 million capitalization over a one-year period as he suggested towards the tail end of his remarks, but a \$20 million capitalization over a four-year period that is involved, so I think that's an important thing to clear up.

The general objectives of the bill, Mr. Speaker, as outlined by the Minister in his preliminary comments were, first of all, to provide for a window on the oil industry in southwestern Manitoba; second, to stimulate existing development and to assist private juniors through joint ventures; third, to husband our resources in Manitoba through enhanced recovery projects and innovation. That is the goal of it, Mr. Speaker, and not some of the other things that members opposite have suggested.

Now, as the Member for Lakeside pointed out, it was indeed a campaign promise, and that campaign promise is one of the few major promises, the few specific promises that were made that has not been kept to this point. I believe 13 out of 15 other major promises have been kept. For the member now to suggest that we somehow put this one aside and not keep it is somewhat inconsistent, Mr. Speaker, because I remember the same sort of remarks coming from members opposite in a slightly different way last year. They had some promises they didn't like but they kept berating us time and time again for not having kept our promises, in terms of interest rate relief, for example, and in terms of the Beef Stabilization Plan.

As we show, Mr. Speaker, last year, we're a government that keeps our promises. We brought in promise after promise after promise and they still continued in their same approach, and I think I know why, Mr. Speaker. Those campaign promises were promises that were of interest and concern to Manitobans. That's one of the reasons that we were elected - to enact those campaign promises. I think they felt somewhat embarrassed by the fact that they hadn't said those things, or in some cases that they hadn't said it until after we'd said it.

A classic example was interest rate relief. You know, I heard time and time again from my constituents about the problem with interest rates. Now we could have said, well, we don't believe in high interest rates and that would have been an accurate statement. It's more than members opposite could have said. We could have left it at that. We could have said, well, we'll leave it up to the Federal Government; perhaps they will bring in a program of interest rate relief to tackle the problems they in a sense have created through their own high interest rate policy.

But we didn't do that, Mr. Speaker. We said that if the Federal Government has created this problem, if the Federal Government has not acted, then we will have to act. We will bring in an Interest Rate Relief Plan and that is exactly what we did. Now, the members

opposite, I will say, they did have some suggestions of their own in this regard during the campaign. It came conveniently toward the end of the campaign. I would say it was something of a political deathbed repentance, because they realized that this is exactly what Manitobans were looking for. They were looking for some short-run help, Mr. Speaker, on a very serious problem.

So having got into the embarrassing position of coming with that deathbed repentance, I don't think it's that surprising that members opposite then proceeded to push and push us and push us to implement our campaign promises, because what they were attempting to do, Mr. Speaker, was really to gain some reflected glory from our programs. They were trying to somehow suggest, with the Interest Rate Relief Program or with the Beef Stabilization Plan, that they had pushed us into bringing these programs into place, that they'd made us live up to our campaign promises. That was the approach they were taking, Mr. Speaker.

They did nothing in these areas for four years; they did nothing in the area of interest rate relief; they did nothing in the area of beef stabilization. If I had time, I could perhaps indicate a whole series of other areas where they did nothing.

So what they decided to do was to conveniently forget that and then come out and appear as if they were attempting to push us into living up to our campaign promises. Well, Mr. Speaker, we don't need the opposition to tell us to live up to our campaign promises in terms of interest rate relief, we've already done that; in terms of beef stabilization, we've done that. We know what we're doing in terms of keeping those promises.

We were quite clear to Manitobans with those 15 major promises that we made; we were quite clear about what we were going to bring in. And ManOil is one of those promises and we're going to keep it, as we have with the others, and for members opposite now to jump around and suggest that we shouldn't bring it in is somewhat inconsistent, Mr. Speaker, but I think that's not out of keeping with the basic strategy in this House in the last year-and-a-half.

In looking at some of the inconsistencies expressed by members opposite, I'd like to turn to some of the comments that have been made in this debate thus far by members opposite in regard to the general principle of Bill No. 4, The Manitoba Oil and Gas Corporation Act. A number of members opposite have spoken, Mr. Speaker. The Member for La Verendrye spoke; the Member for Morris; the Member for Turtle Mountain and most recently, the Member for Lakeside, and in speaking there's been one consistent line of argument. They varied somewhat but they consistently argued that this is somehow an ideological bill, Mr. Speaker, and there are several references by members opposite to that. On Wednesday, 23rd of March, 1983, the Member for La Verendrye referred to "ideological blinkers" being somehow the reason for bringing this in.

The Member for Morris also referred, in debate, to much the same sort of thing, Mr. Speaker. He referred on Friday, the 8th of April, 1983, to this bill appealing to the ideological supporters of the NDP. Well, I find that a very interesting statement because it's a consistent theme of members opposite, that we as New Democrats, we're the ideologues, we're not practical.

That's basically the argument that I hear from them and that somehow they are in favour of practicality, Mr. Speaker, they're not ideologues.

That, to a certain extent I think, was one of the themes of the Member for Lakeside. He didn't object to the involvement of the government in certain areas of business, only in this particular area at this particular point in time. I commend the member for making that statement; I commend his courage, Mr. Speaker, because he's going to have a lot of his fellow party members objecting to that particular statement because more and more, in recent years, they've been coming out of the political closet. They've been coming out, Mr. Speaker, and saying, yes, we are opposed to Crown corporations; yes, we are opposed to Petro-Canada, Air Canada, a whole series of them, the CNR, Pacific Western in Alberta. They're coming out. Mr. Speaker. They're saying, we believe in a right-wing philosophy. We are right-wing ideologues and we want our party to turn to the right. We want to get away from having government involved with businesses of these kinds. I commend the Member for Lakeside for having the courage to get up in this House and say otherwise, because I've been watching the spectacle the last few months, Mr. Speaker, of leadership candidate after leadership candidate at the federal level, P.C. leadership candidates, bow to the vocal right-wing lobby in the P.C. Party.

It's not just Peter Pocklington, Mr. Speaker. He's pretty clear; he wants to sell off everything. It's just not him. Most recently Michael Wilson, I believe, who is considered to be perhaps somewhat right but not extremely right, has suggested that the government sell off, not just Petro-Canada, Mr. Speaker, but Air Canada and the CN. He wants to sell it off to reduce the deficit, the federal deficit. I suspect there are many members in the Conservative Party who agree with that. I, for one, don't, Mr. Speaker. We've had those Crown corporations for years; they serve a useful role in our public system, our mixed economy. For anybody to suggest we sell this off for reasons either ideological or for reducing the deficit, that we're going to sell off what has been owned by Canadians for generations - for what? - for a small amount of cash to pay our present bills, Mr. Speaker. That's like selling the family heirlooms to buy a loaf of bread; it's like selling your prized possessions, Mr. Speaker, for that same thing. What kind of statement is that, Mr. Speaker? I would say that is an irresponsible statement.

MR. H. ENNS: If you can't buy a loaf of bread, that's exactly what you do.

MR. S. ASHTON: As I indicated, Mr. Speaker, it takes a lot of courage for the Member for Lakeside to actually get up in this House, in this day and age when the Conservative Party is turning so far to the right, and say there is a role for public enterprises, that takes a lot of courage, Mr. Speaker. It's not out of keeping with Conservative philosophy over the years. I point out to members of the Conservative Party who have lost track of what their party has done historically but the Conservative Governments provincially, in many provinces, they brought into public ownership of such things as telephone service, Manitoba Hydro and grain

elevators, somebody mentioned. They were very progressive in those days. It wasn't just the red Tories that we hear about, that strange breed of political animals that seemed to find at times they had more in common with the NDP than they do with their own colleagues in the Conservative Party. It wasn't just red Tories that brought these things in, Mr. Speaker.

MR. D. SCOTT: The old mainstream party.

MR. S. ASHTON: It was the Conservative Party, the mainstream of the Conservative Party that enacted these measures. As one member on this side suggests, the old mainstream. They seem to have lost sight of this, Mr. Speaker, in recent years; they seem to have lost sight of it. There may be several reasons why. Perhaps as I often feel, Mr. Speaker, they are attempting to ape the example of the Republicans in the United States by turning to the far right, talking about eliminating government involved in the whole area of society. Perhaps they're trying to do that; perhaps they feel that it'll win them votes. That's something that's consistent with the philosophy of the Conservative Party and that is the fact that notwithstanding their personal views on a lot of things, if it wins votes that's okay with them.

Regardless of what their reasons for that shift are, Mr. Speaker, I would say that I think any political observer would agree that members opposite have turned to the right, that there is a strong right-wing lobby within that party as it is opposed to a whole series of things including public enterprise. So then, Mr. Speaker, who were the ideologues? Who were the ideologues on these particular matters? I would suggest, Mr. Speaker, that the ideologues are the Conservatives.

They are the ones who have been talking about eliminating things like Air Canada about eliminating things like the CN and a whole series of other Crown corporations. They are the ones who wrestled for six months with the Petro-Canada question and we can see it within this House, Mr. Speaker. There are various members opposite who are opposed to Petro-Canada. There are also various members in that party who are quite in favour of keeping Petro-Canada. I notice Brian Mulroney, despite some reference to the fact that he might be somewhat on the right of the party, has said that, yes, Petro-Canada is a good thing for Canada; we need it to keep a window on the oil industry. Well, Mr. Speaker, the Member for Lakeside is not supporting Brian Mulroney and perhaps I gave him too much credit before; perhaps he's not quite as much of a Progressive Conservative as I indicated. I will perhaps let the member opposite explain his various political philosophies, but I think I'll refer more generally perhaps to the Conservative Party in Canada.

Mr. Speaker, the Member for Turtle Mountain says, why don't I speak to the bill. This is very important to the bill, Mr. Speaker, the general principle of the government being involved in an industry such as this. Members opposite have raised the question Petro-Canada; they've raised the question of government involvement in other provinces. I'm referring to the suggestions that we're approaching this for philosophical, ideological reasons. My argument is that it's quite the opposite; my argument is that if there is

anything that's practical in regard to this present situation, it's the approach that we have taken. If there is anybody in this House who is being ideological, it is members opposite and that is quite in keeping with their present stand.

MR. DEPUTY SPEAKER: Order please. The Honourable Member for Lakeside on a point of order.

MR. H. ENNS: Mr. Speaker, the member has spent considerable time talking about ideology I just want to assure him that I accept the fact that I am an ideological person. I have very strong ideological beliefs, and I would like to think he has too. I think that without ideological beliefs, it would be a sorry state for the people of Manitoba. On a point of order, the imputing of any kind of a motive about something being ideological or non-ideological I want to rest the member's mind that I speak from a very strong ideological background. I assume he does too. There's nothing wrong with that.

MR. DEPUTY SPEAKER: Order please. I thank the honourable member for that explanation. It was not a point of order.

The Honourable Member for Thompson.

MR. S. ASHTON: I suspected that it wasn't, Mr. Speaker. Getting back to the question of what is the basic principle of this bill, the basic principle of debate on this bill. As I have said, Mr. Speaker, I would suggest to members opposite that they examine their own views on this particular bill and this particular question in general before they come into this House and suggest that we are somehow being ideological. I think the record shows that their party federally, their party provincially, has turned to the right, Mr. Speaker, has increasingly over the years been adopting a hard right position on matters such as this, a position that is ideological and quite out of keeping, Mr. Speaker, with their general philosophy over the last 100 years in Canada. I would suggest that they get back to their original roots, because it's far more in tune with what is practical today and far more in tune with how the average Canadian views these matters.

Another argument, Mr. Speaker, that members opposite have used beyond the argument that it's an ideological bill, is the argument put forward by the Member for La Verendrye, that being that there is a fair amount of activity there at the present time in terms of oil exploration, that the best way for the government to get revenue from this activity is by a taxation. Certainly, Mr. Speaker, we've been the first ones to point out that that is, indeed, the case. There is a very active program of exploration and production being undertaken at the present in the southwest of Manitoba by the private sector. Members opposite at times have suggested that we somehow can't work with the private sector. I would refer them to any number of newspaper articles reporting on the developments in the southwest which have indicated clearly that private developers had a very good relationship with this government.

MR. G. FILMON: Nonsense.

MR. S. ASHTON: The Member for Tuxedo says nonsense. I can refer him to a newspaper article of

two weeks ago, in which one of the leading involvements in the exploration in the southwest of Manitoba said that that was the case, that they had no problems dealing with the NDP Government in Manitoba. I just point that out to suggest to the members opposite that they not try and suggest something to the contrary.

That is not the point, Mr. Speaker, the point is not whether there is a considerable amount of investment at the present time. The question is whether we can have more investment, and via that investment, whether we can obtain direct revenue through a joint partnership, Mr. Speaker, and also indirect revenue via the royalties that we, as a producing province, will accrue from that exploration and that production.

That is why, Mr. Speaker, that the way the Manitoba New Democratic Party has been suggesting for quite a while that we establish ManOil is exactly that reason, because via joint ventures, by providing something of a marriage, if you like, Mr. Speaker, of different skills and abilities with ourselves in the public sector and junior oil companies in the private sector, we can increase exploration and we can increase production. We will gain two benefits.

First of all, it being a joint venture, it will involve equity participation by the government; it will involve a return on that investment. Secondly, Mr. Speaker, it will involve an indirect return via the royalties that we will accrue as a province because of this exploration. Members opposite may laugh, Mr. Speaker, at the concept of the joint venture. They may laugh, perhaps once again for their ideological reasons, Mr. Speaker. So they cannot see how government and business can sit down and work together, how government and business can sit down and co-operate.

But I would point out to them that there are many examples of other countries, other jurisdictions, where that has indeed been the case, Mr. Speaker. The Member for Turtle Mountain now says what about SaskOil? Well, what about Ontario and Suncor? What about B.C. and Alberta, which also have participation in the oil industry? What about those provinces, Mr. Speaker? Are they participating for ideological reasons? Well, I would find that somewhat difficult to support as an argument, Mr. Speaker, because the Government of Ontario is Conservative; the Government of Saskatchewan now is Conservative and they certainly haven't got rid of SaskOil; Alberta is Conservative; and B.C. for the next three weeks will be Social Credit; after that it may indeed be accused of doing things for ideological reasons because it most certainly will return a New Democratic Government in the next election.

As I said, Mr. Speaker, the concept of public involvement in the oil industry via joint ventures, via direct participation is nothing new, whether it be in other countries or whether it be here in Canada. Why is it nothing new, Mr. Speaker? Well, it simply makes sense. If you look, today, Mr. Speaker, at some of the countries with the best economic performances in the world, you will find there is a consistent theme there. Look at Sweden, look at West Germany, look at Austria. Those countries have moved steadily toward the top rankings of countries in the world, Mr. Speaker; while we under the present Liberal and Conservative - the regimes of the last 15 years - have slipped to 16th place, I believe. So for them to suggest that public involvement in the economy, that joint ventures do not

work, is simply flying in the face of facts; because in those countries where that has been a basic part of the policy of the government of those countries over the last decade, those countries have moved consistently towards the top rankings of countries in the world, Mr. Speaker. So joint ventures do work.

MR. SPEAKER, Hon. J. Walding: Order please.

The Honourable Member for Turtle Mountain on a point of order.

MR. B. RANSOM: I wonder if the honourable member would permit a question at this point.

MR. S. ASHTON: I'd be glad to answer a question at the end of my remarks, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Thompson.

MR. S. ASHTON: Thank you, Mr. Speaker. So, as I said, Mr. Speaker, the joint ventures make sense. I think perhaps the key element of this debate - the bottom line if you like - the entire argument of the opposition on this particular question of joint ventures and public ownership is the response of the private sector to the introduction of this bill, the response to the general concept of having ManOil involved in exploration of the oil industry in southwest Manitoba.

Their response, Mr. Speaker, has been twofold. Some have indicated basically no opposition. They're basically neutral on the question, Mr. Speaker. I suspect that is because they have no plans to become involved in joint ventures; they have no plans. They're already under way in terms of their own particular plans and they have no plans. So, while they perhaps may have their own personal views on that thing, it really is basically a neutral question; it's an irrelevant question. That's the one sort of response you'll receive.

The other response, Mr. Speaker, has been very encouraging. There are certain developers out there who are quite happy to see ManOil around, because it allows in cases where they're short on cash, for example, it allows them to use their abilities, their resources, and combined with the government's ability to provide the funding to go ahead and explore it, and that I think should - well, members opposite are laughing again, Mr. Speaker. They should talk to business people in the resource sector generally because I have found, for example, with the mining industry, with the forest industries, that more and more companies are talking about joint ventures. It is not the governments which are bringing these questions up, Mr. Speaker; it is the companies, because one of the significant problems that has faced resource companies in recent years has been a lack of cash. It's been a cash flow problem.

I know that only too well from the situation in Thompson, Mr. Speaker, where Inco was faced with a severe cash flow problem. In fact, many of the problems they faced in terms of the recent shutdown and the cutting back of production have been related specifically to the fact that they are short of cash. In that situation, Mr. Speaker, the perfect solution, as far as I'm concerned, is in terms of joint ventures; is in terms of us being able to help them with their cash flow problems

with an equity investment in the particular project, and that, I think in various projects can provide a very great benefit to the people of Manitoba. So it's not just oil companies, Mr. Speaker. It's resource industries in general.

Members opposite continue to laugh at this particular suggestion, but I know of a number of cases where there's been specific problems because of cash flow, where perhaps a joint venture could help. I would mention the case of the open pit in Thompson, Mr. Speaker, which was cancelled for that very reason; the lack of cash. Perhaps that's an area we can look at joint ventures; perhaps there are other areas too. I would suggest though that members opposite talk to people in the business community because they are very interested in this particular concept at the present time.

So, Mr. Speaker, as I've said, there is no objection from the industry to this particular bill. In fact, certain sectors of the industry have welcomed it. As I said, Mr. Speaker, I feel that members opposite are ignoring this because it doesn't fit in with their ideological black and white blinkers that they have at the present time; that if it's public sector, it's bad; and if it's private sector and private sector only, it's good. It doesn't fit in with that ideological argument, Mr. Speaker. As I said - I'm referring to the Member for Lakeside - perhaps they're saying that out of fear for that Neanderthal right-wing lobby that is rearing its ugly head in the Conservative Party at the present time. I would say they should have fear, because those right-wing members of the Conservative Party nationally, Mr. Speaker, have shown a certain amount of vindictiveness towards members of their party who dare to be somewhat progressive, who dare to come out and say things like there is a place for public enterprise. They, Mr. Speaker, don't like that. That isn't ideological; that isn't right wing; the Republicans in the United States don't say things like that, so we don't agree with that. That's what they're saying, Mr. Speaker.

That, I think, is why we're seeing the particular kind of debate on this issue. There are members opposite who are progressive, but they, Mr. Speaker, have replaced the right-wing ideologues in the closet. They've gone into the closet, Mr. Speaker, because they're afraid of their own party members who are so vindictive on these matters. So perhaps instead of saying, Mr. Speaker, that the right-wing ideologues should come out of the closet, perhaps now we on the NDP should ask the progressive members to stand up, to come out of the closet, to let the people of Manitoba and Canada know that, yes, there are some people who aren't living in the 19th century, who aren't a bunch of political Neanderthals, and who do believe that there is a role for public enterprise in society. Perhaps they can do it on this bill, Mr. Speaker, by voting solely in favour with the members of the New Democratic Party and the vast majority of the people of Manitoba who support the establishment of ManOil and support this bill.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. B. RANSOM: Mr. Speaker, my question to the Member for Thompson would be, based upon the statement and the promises made by the First Minister, both at Kirkella, when he announced his plans for ManOil in 1981 and subsequently on other material, whereby a promise to people that there would be profits flowing to the people of Manitoba to be churned back into resource development and into provision of services, when can the people of Manitoba expect to see profits from ManOil churned back into the provision of services in the province?

MR. S. ASHTON: Mr. Speaker, the comments that members opposite made in debate would somehow suggested that at some particular point in time that somehow ManOil should be making profits already. Obviously it can't until the bill is passed. I would suggest we get the bill passed, Mr. Speaker. I do say to the member opposite, once it is passed it will take some time - I mean the capitalization period is four years - before the full effect of ManOil is met. But I do say, Mr. Speaker, that eventually there will be profits flowing back from ManOil that will indeed help with social services in Manitoba.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. R. DOERN: Would the honourable member agree that because of the attitude taken by the members opposite, that they are holding up the profits of the corporation?

MR. S. ASHTON: Mr. Speaker, I wouldn't necessarily say they are holding up profits. I will say though, Mr. Speaker, they're holding up progress.

MR. SPEAKER: Are there any other questions for clarification of the honourable member?

The Honourable Member for Tuxedo.

MR. G. FILMON: Mr. Speaker, I move, seconded by the Honourable Member for La Verendrye, that debate be adjourned on this bill.

MOTION presented and carried.

MR. SPEAKER: The Minister of Natural Resources.

HON. A. MACKLING: Mr. Speaker, by agreement there will be no Private Members' Hour. I would therefore move that this House do now adjourn.

MR. SPEAKER: It is moved by the Honourable Minister of Natural Resources, seconded by the Honourable Member for Turtle Mountain, that the House do now adjourn. Is that agreed? (Agreed) Agreed and so ordered.

The House is accordingly adjourned and will stand adjourned until 2 p.m. on Monday.